
By: Senator Della

Introduced and read first time: January 10, 1997

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Retirement and Pensions - Workers' Compensation Offset - Payments to Third Parties**

3 FOR the purpose of exempting from a certain offset from certain disability retirement
4 benefits of retirees of the State retirement and pension systems certain workers'
5 compensation benefits that are reimbursement for legal fees, medical expenses, or
6 other payments to third parties and not to the retiree.

7 BY repealing and reenacting, with amendments,
8 Article - State Personnel and Pensions
9 Section 29-118
10 Annotated Code of Maryland
11 (1994 Volume and 1996 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - State Personnel and Pensions**

15 29-118.

16 (a) This section applies to a retiree and any designated beneficiary.

17 (b) (1) The Board of Trustees shall reduce a disability retirement benefit by any
18 related workers' compensation benefits paid or payable after the effective date of
19 retirement if the workers' compensation benefits:

20 (i) are paid or payable while a pension is paid or payable; and

21 (ii) are for an accidental personal injury or occupational disease
22 arising out of and in the course of the retiree's employment by a participating employer.

23 (2) A retirement allowance may not be reduced:

24 (I) to be less than the sum of the retiree's annuity and the amount
25 authorized to be deducted for health insurance premiums; OR

26 (II) FOR WORKERS' COMPENSATION BENEFITS THAT ARE
27 REIMBURSEMENTS FOR LEGAL FEES, MEDICAL EXPENSES, OR OTHER PAYMENTS
28 MADE TO THIRD PARTIES AND NOT TO THE RETIREE.

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1 (c) The retirement allowance to be reduced under this section is the retirement
2 allowance at retirement without any cost-of-living adjustment and is retroactive.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 1997.