

**COUNTY COUNCIL OF CECIL COUNTY, MARYLAND  
LEGISLATIVE SESSION DAY 2024-16**

**BILL NO. 2024-20**

**Title of Bill:** Public Safety Pension Plan – Amendment 9 – Domestic Relations Order and Disability Determination

**Synopsis:** A Bill to approve the 9<sup>th</sup> amendment to the Cecil County Pension Plan for Public Service Employees to provide for changes to the average annual compensation, domestic relations order and retirement at disability retirement date.

**Introduced by:** Council President at the request of the County Executive

**Introduced, read first time and ordered posted on:** September 3, 2024

**Public hearing scheduled for:** October 1, 2024 at: 7:00 p.m.

**Consideration scheduled on:** October 15, 2024

By: \_\_\_\_\_  
Council Manager

**Public Hearing**

Notice of time and place of public hearing and title of Bill have been posted by September 3, 2024 at the County Administration Building, 200 Chesapeake Blvd., Elkton and having been published according to the Charter on September 18, 2024 and September 25, 2024, a public hearing was held on October 1, 2024, and concluded on October 1, 2024.

By: \_\_\_\_\_  
Council Manager

**Explanation:** CAPITAL LETTERS INDICATE LANGUAGE ADDED TO EXISTING DOCUMENT  
~~Strike through~~ indicates language deleted from existing document  
Underlining indicates language added to document by amendment.  
~~Double Strike through~~ indicates language stricken from document by amendment.

## Public Safety Pension Plan - Domestic Relations Order and Disability Determination

1           **WHEREAS**, the County has established a defined benefit pension plan for its full-time public safety  
2 employees who are paid in accordance with the County's Public Safety Pay Plan known as "The Cecil County  
3 Pension Plan for Public Safety Employees" (the "Plan") effective July 1, 2002, as amended; and

4           **WHEREAS**, the County desires to update the plan to clarify the definitions for Average Annual  
5 Compensation and Domestic Relations Order; and

6           **WHEREAS**, the County also wishes to amend Section 3.1(i) and (j) of the Plan to provide for certain  
7 procedures to be followed in connection with the creditable service; and

8           **WHEREAS**, the County also wishes to amend Section 3.4(b) of the Plan to provide for the retirement  
9 at Disability Retirement Date; and

10           **WHEREAS**, the County also wishes to amend Section 10.3(b) of the Plan to provide for the  
11 Treatment of Domestic Relations Orders; and

12           **WHEREAS**, in accordance with Section 11.1(a) of the Plan, the County wishes to approve such  
13 amendments to the Plan, as more particularly described herein.

14           **NOW THEREFORE, BE IT HEREBY ENACTED BY THE COUNTY COUNCIL OF CECIL COUNTY,**  
15 **MARYLAND**, as follows:

16           Section 1. The 9th Amendment to the Plan attached to this Act as Exhibit A is hereby approved.

17           Section 2. The provisions of this Act are severable, and if any provision, sentence, clause, section, or  
18 part hereof is held to be illegal, invalid, or unconstitutional or inapplicable to any person or circumstances,  
19 such illegality, invalidity or unconstitutionality, or inapplicability shall not affect or impair any of the  
20 remaining provisions, sentences, clauses, sections, or parts of this Act or their application to other persons  
21 or circumstances. It is hereby declared to be the legislative intent that this Act would have been passed if  
22 such illegal, invalid, or unconstitutional provision, sentence, clause, section or part had not been included  
23 herein, and if the person or circumstances to which this Act or any part hereof are inapplicable had been  
24 specifically exempted therefrom.

25           **AND BE IT FURTHER ENACTED** that this Act shall take effect 60 calendar days from the date that it  
26 becomes law.

**CERTIFICATION**

I, HEREBY CERTIFY that the above Bill was posted for the public on the public bulletin board with the date, time and location of the public hearing meeting, copies were made available for the public, a copy was distributed to the press, and copy was made available on the Cecil County website.

