

SENATE BILL 454

K4

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By: **Senator Guzzone**

Introduced and read first time: February 4, 2019

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Correctional Officers' Retirement System – Retirement – Eligibility and**
3 **Allowance**

4 FOR the purpose of altering the eligibility for a service retirement for certain members of
5 the Correctional Officers' Retirement System; prohibiting a certain retirement
6 allowance from being reduced for certain missed accumulated contributions
7 attributable to certain service transferred into the Correctional Officers' Retirement
8 System; and generally relating to the Correctional Officers' Retirement System.

9 BY repealing and reenacting, without amendments,
10 Article – State Personnel and Pensions
11 Section 21–312(e) and 25–201(a)(8)
12 Annotated Code of Maryland
13 (2015 Replacement Volume and 2018 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – State Personnel and Pensions
16 Section 25–401
17 Annotated Code of Maryland
18 (2015 Replacement Volume and 2018 Supplement)

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

21 **Article – State Personnel and Pensions**

22 21–312.

23 (e) If a member does not make the member contributions required by this
24 Division II, on retirement, the member's retirement allowance shall be reduced by the
25 actuarial equivalent of the missed accumulated contributions, including regular interest on

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 those contributions at the statutory rate earned on member contributions in the member's
2 system, compounded annually.

3 25-201.

4 (a) Except as provided in subsection (b) of this section, this subtitle applies only
5 to:

6 (8) an individual serving as a parole and probation agent, supervisor, or
7 regional administrator on or after July 1, 2017;

8 25-401.

9 (a) A member may retire with a normal service retirement allowance if:

10 (1) on or before the date of retirement, the member:

11 (i) has at least 20 years of eligibility service;

12 (ii) 1. is a correctional case management specialist, supervisor,
13 or manager on or before June 30, 2016;

14 2. is vested in the Correctional Officers' Retirement System;
15 and

16 3. has a combined total of at least 20 years of eligibility
17 service from:

18 A. the Correctional Officers' Retirement System and the
19 Employees' Retirement System; or

20 B. the Correctional Officers' Retirement System and the
21 Employees' Pension System;

22 **(III) 1. IS SERVING IN A POSITION SPECIFIED IN §**
23 **25-201(A)(8) OF THIS TITLE ON OR BEFORE JUNE 30, 2017; AND**

24 **2. HAS A COMBINED TOTAL OF AT LEAST 20 YEARS OF**
25 **ELIGIBILITY SERVICE FROM:**

26 **A. THE CORRECTIONAL OFFICERS' RETIREMENT**
27 **SYSTEM AND THE EMPLOYEES' RETIREMENT SYSTEM; OR**

28 **B. THE CORRECTIONAL OFFICERS' RETIREMENT**
29 **SYSTEM AND THE EMPLOYEES' PENSION SYSTEM;**

1 [(iii)] (IV) 1. is serving in a position specified in:

2 A. [§ 25–201(a)(8) or (9)] § 25–201(A)(9) of this title on or
3 before June 30, 2017; or

4 B. § 25–201(a)(10) or (11) of this title on or before June 30,
5 2018;

6 2. is vested in the Correctional Officers' Retirement System;
7 and

8 3. has a combined total of at least 20 years of eligibility
9 service from:

10 A. the Correctional Officers' Retirement System and the
11 Employees' Retirement System; or

12 B. the Correctional Officers' Retirement System and the
13 Employees' Pension System; or

14 [(iv)] (V) is at least 55 years old and has:

15 1. at least 5 years of eligibility service credit, if the member
16 is a member on or before June 30, 2011; or

17 2. at least 10 years of eligibility service credit, if the member
18 becomes a member on or after July 1, 2011; and

19 (2) the member completes and submits a written application to the Board
20 of Trustees stating the date when the member desires to retire.

21 (b) On retirement under this section, a member is entitled to receive a normal
22 service retirement allowance that equals one fifty–fifth of the member's average final
23 compensation multiplied by the number of years of creditable service.

24 (c) (1) This subsection applies only to:

25 (i) a correctional case management specialist, supervisor, or
26 manager who has a combined total of 20 years of eligibility service as provided in subsection
27 (a)(1)(ii) of this section; or

28 (ii) a member serving in a position specified in § 25–201(a)(8), (9),
29 (10), or (11) of this title who has a combined total of 20 years of eligibility service as provided
30 in subsection (a)(1)(iii) **OR (IV)** of this section.

31 (2) A member is entitled to receive a normal service retirement allowance
32 that equals an allowance based on the creditable service the member has in the

1 Correctional Officers' Retirement System.

2 **(3) NOTWITHSTANDING § 21-312(E) OF THIS ARTICLE, A MEMBER'S**
3 **RETIREMENT ALLOWANCE MAY NOT BE REDUCED BY THE ACTUARIAL EQUIVALENT**
4 **OF ANY MISSED ACCUMULATED CONTRIBUTIONS, INCLUDING REGULAR INTEREST**
5 **ON THOSE CONTRIBUTIONS, FOR SERVICE TRANSFERRED FROM THE EMPLOYEES'**
6 **RETIREMENT SYSTEM OR THE EMPLOYEES' PENSION SYSTEM TO THE**
7 **CORRECTIONAL OFFICERS' RETIREMENT SYSTEM IF THAT SERVICE WAS EARNED**
8 **BEFORE JULY 1, 2017, WHILE SERVING IN A POSITION SPECIFIED IN § 25-201(A)(8)**
9 **OF THIS TITLE.**

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
11 1, 2019.