

SENATE BILL 202

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2002 Regular Session
2lr1056
CF 2lr1610

By: **The President (Governor's Salary Commission)**

Introduced and read first time: January 18, 2002

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: March 21, 2002

CHAPTER 137

1 AN ACT concerning

2 **Pensions - Service Retirement Benefits for Governors and Surviving**
3 **Spouses**

4 FOR the purpose of increasing the annual retirement allowance for Governors who
5 have served at least one full term of office; eliminating certain adjustments to
6 the retirement allowances of certain Governors and surviving spouses of certain
7 retired Governors; and generally relating to the service retirement benefits for
8 Governors.

9 BY repealing and reenacting, with amendments,
10 Article - State Personnel and Pensions
11 Section 22-405
12 Annotated Code of Maryland
13 (1997 Replacement Volume and 2001 Supplement)

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

16 **Article - State Personnel and Pensions**

17 22-405.

18 (a) [(1) This subsection applies to a former Governor who served at least one
19 full term of office as Governor before January 17, 1979.

20 (2) A former Governor described in paragraph (1) of this subsection may
21 retire immediately after completing one full term of office.

1 (3) A former Governor who retires under this subsection is entitled to
2 receive:

3 (i) an annual retirement allowance of \$12,500; and

4 (ii) a cost-of-living adjustment as provided by Title 29, Subtitle 4,
5 Part III of this article.

6 (4) The Board of Trustees shall suspend a retirement allowance received
7 under this section during any period in which the former Governor is employed by a
8 unit of State government.

9 (5) (i) On the death of a former Governor who has retired under this
10 subsection, the surviving spouse of the former Governor shall receive an allowance
11 that is equal to one-half of the former Governor's retirement allowance.

12 (ii) The surviving spouse of the former Governor shall receive a
13 cost-of-living adjustment as provided in Title 29, Subtitle 4, Part III of this article.

14 (b) (1) This subsection applies to an individual who has served as Governor
15 on or after January 17, 1979.

16 (2) Subject to paragraph (5) of this subsection, if a Governor described in
17 paragraph (1) of this subsection serves for at least:

18 (i)] SUBJECT TO SUBSECTION (D) OF THIS SECTION, IF A GOVERNOR
19 SERVES FOR AT LEAST:

20 (1) one full term, the Governor is entitled to receive a retirement
21 allowance equal to one-third of the annual salary received [during the Governor's
22 last term of] BY THE CURRENT GOVERNOR IN office; or

23 [(ii)] (2) two full terms, the Governor is entitled to receive a
24 retirement allowance equal to one-half of the annual salary received [during the
25 Governor's last term of] BY THE CURRENT GOVERNOR IN office.

26 [(3)] (B) The Board of Trustees shall suspend a retirement allowance
27 received under this section during any period when the former Governor is employed
28 by a unit of State government.

29 [(4)] (C) Except as provided in [paragraph (5) of this subsection]
30 SUBSECTION (D) OF THIS SECTION, a Governor may not receive a retirement
31 allowance under this subsection until the Governor is at least 55 years old.

32 [(5)] (D) [(i)] (1) A Governor who leaves office because of physical or
33 mental disability, under Article II, Section 6(c) of the Maryland Constitution, shall
34 immediately receive a disability retirement allowance equal to the amount the
35 Governor would have received had the Governor completed the current term and
36 become 55 years old.

1 [(ii)] (2) If the physical or mental disability ends before the former
2 Governor becomes 55 years old, the Board of Trustees shall stop the disability
3 retirement allowance, but the former Governor shall receive the normal retirement
4 allowance at age 55 if otherwise qualified.

5 [(6)] (E) On the death of a former Governor who has retired under this
6 subsection, the surviving spouse of the former Governor shall receive an allowance
7 that is equal to one-half of the former Governor's retirement allowance.

8 [(7)] (F) On the death of a Governor while in office, the deceased
9 Governor's surviving spouse shall receive one-half of the retirement allowance that
10 the deceased Governor would have been entitled to receive had the deceased Governor
11 completed the current term and become 55 years old.

12 [(8) Each fiscal year, the Board of Trustees shall adjust the retirement
13 allowance received by a former Governor or the surviving spouse of a former or
14 deceased Governor under this subsection as provided by Title 29, Subtitle 4, Part II of
15 this article.]

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
17 effect July 1, 2002.