

**ADMINISTRATIVE COMMITTEE MINUTES  
BOARD OF TRUSTEES  
MARYLAND STATE RETIREMENT AND PENSION SYSTEM**

April 5, 2022

The Administrative Committee meeting convened, via video/audio conference call, beginning at 9:31 a.m.

The Committee Members present included:

Kenneth Haines, Chairman, Presiding	Jamaal Craddock
Richard Norman, Vice Chairman	Jonathan Martin
Linda Allen	Marc Nicole
Thomas Brandt	

Agency Staff members attending included: Martin Noven, Executive Director/Board Secretary

Greg Busch	Michael Golden	Andrew Palmer
Robert Diehl	Angie Jenkins	Ken Reott
Patricia Fitzhugh	Megan Myers	David Rongione
Anne Gawthrop	Van Lewis	Scott Bolander (live stream)

Assistant Attorneys General present included: Rachel Cohen, Alex Harisiadis, Emily Spiering and Kathleen Wherthey

Other attendees included: Laura Atas (Treasurer's Office)

Call Meeting to Order/Adoption of Agenda      Mr. Haines, Chairman of the Administrative Committee, having established that there was a quorum present, called the meeting to order. He asked the Committee if there were any changes to the agenda. Having heard no requests for changes by the Committee, on a motion made by Mr. Nicole and seconded by Mr. Brandt, the agenda was adopted, as presented.

Minutes      On a motion made by Mr. Nicole and seconded by Mr. Brandt, the Administrative Committee approved the March 1, 2022 open session meeting minutes.

2022 Legislation      The Committee was provided with a 2022 legislation update. Ms. Gawthrop reported that House Bill 1091, State Retirement and Pension System – Investment Division – Compensation, House Bill 740/Senate Bill 566 – State Retirement and Pension System – Investment Climate Risk – Fiduciary Duties, and House Bill 1182/Senate Bill 1005 – State Retirement and Pensions System – Divestment from Russia had all passed.

Ms. Gawthrop also reported that House Bill 744 has been amended to provide immediate vesting to members who were appointed by the Governor to be the head of a State agency for a fixed period of time. Additionally, she reported that House Bill 763 had also been amended to provide that more EPS members who were being moved from the EPS to the CORS under this bill would automatically have their EPS service transferred to the CORS if certain criteria were met and the transfer was to the benefit of the member.

Ms. Gawthrop also reported on the following bills:

- House Bill 1182/Senate Bill 1005 – State Retirement and Pensions System – Divestment from Russia

Ms. Gawthrop reported that this emergency bill requires the Board to (1) review its investment holdings in actively managed accounts under the control of the System

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to determine the extent to which those funds are invested in Russian businesses and (2) take divestment action with respect to investments in Russian businesses, subject to the Board's fiduciary duties.

Ms. Gawthrop reported that staff took no position on this bill but worked closely with the legislature to ensure the interests of the System were protected in the legislation.

- House Bill 1346/Senate Bill 821 – State Government – Cybersecurity – Coordination and Governance

Ms. Gawthrop reported that this bill significantly expands and enhances the State's regulatory framework related to cybersecurity for State and local governments. In part, this legislation:

- requires DoIT to develop and require basic security requirements that include specified criteria to be included in State contracts.
- expands DoIT's responsibilities to include (1) centralizing the management and direction of IT policy within the Executive Branch under the control of DoIT; (2) ensuring the statewide IT master plan allows a State agency to maintain its own IT unit, as specified; (3) on request by a unit, acquiring telecommunication systems and services on behalf of that unit, as specified; and (4) developing a statewide cybersecurity master plan to centralize cybersecurity management and direction within DoIT, as specified; and
- generally, requires State agencies to adhere to the requirements of the cybersecurity master plan.

Ms. Gawthrop reported that staff has reached out to the sponsors of the legislation and the Education, Health and Environmental Affairs Committee members to express our concern that this legislation may be problematic for the System if it provides any other agency with discretionary authority over the management of the System. Staff has explained to the Committee that only fiduciaries to the System may have such authority. Staff also pointed out that as a quasi-independent State agency, SRA was not included in any discussions over the interim and throughout the session regarding the provisions of HB1346/SB821, and as a result, cannot confirm that in its current posture, this legislation would not create problems for the System.

