
By: **Chairman, Budget and Taxation Committee (By Request -
Departmental - Transportation)**

Introduced and read first time: January 22, 2003

Rules suspended

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: March 12, 2003

CHAPTER 62

1 AN ACT concerning

2 **Personnel and Pensions - Maryland Transit Administration Retirees -**
3 **Health Benefits**

4 FOR the purpose of adding Maryland Transit Administration pension plan retirees to
5 the list of retirees who are eligible for certain health insurance benefits;
6 amending certain definitions; and generally relating to benefits for Maryland
7 Transit Administration retirees.

8 BY repealing and reenacting, with amendments,
9 Article - State Personnel and Pensions
10 Section 2-508
11 Annotated Code of Maryland
12 (1997 Replacement Volume and 2002 Supplement)

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

15 **Article - State Personnel and Pensions**

16 2-508.

17 (a) (1) In this section the following words have the meanings indicated.

18 (2) "Creditable service" means:

1 (i) service credited toward a retirement allowance under Division
2 II of this article;

3 (ii) service while a member of the Judges' Retirement System under
4 Title 27 of this article; or

5 (iii) service while an employee was employed by the Domestic
6 Relations Division of the Anne Arundel County Circuit Court, prior to transfer on or
7 before July 1, 2002 into the State Personnel Management System, in accordance with
8 § 2-510 of the Courts Article.

9 (3) (i) "Retiree" means:

10 1. a former State employee who receives a retirement
11 allowance under Division II of this article; [or]

12 2. a former employee of the Medical System Corporation, as
13 defined in § 13-301 or § 13-401 of the Education Article, who receives a retirement
14 allowance from the Employees' Retirement System of the State of Maryland or the
15 Employees' Pension System of the State of Maryland under Title 22 or Title 23 of this
16 article; OR

17 3. A FORMER EMPLOYEE OF THE MARYLAND TRANSIT
18 ADMINISTRATION WHO RECEIVES A MARYLAND TRANSIT ADMINISTRATION
19 RETIREMENT ALLOWANCE UNDER § 7-206 OF THE TRANSPORTATION ARTICLE.

20 (ii) "Retiree" does not include:

21 1. a member of the faculty or staff of a community college;

22 2. a teacher or a staff member employed by a county board of
23 education; or

24 3. an individual who retired under an optional program
25 under Title 30 of this article.

26 (4) "State service" means service with the State by:

27 (i) an employee while a member of the Employees' Retirement
28 System or the Employees' Pension System under Title 22 or Title 23 of this article;

29 (ii) a member of the Judges' Retirement System under Title 27 of
30 this article;

31 (iii) a teacher while a member of the Teachers' Retirement System
32 or Teachers' Pension System under Title 22 or Title 23 of this article;

33 (iv) a correctional officer, while a member of the Correctional
34 Officers' Retirement System under Title 25 of this article;

1 (v) an employee of the Medical System Corporation, as defined in §
2 13-301 or § 13-401 of the Education Article, while a member of the Employees'
3 Retirement System of the State of Maryland or the Employees' Pension System of the
4 State of Maryland under Title 22 or Title 23 of this article;

5 (vi) a State Police officer while a member of the State Police
6 Retirement System under Title 24 of this article; [or]

7 (vii) a law enforcement officer while a member of the Law
8 Enforcement Officers' Pension System under Title 26 of this article; OR

9 (VIII) AN EMPLOYEE WHILE A MEMBER OF THE MARYLAND TRANSIT
10 ADMINISTRATION PLAN UNDER § 7-206 OF THE TRANSPORTATION ARTICLE.

11 (b) (1) A retiree may enroll and participate in the health insurance benefit
12 options established under the Program if the retiree:

13 (i) ended State service with at least 10 years of creditable service
14 and within 5 years before the age at which a vested retirement allowance normally
15 would begin;

16 (ii) ended State service with at least 16 years of creditable service;

17 (iii) ended State service on or before June 30, 1984;

18 (iv) retired directly from State service with a State retirement
19 allowance on or after July 1, 1984, and had at least 5 years of creditable service; or

20 (v) retired directly from State service with a State disability
21 retirement allowance on or after July 1, 1984.

22 (2) (i) The surviving spouse or dependent child of a deceased retiree
23 who was eligible to enroll may enroll and participate in the health insurance benefit
24 options established under the Program as long as the spouse or child is receiving an
25 allowance under Division II of this article.

26 (ii) Subparagraph (i) of this paragraph does not apply to a deceased
27 retiree's spouse or dependent child who receives an Option 1, Option 4, or Option 7
28 benefit under Division II of this article.

29 (c) (1) If a retiree receives a State disability retirement allowance or has 16
30 or more years of creditable service, the retiree or the retiree's surviving spouse or
31 dependent child is entitled to the same State subsidy allowed a State employee.

32 (2) In all other cases, if a retiree has at least 5 years of creditable service,
33 the retiree or the retiree's surviving spouse or dependent child is entitled to 1/16 of
34 the State subsidy allowed a State employee for each year of the retiree's creditable
35 service up to 16 years.

1 (3) Notwithstanding paragraph (2) of this subsection and subsection
2 (a)(4)(i) of this section, if a retiree is an additional employee or agent of the State
3 Racing Commission, for the purposes of determining a retiree's State subsidy,
4 creditable service shall be determined with respect to service as an additional
5 employee or agent beginning from the initial date of employment or January 1, 1986,
6 whichever is later.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
8 effect October 1, 2003.