

SENATE BILL 939

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By: **Senator Shank**

Introduced and read first time: February 5, 2014

Assigned to: Rules

Re-referred to: Budget and Taxation, February 19, 2014

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 16, 2014

CHAPTER _____

1 AN ACT concerning

2 **State Retirement and Pension System – Service Credit for Leave of Absence –**
3 **Extension of Purchase Period**

4 FOR the purpose of authorizing the Executive Director of the State Retirement
5 Agency, under certain circumstances, to extend the period of time during which
6 certain members of the State Retirement and Pension System who are
7 separated from employment may purchase service credit for a certain leave of
8 absence; requiring a certain purchase of service credit to be made within a
9 certain time period; requiring the Board of Trustees for the State Retirement
10 and Pension System to adopt certain regulations; providing for the retroactive
11 application of this Act for certain individuals; and generally relating to the
12 period of time during which service credit may be purchased for a leave of
13 absence by certain members of the State Retirement and Pension System.

14 BY repealing and reenacting, with amendments,
15 Article – State Personnel and Pensions
16 Section 23–304.1, 24–304.1, 25–304.1, and 26–306.1
17 Annotated Code of Maryland
18 (2009 Replacement Volume and 2013 Supplement)

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

21 **Article – State Personnel and Pensions**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 23-304.1.

2 (a) Except as provided in subsection (b) of this section, a member may not
3 purchase service credit under this title if the member is separated from employment.

4 (b) (1) A member who is separated from employment may purchase
5 service credit under this title for a leave of absence approved by the Board of Trustees
6 under regulations that apply to all members, if the member purchases the service
7 credit within 60 days after the expiration of the leave of absence.

8 ~~(2) THE PERIOD OF TIME DURING WHICH A MEMBER MAY~~
9 ~~PURCHASE SERVICE CREDIT UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY~~
10 ~~BE EXTENDED BY THE EXECUTIVE DIRECTOR IF:~~

11 ~~(I) THE EXECUTIVE DIRECTOR DETERMINES THAT~~
12 ~~PROCEDURAL EXTENUATING CIRCUMSTANCES IMPACTED THE MEMBER'S~~
13 ~~ABILITY TO PURCHASE SERVICE CREDIT WITHIN 60 DAYS AFTER THE MEMBER'S~~
14 ~~LEAVE OF ABSENCE EXPIRED; AND~~

15 ~~(II) THE PURCHASED SERVICE CREDIT WOULD ALLOW THE~~
16 ~~MEMBER TO MEET THE ELIGIBILITY SERVICE REQUIREMENTS TO APPLY FOR AN~~
17 ~~ORDINARY DISABILITY RETIREMENT UNDER § 29-105(A) OF THIS ARTICLE.~~

18 (2) FOR GOOD CAUSE SHOWN, THE EXECUTIVE DIRECTOR, IN
19 THE EXECUTIVE DIRECTOR'S SOLE DISCRETION, MAY EXTEND THE TIME
20 PERIOD TO PURCHASE SERVICE CREDIT UNDER PARAGRAPH (1) OF THIS
21 SUBSECTION IF:

22 (I) THE PURCHASED SERVICE CREDIT WOULD ALLOW THE
23 MEMBER TO MEET THE ELIGIBILITY SERVICE REQUIREMENTS TO APPLY FOR AN
24 ORDINARY DISABILITY RETIREMENT UNDER § 29-105(A) OF THIS ARTICLE; AND

25 (II) THE MEMBER COMPLETES THE PURCHASE OF THE
26 SERVICE CREDIT BEFORE THE EARLIER OF:

27 1. 4 YEARS AFTER THE EXPIRATION OF THE LEAVE
28 OF ABSENCE; OR

29 2. THE DATE MEMBERSHIP ENDS.

30 (3) THE BOARD OF TRUSTEES SHALL ADOPT REGULATIONS TO
31 CARRY OUT THIS SUBSECTION.

32 24-304.1.

