

Article - State Personnel and Pensions

§20–101.

(a) In this Division II the following words have the meanings indicated.

(b) (1) “Accumulated contributions” means the amounts credited to a member’s individual account in the annuity savings fund of the appropriate State system.

(2) “Accumulated contributions” includes:

- (i) member contributions;
- (ii) additional contributions; and
- (iii) regular interest.

(c) “Additional contribution” means a contribution that is made voluntarily by a member.

(d) “Allowance” means a benefit that is payable in equal monthly installments for the life of the recipient, except as otherwise provided for an optional form of an allowance under § 21–403 of this article.

(d–1) “Alternate Contributory Pension Selection” means the part of the Employees’ Pension System and the Teachers’ Pension System that provides the Alternate Contributory Pension Selection under Title 23, Subtitle 2, Part III of this article.

(e) “Annuity” means the part of an allowance that is derived from the accumulated contributions of a member.

(f) “Annuity reserve” means the present value of an annuity computed on the basis of actuarial assumptions adopted by the Board of Trustees.

(g) “Average final compensation” means the average annual earnable compensation that is computed as provided in § 20–204, § 20–205, or § 20–205.1 of this title.

(h) “Basic allowance” means an allowance computed without modification under § 21–403 of this article.

(i) “Beneficiary” means a person, other than a retiree, in receipt of a benefit under this Division II.

(j) “Board of Trustees” means the Board of Trustees for the State Retirement and Pension System.

(j-1) “Contributory pension benefit” means the part of the Employees’ Pension System and the Teachers’ Pension System that provides the contributory pension benefit under Title 23, Subtitle 2, Part II of this article.

(k) “Correctional Officers’ Retirement System” means the Correctional Officers’ Retirement System of the State of Maryland.

(l) “County” means a county of the State and, unless expressly provided otherwise, Baltimore City.

(m) “Creditable service” means the service credit of a member that is recognized for computing a benefit under this Division II.

(n) “Designated beneficiary” means a person named as beneficiary in an acknowledged written designation filed with the Board of Trustees by a member, former member, or a retiree.

(o) “Earnable compensation” means one-twelfth of the member’s annual salary rate payable for working the normal time in the member’s position, including:

(1) the employer pickup contribution provided for in § 21-312 of this article; or

(2) a contribution made under a salary reduction or supplemental retirement plan in accordance with Title 35 of this article.

(p) “Eligibility service” means the service credit of a member that is recognized for determining eligibility for a benefit under this Division II.

(q) “Employees’ Pension System” means the Employees’ Pension System of the State of Maryland.

(r) “Employees’ Retirement System” means the Employees’ Retirement System of the State of Maryland.

(s) “Employer pickup contribution” means a contribution made through a reduction in a member’s compensation under § 21-313 of this article.

(t) “Former member” means an individual who:

(1) has been a member;

(2) has separated from employment with a participating employer; and

(3) is not currently a member or retiree.

(u) “Judges’ Retirement System” means the Judges’ Retirement System of the State of Maryland.

(v) “Law Enforcement Officers’ Pension System” means the Law Enforcement Officers’ Pension System of the State of Maryland.

(w) “Legislative Pension Plan” means the Legislative Pension Plan of the State of Maryland as provided by the joint resolution submitted to the General Assembly by the General Assembly Compensation Commission under Article III, § 15 of the Maryland Constitution.

(x) “Local Fire and Police System” means the Local Fire and Police Pension System of the State of Maryland.

(y) “Medical board” means a board of physicians provided for in § 21–126 of this article.

(z) “Member” means, unless a different meaning is plainly required by the context, an individual:

(1) for whom membership in a State system is a condition of employment;
or

(2) (i) for whom membership in a State system is optional; and

(ii) who has elected to become a member of that State system.

(aa) (1) “Member contribution” means:

(i) a contribution that is deducted from a member’s compensation as required by this Division II;

(ii) a contribution that is designated as a member contribution under § 22–212 or § 22–213 of this article;

(iii) a contribution that is redeposited as a member contribution;

(iv) the part attributable to a member contribution of any payment for the purchase of service credit under this Division II; and

(v) an employer pickup contribution.

(2) “Member contribution” does not include any additional contribution.

