

HOUSE BILL 128

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CF 4lr0636

By: **Delegate Frank**

Introduced and read first time: January 13, 2014

Assigned to: Appropriations

A BILL ENTITLED

AN ACT concerning

State Retirement and Pension System – Military Service Credit – Exception

FOR the purpose of providing that certain members of the Judges' Retirement System may receive additional service credit for military service under certain circumstances; providing that in order to receive additional service credit for military service a member of the Judges' Retirement System shall have a certain amount of service credit earned through employment by a certain date, be unable to accumulate a certain amount of service credit for military service due to mandatory retirement at age 70, become a retiree due to mandatory retirement, and have a certain amount of service credit at the time of retirement; requiring an individual claiming additional service credit to complete and file a certain form with the State Retirement Agency; requiring an individual to receive additional service credit for military service under this Act in the same manner as if the individual were eligible for additional service credit under certain provisions of law; providing for the termination of this Act; and generally relating to additional service credit awarded for prior military service for members of the Judges' Retirement System.

BY repealing and reenacting, without amendments,
Article – State Personnel and Pensions
Section 38–104
Annotated Code of Maryland
(2009 Replacement Volume and 2013 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

38–104.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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- (a) (1) This section applies to an individual who is:
- (i) a member of a State system; or
 - (ii) a former member of a State system who is eligible to receive a benefit under § 29–302 or § 29–303 of this article.
- (2) This section does not apply to a retiree of a State system.
- (b) Except as provided in subsection (c) of this section, an individual described in subsection (a) of this section, who has not met the conditions set forth in § 38–103(a)(2) through (4) of this subtitle, is entitled to receive service credit for military service only on the attainment of 10 years of service credit earned through employment as a member of a State system.
- (c) (1) An individual described in subsection (a) of this section may not receive credit for that military service if the individual receives credit for military service from another retirement system for which retirement benefits have been or will be received by the individual.
- (2) Paragraph (1) of this subsection does not apply to:
- (i) credit for military service provided under:
 - 1. the Social Security Act;
 - 2. the National Railroad Retirement Act; or
 - 3. Title 3 or Title 10, Chapter 1223, §§ 12731 through 12737 of the United States Code; or
 - (ii) disability payments from a pension or retirement system.
- (3) (i) Military service credit under this section may not exceed 5 years.
- (ii) Subject to subparagraph (i) of this paragraph, a member of the Maryland National Guard or of a reserve component of the armed forces of the United States who has not been activated under Title 10 of the United States Code, shall receive service credit at the rate of 4 months for each full year of service with the Maryland National Guard or with a reserve component of the armed forces of the United States, not to exceed a total of 36 months.
- (d) (1) Except as provided in paragraph (2) of this subsection, the service credit for military service that an individual receives under this section shall be applied to the individual's retirement allowance using the accrual rate in effect at the time the individual retires from a State system.

(2) If an individual applies for military service credit on or after July 1, 2011, the service credit for military service that the individual receives under this section shall be applied to the individual's retirement allowance using the accrual rate in effect at the time the individual submits an application for military service credit to the State Retirement Agency.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) This section applies to an individual who:

(1) is a member of the Judges' Retirement System;

(2) before July 1, 2014, has accumulated at least 8 years of service credit earned through employment as a member of the Judges' Retirement System;

(3) is not able to accumulate 10 years of service credit earned through employment as a member of the Judges' Retirement System due to the prohibition under Article IV, § 3 of the Maryland Constitution against a Judge holding office past the age of 70;

(4) becomes a retiree of the Judges' Retirement System under § 27-401(a)(2)(iii) of the State Personnel and Pensions Article; and

(5) at the time of retirement has accumulated service credit earned through employment as a member of the Judges' Retirement System that is equal to 70 years minus the age of the individual when the individual began membership in the Judges' Retirement System.

(b) Subject to subsection (c) of this section, an individual who meets the requirements of subsection (a) of this section may receive service credit for military service in accordance with § 38-104 of the State Personnel and Pensions Article, in the same manner as an individual who is eligible to receive service credit under § 38-104 of the State Personnel and Pensions Article.

(c) To claim additional service credit for prior military service under subsection (b) of this section, an individual shall complete a claim on a form provided by the Board of Trustees for the State Retirement and Pension System and file it with the Board of Trustees at least 1 month prior to the individual's date of mandatory retirement.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2014. It shall remain effective for a period of 1 year and, at the end of June 30, 2015, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.