

SENATE BILL 476

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CF HB 495

By: **Senator Jones–Rodwell (Chair, Joint Committee on Pensions)**

Introduced and read first time: January 30, 2013

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Unused Sick Leave Calculation –**
3 **Clarification**

4 FOR the purpose of clarifying the calculation used by the Board of Trustees for the
5 State Retirement and Pension System to determine the amount of creditable
6 service a member of the State Retirement and Pension System is eligible to
7 receive for unused sick leave at retirement; and generally relating to the
8 clarification of the unused sick leave calculation used to determine additional
9 creditable service at retirement for members of the State Retirement and
10 Pension System.

11 BY repealing and reenacting, with amendments,
12 Article – State Personnel and Pensions
13 Section 20–206
14 Annotated Code of Maryland
15 (2009 Replacement Volume and 2012 Supplement)

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

18 **Article – State Personnel and Pensions**

19 20–206.

20 (a) In this section, “unused sick leave” means sick leave credit that has not
21 been used before retirement.

22 (b) This section does not apply to:

23 (1) the Judges’ Retirement System; or

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) the Legislative Pension Plan.

2 (c) A member is entitled to receive creditable service for unused sick leave if
3 the member retires on or before 30 days after the member is separated from
4 employment with a participating employer or a participating governmental unit that
5 has withdrawn from one of the several systems under Title 31 of this article.

6 (d) (1) At retirement, a member is entitled to receive creditable service for
7 unused sick leave, on verification of the unused sick leave to the Board of Trustees.

8 (2) (i) This subsection does not apply to the Local Fire and Police
9 System or the Law Enforcement Officers' Pension System.

10 (ii) A member who separates from employment for reasons other
11 than retirement on or before June 30, 1990, is entitled to receive creditable service for
12 unused sick leave that is reported by the member's employer at the member's
13 separation from employment if the member was entitled to a vested allowance at the
14 time of separation.

15 (e) (1) Subject to paragraph (3) of this subsection, for 22 days of unused
16 sick leave a member is entitled to receive 1 month of creditable service.

17 (2) If fractional days totaling 11 or more result from the application of
18 the formula described in paragraph (1) of this subsection, a member is entitled to
19 receive 1 additional month of creditable service.

20 (3) For the purposes of this section:

21 (i) a member may not accumulate more than 15 days of sick
22 leave per year;

23 (ii) unless sick leave credit is accepted and credited by the
24 current participating employer, a member may not receive credit for unused sick leave
25 granted by a former employer; and

26 (iii) [if a participating employer provides a member with more
27 than 15 days of sick leave per year, before crediting the member with additional sick
28 leave for a year, the Board of Trustees shall reduce the member's accumulated sick
29 leave by the lesser of:

30 1. the days of sick leave used by the member in that
31 year; or

32 2. the number of days of sick leave provided by the
33 participating employer for the year, less 15] **IN DETERMINING THE AMOUNT OF**
34 **UNUSED SICK LEAVE A MEMBER IS ELIGIBLE TO USE AS CREDITABLE SERVICE**
35 **AT RETIREMENT, THE BOARD OF TRUSTEES SHALL USE THE LESSER OF:**

1 **1. THE MEMBER'S NUMBER OF YEARS OF**
2 **CREDITABLE SERVICE, NOT INCLUDING CREDIT FOR UNUSED SICK LEAVE,**
3 **MULTIPLIED BY 15; OR**

4 **2. THE MEMBER'S CUMULATIVE NUMBER OF SICK**
5 **LEAVE DAYS REPORTED BY THE PARTICIPATING EMPLOYER.**

6 (f) Credit for unused sick leave may not be used under this section:

7 (1) to determine years of eligibility service required for a benefit under
8 this Division II; or

9 (2) to compute average final compensation.

10 (g) A State employee who came into the State system while retaining sick
11 leave and annual leave benefits under a county system and who came under the
12 provisions of Chapter 423 of the Acts of 1971 shall be entitled to the same full credit
13 toward retirement as provided by this section.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 July 1, 2013.