(aa–1) “Noncontributory pension benefit” means the part of the Employees’ Pension System and the Teachers’ Pension System that does not provide the contributory pension benefit under Title 23, Subtitle 2, Part II of this article, the Alternate Contributory Pension Selection under Title 23, Subtitle 2, Part III of this article, or the Reformed Contributory Pension Benefit under Title 23, Subtitle 2, Part IV of this article.

(bb) “Normal retirement age” means:

- (1) 50 years old, for a member of:
 - (i) the State Police Retirement System; or
 - (ii) the Law Enforcement Officers' Pension System;
- (2) 60 years old, for a member of:
 - (i) the Correctional Officers' Retirement System, for the purpose of disability retirement only;
 - (ii) the Employees' Retirement System;
 - (iii) the Judges' Retirement System;
 - (iv) the Local Fire and Police System, who transferred from the Employees' Retirement System; or
 - (v) the Teachers' Retirement System;
- (3) 62 years old, for a member of:
 - (i) the Employees' Pension System who is a member on or before June 30, 2011;
 - (ii) the Local Fire and Police System, who has not transferred from the Employees' Retirement System; or
 - (iii) the Teachers' Pension System who is a member on or before June 30, 2011; or
- (4) 65 years old, for a member of the Employees' Pension System or Teachers' Pension System who begins membership on or after July 1, 2011.

(cc) "Participant" means a beneficiary, designated beneficiary, former member, member, or retiree who is or may become eligible to receive a benefit of any type from the several systems.

(dd) "Participating employer" means the employer of an individual who, because of the employment relationship, is eligible for membership in a State system.

(ee) "Participating governmental unit" means a governmental unit that participates in a State system under Title 31 of this article.

(ff) "Pension" means the part of an allowance that is derived from employer contributions.

(gg) "Pension reserve" means the present value of a pension, computed on the basis of actuarial assumptions adopted by the Board of Trustees.

(hh) (1) “Person” means an individual, receiver, trustee, guardian, personal representative, fiduciary, or representative of any kind and any partnership, firm, association, corporation, or other entity.

(2) Unless expressly provided otherwise, “person” does not include a governmental entity or a unit or instrumentality of a governmental entity.

(hh–1) “Reformed contributory pension benefit” means the part of the Employees’ Pension System and the Teachers’ Pension System that provides the reformed contributory pension benefit under Title 23, Subtitle 2, Part IV of this article.

(ii) “Regular interest” means interest at the rate payable on accumulated contributions as provided under this Division II for each State system.

(jj) “Retiree” means an individual who:

- (1) has separated from employment with a participating employer; and
- (2) receives a retirement allowance under this Division II.

(kk) “Retirement” means the grant of a retirement allowance under this Division II after separation from employment with a participating employer.

(ll) (1) “Retirement allowance” means an allowance that is payable at the time of separation from employment with a participating employer.

(2) “Retirement allowance” includes:

- (i) a service retirement allowance; and
- (ii) a disability retirement allowance.

(3) “Retirement allowance” does not include a vested allowance.

(mm) “Several systems” means the State systems specified in § 21–102 of this article.

(nn) “Social Security integration level” means, with respect to the calendar year in which a member retires or otherwise separates from employment, the average yearly amount of earnings for which old age and survivors benefits would be provided under Title II of the federal Social Security Act for an employee who is eligible to receive full old age and survivors benefits provided under Title II of the federal Social Security Act in that calendar year that is:

(1) computed as though for each previous year yearly earnings are at least equal to the maximum amount of yearly earnings subject to tax under the Federal Insurance Contributions Act; and

(2) rounded to the next lower multiple of \$100.

(oo) “State Police Retirement System” means the State Police Retirement System of the State of Maryland.

(pp) “State system” means a retirement or pension system that is included in the State Retirement and Pension System under § 21–102 of this article.

(qq) “Taxable wage base” means, with respect to each calendar year, the maximum amount of annual earnings for employees subject to tax under the federal Old Age, Survivors, and Disability Insurance Act.

(rr) “Teachers’ Pension System” means the Teachers’ Pension System of the State of Maryland.

(ss) “Teachers’ Retirement System” means the Teachers’ Retirement System of the State of Maryland.

(tt) “Vested allowance” means an allowance that is not payable at the time of separation from employment with a participating employer, but is deferred until the former member becomes eligible for immediate payment.