Mr. Noven further reported that staff is currently working with the Department of Information Technology regarding this bill.

Mr. Brandt, regarding the Divestment from Russia legislation, expressed his concerns with the legislation asked how narrow the requirement for divesting in Russia is.

Ms. Gawthrop responded that the requirement is very narrow and only requires the entity be in Russia.

Member  
Services Update

Mr. Reott provided a Member Services update, reporting that while the unit continues to fall short of their performance goal, the performance rates were favorable over last year's number with an abandonment rate of 13.06% and average call wait time of 254 seconds. He indicated that the unit received 84,615 calls year-

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to-date, which is a decrease of about 7% from last year's numbers. However, there has been a 9% increase in the amount of correspondence that the unit has received year-to-date.

Mr. Reott reported that staff initiated a strategy to help improve the performance numbers, which included reducing the number of calls, increasing staff and improving staff performance. Mr. Reott provided an update on that strategy measure reporting that the numbers show that more members are using the *mySRPS* portal to self-handle requests, staff has been reviewing agency forms to improve them for member use and staff continues to roll-out *mySRPS* registration letters to the vested members.

Mr. Reott reported that the Agency's request for additional positions for the member services unit was denied. However, he moved four positions from other units, within the Agency, to the member services unit. In addition, the Agency has been able to hire someone to fill a manager position within that unit and two additional Supervisor positions will be filled by the end of April. Mr. Reott reported that four new retirement specialists are currently in training and will be able to transition over to the call center between mid-May and mid-June.

Mr. Brandt asked why the Agency's request for additional positions was denied.

Mr. Noven responded that the Department of Budget and Management expects the Agency to fill existing vacancies before it will approve the additional positions.

**CLOSED SESSION**

On a motion made by Mr. Norman and seconded by Mr. Brandt, the Administrative Committee voted to meet in a closed session, via video/audio conference call, beginning at 10:02 a.m., for the purposes of:

- a) reviewing the closed session Administrative Committee meeting minutes, pursuant to General Provisions Art., § 3-301(a)(1)(i), the exercise of an administrative function and General Provisions Art., § 3-305(b)(13), to comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosure about a particular proceeding or matter, namely, General Provisions Art., § 3-306(c)(3)(ii) regarding that minutes of a closed session be sealed and not be open for public inspection.

The Committee Members present included:

Kenneth Haines, Chairman, Presiding	Jamaal Craddock
Richard Norman, Vice Chairman	Jonathan Martin
Linda Allen	Marc Nicole
Thomas Brandt	

Agency Staff members attending included: Martin Noven, Executive Director/Board Secretary

Greg Busch	Michael Golden	Andrew Palmer
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Assistant Attorneys General present included: Rachel Cohen, Alex Harisiadis, Emily Spiering and Kathleen Wherthey

Other attendees included: Laura Atas (Treasurer's Office)

On a motion made by Mr. Norman and duly seconded, the Administrative Committee returned to open session, via video/audio conference call, beginning at 10:03 a.m.

**OPEN SESSION**

The Committee Members present included:

Kenneth Haines, Chairman, Presiding	Jamaal Craddock
Richard Norman, Vice Chairman	Jonathan Martin
Linda Allen	Marc Nicole
Thomas Brandt	

Agency Staff members attending included: Martin Noven, Executive Director/Board Secretary

Greg Busch	Michael Golden	Andrew Palmer
Robert Diehl	Angie Jenkins	Ken Reott
Patricia Fitzhugh	Megan Myers	David Rongione
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Assistant Attorneys General present included: Rachel Cohen, Alex Harisiadis, Emily Spiering and Kathleen Wherthey

Other attendees included: Laura Atas (Treasurer's Office)

The Administrative Committee, during the closed session, acted upon the following items:

Minutes	The Committee reviewed and approved the March 1, 2022 closed session Administrative Committee meeting minutes.
Adjournment	There being no further business before the Committee, on a motion made by Mr. Norman and seconded by Mr. Nicole, the meeting adjourned at 10:04 a.m.

Respectfully submitted,



Martin Noven,  
Secretary to the Board