

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2020, Legislative Day No. 24

Bill No. 55-20

Introduced by Ms. Pickard, Chair
(by request of the County Executive)

By the County Council, July 6, 2020

Introduced and first read on July 6, 2020
Public Hearing set for and held on September 8, 2020
Public Hearing on AMENDED bill set for and held on September 21, 2020
Bill Expires October 9, 2020

By Order: JoAnne Gray, Administrative Officer

A BILL ENTITLED

1 AN ORDINANCE concerning: Pensions – Deferred Retirement Option Program – Term
2 of Participation Period – Limitations on Interest

3
4 FOR the purpose of adding a certain classification to and removing certain classifications
5 from the requirement of approval for the sixth year of DROP participation; establishing
6 the rate of interest for the sixth year of the DROP for Fire Battalion Chiefs; allowing
7 Battalion Chiefs to earn interest on their accounts during the sixth year of a DROP
8 participation period; providing for the retroactive effect of this ordinance; and generally
9 relating to pensions.

10
11 BY repealing and reenacting, with amendments: §§ 5-1-506(b); and ~~5-1-508(d)~~ 5-1-508
12 (c)(2) and (d)
13 Anne Arundel County Code (2005, as amended)

14
15 SECTION 1. *Be it enacted by the County Council of Anne Arundel County, Maryland,*
16 That Section(s) of the Anne Arundel County Code (2005, as amended) read as follows:

17
18 **ARTICLE 5. PENSIONS**

19
20 **TITLE 1. GENERAL PROVISIONS**

EXPLANATION: CAPITALS indicate new matter added to existing law.
[[Brackets]] indicate matter deleted from existing law.
Captions and taglines in **bold** in this bill are catchwords and are not law.
Underlining indicates amendments to bill.
~~Strikeover~~ indicates matter stricken from bill by amendment.

1 **5-1-506. Participation period; mandatory retirement upon expiration.**

2
3 (b) **Term of participation period.** The initial term of a DROP participation period is
4 three years. The DROP participation period may be extended by no more than three
5 additional one-year terms for all participants who qualify for participation in DROP under
6 § 5-1-503. A DROP participant shall file an election for each extension on the form
7 required by the Personnel Officer no fewer than 30 days before the end of the current term.
8 Failure of a DROP participant to file a timely election for an extension results in the
9 expiration of the DROP participation period at the end of the current term. A participant
10 who is a member of the Detention Officers' and Deputy Sheriffs' Retirement Plan must
11 have the approval of the appointing authority to extend the DROP participation period
12 beyond the initial term and to continue employment with the County. [[Except for those in
13 the classification of Battalion Chief, a]] A participant of the Fire Service RETIREMENT Plan,
14 or of the Police Service Retirement Plan who is in the classification of [[Police Sergeant,
15 Police Lieutenant,]] Police Captain, Police Major, Police Deputy Chief, or Police Chief
16 must have the approval of the appointing authority to extend the DROP participation period
17 beyond the fifth year.

18
19 **5-1-508. DROP account.**

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21 (c) **Account balance.** The account balance credited to a DROP participant includes:

22
23 (2) [[except for those in the classification of Battalion Chief,]] for members of the
24 Fire Service Retirement Plan, entering the sixth year of the DROP after July 1, 2018, the
25 Police Service Retirement Plan and the Detention Officers' and Deputy Sheriffs'
26 Retirement Plan, interest on amounts earned in years one through six of a member's DROP
27 participation compounded on the account balance as of the first day of each month, at an
28 interest rate of .34745%, which provides an effective annual yield of 4.25%.

29
30 (d) **Limitations on interest.** No interest will be earned or credited after the expiration
31 of any DROP participation period. [[For members of the Fire Service Retirement Plan who
32 are in the classification of Battalion Chief, no interest will be earned or credited during the
33 sixth year of a DROP participation period.]]

34
35 SECTION 2. *And be it further enacted,* That the provisions of this ordinance shall be
36 retroactive to July 1, 2020.

37
38 SECTION 3. *And be it further enacted,* That this Ordinance shall take effect 45 days
39 from the date it becomes law.

AMENDMENT ADOPTED: September 8, 2020

READ AND PASSED this 21st day of September, 2020

By Order:



JoAnne Gray
Administrative Officer

PRESENTED to the County Executive for his approval this 22nd day of September, 2020



JoAnne Gray
Administrative Officer

APPROVED AND ENACTED this 25th day of September, 2020



Steuart Pittman
County Executive

EFFECTIVE DATE: November 9, 2020

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF
BILL NO. 55-20. THE ORIGINAL OF WHICH IS RETAINED IN THE
FILES OF THE COUNTY COUNCIL.



JoAnne Gray
Administrative Officer