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BY: Council Manager



**CECIL COUNTY, MARYLAND  
DEPARTMENT OF FINANCE**

**FISCAL IMPACT NOTE**

**SUMMARY OF LEGISLATION**

**SPONSOR:** Council President at the request of the County Executive

**BILL NO. 2024-20 – Public Safety Pension Plan – Amendment 9 – Domestic Relations Order and Disability Determination**

**SYNOPSIS:** A Bill to approve the 9<sup>th</sup> amendment to the Cecil County Pension Plan for Public Service Employees to provide for changes to the average annual compensation, domestic relations order and retirement at disability retirement date.

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**FISCAL IMPACT SUMMARY:** The approval of this bill will have no impact on the fund balance.

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**FISCAL ANALYSIS:**

No Fiscal Impact

**NINTH AMENDMENT TO THE  
CECIL COUNTY PENSION PLAN FOR PUBLIC SAFETY EMPLOYEES**

This NINTH AMENDMENT to The Cecil County Pension Plan for Public Safety Employees is made by Cecil County, Maryland (the "County"). The County maintains The Cecil County Pension Plan for Public Safety Employees, effective as of July 1, 2002, as amended and restated effective December 31, 2015, and as amended from time to time (the "Plan").

WHEREAS, the County, pursuant to the authority granted under Section 11.1 of the Plan, wishes to amend certain Plan provisions as more particularly set forth herein. All Plan amendments shall be effective on the date on which the County Council bill approving this Ninth Amendment becomes effective, unless otherwise set forth herein.

NOW, THEREFORE, the Plan is amended as follows, effective as set forth herein:

1. The definitions of Average Annual Compensation and Domestic Relations Order set forth in Article 1 of the Plan are hereby amended as follows:

Average Annual Compensation means an amount computed by dividing by three the Compensation of a Covered Employee during whatever period of thirty-six consecutive months of ~~Creditable Service~~ service as a Covered Employee will provide the largest total Compensation for any such period. If a Covered Employee's Compensation is increased during any month, the increased amount shall apply to the entire month for purposes of determining Average Annual Compensation.

\* \* \* \*

Domestic Relations Order means a ~~court order~~ written order, judgment, decree or other official action by a court or a court-approved property settlement incident thereto which complies with Section 10.3.

2. Sections 3.1(i) and (j) of the Plan are hereby amended as follows:

3.1 Creditable Service.

\* \* \* \*

(i) A Participant who has attained ten (10) years of Creditable Service may obtain credit for prior periods of Service in the Armed Forces of the United States for which the Participant is not otherwise credited under the Plan, up to a maximum of five (5) years, by making application for such credit in the form required by the Board of Trustees ~~within one (1) year following the attainment of ten (10) years of Creditable Service.~~ Notwithstanding the foregoing, each person who is a Covered Employee on June 1, 2006 may obtain credit for prior periods of Service in the Armed Forces of the United States in accordance with this paragraph by making application for such credit in the form required by the Board of Trustees on or before June 30, 2006.

\* \* \* \*

(j) At retirement, a Participant is entitled to receive credit of one (1) month of Creditable Service for each twenty-two (22) days of Sick Leave. Creditable Service granted pursuant to this paragraph may not be used to determine Eligibility Service or to compute Average Annual Compensation, nor may it be used to increase a Participant's Creditable Service above twenty-five (25) years but may increase a Participant's Creditable Service above twenty-five (25) years. In such a case, the limitations on Creditable Service and maximum Normal Retirement Benefit set forth in Section 3.2 shall not apply.

3. Section 3.4(b) of the Plan is hereby amended as follows.

3.4 Retirement at Disability Retirement Date.

\* \* \* \*

(b) Determination of Disability.

\* \* \* \*

The Medical Advisory Board shall be composed of (i) three (3) physicians or (ii) an independent third party service provider, in each case appointed by the Board of Trustees. The Medical Advisory Board may consult with specialists from time to time as it deems necessary. The Medical Advisory Board shall conduct such inquiry as it deems necessary and proper under the circumstances, including a medical examination of the Participant by one or more members of the Medical Advisory Board, or by a physician or physicians selected for that purpose by the Medical Advisory Board, as the Medical Advisory Board deems necessary in order to give the Disability Review Board a written opinion with regard to the nature, cause, degree of permanence and effect of the alleged impairment. The Disability Review Board shall review all information provided in the application and the written opinion provided by the Medical Advisory Board and make a determination as to whether the applicant is disabled. The determination of the Disability Review Board shall be communicated to the Participant.