1 (a) Except as provided in subsection (b) of this section, a member may not
2 purchase service credit under this title if the member is separated from employment.

3 (b) (1) A member who is separated from employment may purchase
4 service credit under this title for a leave of absence approved by the Board of Trustees
5 under regulations that apply to all members, if the member purchases the service
6 credit within 60 days after the expiration of the leave of absence.

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10 ~~(I) THE EXECUTIVE DIRECTOR DETERMINES THAT~~
11 ~~PROCEDURAL EXTENUATING CIRCUMSTANCES IMPACTED THE MEMBER'S~~
12 ~~ABILITY TO PURCHASE SERVICE CREDIT WITHIN 60 DAYS AFTER THE MEMBER'S~~
13 ~~LEAVE OF ABSENCE EXPIRED; AND~~

14 ~~(II) THE PURCHASED SERVICE CREDIT WOULD ALLOW THE~~
15 ~~MEMBER TO MEET THE ELIGIBILITY SERVICE REQUIREMENTS TO APPLY FOR AN~~
16 ~~ORDINARY DISABILITY RETIREMENT UNDER § 29-105(A) OF THIS ARTICLE.~~

17 (2) FOR GOOD CAUSE SHOWN, THE EXECUTIVE DIRECTOR, IN
18 THE EXECUTIVE DIRECTOR'S SOLE DISCRETION, MAY EXTEND THE TIME
19 PERIOD TO PURCHASE SERVICE CREDIT UNDER PARAGRAPH (1) OF THIS
20 SUBSECTION IF:

21 (I) THE PURCHASED SERVICE CREDIT WOULD ALLOW THE
22 MEMBER TO MEET THE ELIGIBILITY SERVICE REQUIREMENTS TO APPLY FOR AN
23 ORDINARY DISABILITY RETIREMENT UNDER § 29-105(A) OF THIS ARTICLE; AND

24 (II) THE MEMBER COMPLETES THE PURCHASE OF THE
25 SERVICE CREDIT BEFORE THE EARLIER OF:

26 1. 4 YEARS AFTER THE EXPIRATION OF THE LEAVE
27 OF ABSENCE; OR

28 2. THE DATE MEMBERSHIP ENDS.

29 (3) THE BOARD OF TRUSTEES SHALL ADOPT REGULATIONS TO
30 CARRY OUT THIS SUBSECTION.

31 25-304.1.

1 (a) Except as provided in subsection (b) of this section, a member may not
2 purchase service credit under this title if the member is separated from employment.

3 (b) (1) A member who is separated from employment may purchase
4 service credit under this title for a leave of absence approved by the Board of Trustees
5 under regulations that apply to all members, if the member purchases the service
6 credit within 60 days after the expiration of the leave of absence.

7 ~~(2) THE PERIOD OF TIME DURING WHICH A MEMBER MAY~~
8 ~~PURCHASE SERVICE CREDIT UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY~~
9 ~~BE EXTENDED BY THE EXECUTIVE DIRECTOR IF:~~

10 ~~(I) THE EXECUTIVE DIRECTOR DETERMINES THAT~~
11 ~~PROCEDURAL EXTENUATING CIRCUMSTANCES IMPACTED THE MEMBER'S~~
12 ~~ABILITY TO PURCHASE SERVICE CREDIT WITHIN 60 DAYS AFTER THE MEMBER'S~~
13 ~~LEAVE OF ABSENCE EXPIRED; AND~~

14 ~~(II) THE PURCHASED SERVICE CREDIT WOULD ALLOW THE~~
15 ~~MEMBER TO MEET THE ELIGIBILITY SERVICE REQUIREMENTS TO APPLY FOR AN~~
16 ~~ORDINARY DISABILITY RETIREMENT UNDER § 29-105(A) OF THIS ARTICLE.~~

17 (2) FOR GOOD CAUSE SHOWN, THE EXECUTIVE DIRECTOR, IN
18 THE EXECUTIVE DIRECTOR'S SOLE DISCRETION, MAY EXTEND THE TIME
19 PERIOD TO PURCHASE SERVICE CREDIT UNDER PARAGRAPH (1) OF THIS
20 SUBSECTION IF:

21 (I) THE PURCHASED SERVICE CREDIT WOULD ALLOW THE
22 MEMBER TO MEET THE ELIGIBILITY SERVICE REQUIREMENTS TO APPLY FOR AN
23 ORDINARY DISABILITY RETIREMENT UNDER § 29-105(A) OF THIS ARTICLE; AND

24 (II) THE MEMBER COMPLETES THE PURCHASE OF THE
25 SERVICE CREDIT BEFORE THE EARLIER OF:

26 1. 4 YEARS AFTER THE EXPIRATION OF THE LEAVE
27 OF ABSENCE; OR

28 2. THE DATE MEMBERSHIP ENDS.

29 (3) THE BOARD OF TRUSTEES SHALL ADOPT REGULATIONS TO
30 CARRY OUT THIS SUBSECTION.

31 26-306.1.

32 (a) Except as provided in subsection (b) of this section, a member may not
33 purchase service credit under this title if the member is separated from employment.

1 (b) (1) A member who is separated from employment may purchase
 2 service credit under this title for a leave of absence approved by the Board of Trustees
 3 under regulations that apply to all members, if the member purchases the service
 4 credit within 60 days after the expiration of the leave of absence.

5 ~~(2) THE PERIOD OF TIME DURING WHICH A MEMBER MAY~~
 6 ~~PURCHASE SERVICE CREDIT UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY~~
 7 ~~BE EXTENDED BY THE EXECUTIVE DIRECTOR IF:~~

8 ~~(i) THE EXECUTIVE DIRECTOR DETERMINES THAT~~
 9 ~~PROCEDURAL EXTENUATING CIRCUMSTANCES IMPACTED THE MEMBER'S~~
 10 ~~ABILITY TO PURCHASE SERVICE CREDIT WITHIN 60 DAYS AFTER THE MEMBER'S~~
 11 ~~LEAVE OF ABSENCE EXPIRED; AND~~

12 ~~(ii) THE PURCHASED SERVICE CREDIT WOULD ALLOW THE~~
 13 ~~MEMBER TO MEET THE ELIGIBILITY SERVICE REQUIREMENTS TO APPLY FOR AN~~
 14 ~~ORDINARY DISABILITY RETIREMENT UNDER § 29-105(A) OF THIS ARTICLE.~~

15 (2) FOR GOOD CAUSE SHOWN, THE EXECUTIVE DIRECTOR, IN
 16 THE EXECUTIVE DIRECTOR'S SOLE DISCRETION, MAY EXTEND THE TIME
 17 PERIOD TO PURCHASE SERVICE CREDIT UNDER PARAGRAPH (1) OF THIS
 18 SUBSECTION IF:

19 (i) THE PURCHASED SERVICE CREDIT WOULD ALLOW THE
 20 MEMBER TO MEET THE ELIGIBILITY SERVICE REQUIREMENTS TO APPLY FOR AN
 21 ORDINARY DISABILITY RETIREMENT UNDER § 29-105(A) OF THIS ARTICLE; AND

22 (ii) THE MEMBER COMPLETES THE PURCHASE OF THE
 23 SERVICE CREDIT BEFORE THE EARLIER OF:

24 1. 4 YEARS AFTER THE EXPIRATION OF THE LEAVE
 25 OF ABSENCE; OR

26 2. THE DATE MEMBERSHIP ENDS.

27 (3) THE BOARD OF TRUSTEES SHALL ADOPT REGULATIONS TO
 28 CARRY OUT THIS SUBSECTION.

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
 30 construed to apply retroactively to an individual who:

31 (1) enrolled as a member of the Correctional Officers' Retirement
 32 System on or after October 1, 2006;

1 (2) began a Board of Trustees approved leave of absence on or after
2 September 1, 2011; and

3 (3) separated from employment with the State on or before April 1,
4 2012.

5 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 July 1, 2014.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.