

Chapter 477

(Senate Bill 476)

AN ACT concerning

State Retirement and Pension System – Unused Sick Leave Calculation – Clarification

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

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

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

Article – State Personnel and Pensions

20–206.

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

(b) This section does not apply to:

- (1) the Judges’ Retirement System; or
- (2) the Legislative Pension Plan.

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the member is separated from employment with a participating employer or a participating governmental unit that has withdrawn from one of the several systems under Title 31 of this article.

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

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

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

(e) (1) Subject to ~~paragraph~~ **PARAGRAPHS (2) AND (3)** of this subsection, for 22 days of unused sick leave a member is entitled to receive 1 month of creditable service.

(2) **(I) ¶ IF A MEMBER HAS AT LEAST 11 DAYS BUT LESS THAN 22 DAYS OF UNUSED SICK LEAVE, THE MEMBER IS ENTITLED TO RECEIVE 1 MONTH OF CREDITABLE SERVICE.**

(II) IF A MEMBER HAS AT LEAST 22 DAYS OF UNUSED SICK LEAVE, AND IF fractional days totaling 11 or more result from the application of the formula described in paragraph (1) of this subsection, a member is entitled to receive 1 additional month of creditable service.

(3) For the purposes of this section:

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

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

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

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

2. the number of days of sick leave provided by the participating employer for the year, less 15] **IN DETERMINING THE AMOUNT OF**

UNUSED SICK LEAVE A MEMBER IS ELIGIBLE TO USE AS CREDITABLE SERVICE AT RETIREMENT, THE BOARD OF TRUSTEES SHALL USE THE LESSER OF:

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

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

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

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

(2) to compute average final compensation.

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

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

Approved by the Governor, May 16, 2013.