\* \* \* \*

4. Section 5.5(c) of the Plan is hereby amended as follows:

5.5 Optional Forms of Benefit Payment.

\* \* \* \*

(c) Revocation of Election by Occurrence of Certain Events. If a Contingent Annuitant dies, or is divorced or legally separated from any Participant, prior to the commencement date of the Participant's retirement benefits under the Plan, the

election and the designation shall be void, irrespective of when made unless otherwise ordered by Domestic Relations Order. In After commencement of benefit payments to a Participant, in the event the Contingent Annuitant predeceases the Participant, or the Contingent Annuitant has, as of the date of acceptance by the Plan been granted a valid and final decree of divorce from the Participant, unless otherwise provided by a Domestic Relations Order, (i) the Participant may designate a new Contingent Annuitant and the monthly benefit payable to the Participant shall be adjusted accordingly, or (ii) the monthly benefit payable to the Participant shall be increased to the level it would have been had this reduced retirement benefit form never been elected, with no additional cost to the Participant. The Any adjustment or increase shall be effective for the month following the Contingent Annuitant's date of death or date of the Plan's acceptance of a valid and final decree of divorce, but shall not affect previously paid benefits. If both the Participant and the Contingent Annuitant die prior to completion of payment under an option providing for a guaranteed number of payments, the commuted value of the balance of the payments shall be paid in a lump sum to the Beneficiaries and in the proportions designated in writing by the Participant or ordered by Domestic Relations Order, or, in the absence of such designation or Order of if the designated Beneficiary or ordered person is not then living, to the estate of the last to die of the Participant and his Contingent Annuitant.

5. Section 10.3(b) of the Plan is hereby amended as follows:

10.3 Treatment of Domestic Relations Orders.

\* \* \* \*

- (b) The Plan will comply with a Domestic Relations Order, provided it meets the following conditions:
- (i) The Domestic Relations Order must be ~~a judgment, decree, or order~~ made pursuant to a state domestic relations law;
  - (ii) The Domestic Relations Order must relate to the payment of a marital property award to a spouse or former spouse of a Participant (an "Alternate Payee");
  - (iii) The Domestic Relations Order, as described in paragraphs (1) and (2) above, must create or recognize an Alternate Payee as an owner or a co-owner of an interest of a Participant under the Plan, must specifically identify each interest that is subject to such order and must specifically order the direct transfer of each such interest to such Alternate Payee.
  - (iv) No Domestic Relations Order shall require the Plan (A) to provide any type or form of benefit not otherwise provided by the Plan; nor (B) to provide any increased benefits; nor (C) to pay benefits to an Alternate Payee which are

required to be paid to another Alternate Payee under another previously applicable Domestic Relations Order.

(v) The Plan shall establish procedures to determine whether a Domestic Relations Order is qualified and to administer distributions under such Domestic Relations Order.

(vi) Any benefits payable or interest transferred under this Section pursuant to a Domestic Relations Order shall be computed before determining the benefit payable under any other Section of the Plan, and shall reduce the amount payable under the Plan.

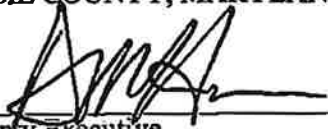
6. In all other respects, the Plan is hereby ratified and confirmed.

IN WITNESS WHEREOF, as evidence of the adoption of this Ninth Amendment, the County has caused the same to be executed by its duly authorized officers and its seal to be affixed hereto this 12th day of May, ~~2021~~. 2022

ATTEST:

CECIL COUNTY, MARYLAND

  
\_\_\_\_\_  
Director of Administration

  
\_\_\_\_\_  
County Executive

[SEAL]

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Key:

Double Underlining indicates language added to the Plan  
~~Strikethrough~~ indicates language deleted from the Plan

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