
By: Delegate Owings

Introduced and read first time: January 10, 1996

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Police Retirement System - Benefits**

3 FOR the purpose of altering the formula for computing the retirement allowance of
4 certain retirees of the State Police Retirement System; excluding members of the
5 system who have a certain number of years of creditable service from the
6 application of certain provisions concerning the use of unused sick leave in the
7 computation of creditable service; altering the rate of contribution for members of
8 the system; and generally relating to the benefits of retirees and members of the
9 State Police Retirement System.

10 BY repealing and reenacting, with amendments,
11 Article - State Personnel and Pensions
12 Section 20-206, 24-205, and 24-401
13 Annotated Code of Maryland
14 (1994 Volume and 1995 Supplement)

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

17 **Article - State Personnel and Pensions**

18 20-206.

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

21 (b) This section does not apply to:

22 (1) the Judges' Retirement System; [or]

23 (2) the Legislative Pension Plan; OR

24 (3) A MEMBER OF THE STATE POLICE RETIREMENT SYSTEM IF THE
25 MEMBER HAS MORE THAN 30 YEARS OF CREDITABLE SERVICE.

26 (c) A member is entitled to receive creditable service for unused sick leave as
27 provided in this section.

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

1 (2) (i) This subsection does not apply to the Local Fire and Police System
2 or the Natural Resources Pension System.

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

7 (e) (1) Subject to paragraph (3) of this subsection, for 22 days of unused sick
8 leave a member is entitled to receive 1 month of creditable service.

9 (2) If fractional days totaling 11 or more result from the application of the
10 formula described in paragraph (1) of this subsection, a member is entitled to receive 1
11 additional month of creditable service.

12 (3) For the purposes of this section:

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

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

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

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

23 2. the number of days of sick leave provided by the participating
24 employer for the year, less 15.

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

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

28 (2) to compute average final compensation.

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

33 24-205.

34 A member's contribution rate is[:

35 (1)] 8% of the member's earnable compensation[, if the member has 25
36 years or less of creditable service; or

37 (2) 4% of the member's earnable compensation, if the member has more
38 than 25 years of creditable service].

3

1 24-401.

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

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

4 (i) has at least 25 years of eligibility service; or

5 (ii) is at least 50 years old; and

6 (2) the member completes and submits a written application to the Board of
7 Trustees, on the form that the Board of Trustees provides, stating the date when the
8 member desires to retire.

9 (b) (1) Subject to the approval of the Board of Trustees, the Secretary of the
10 State Police may order a member who is at least 50 years old to retire on the first day of
11 the month after the member is notified of the Secretary's order.

12 (2) Before approving the Secretary's order, the Board of Trustees shall give
13 the member at least 30 days' notice and an opportunity to be heard.

14 (c) Except for the Secretary of the State Police, a member shall retire with a
15 normal service retirement allowance not later than the first day of the month after the
16 member becomes 60 years old.

17 (d) On retirement under this section, a member is entitled to receive a normal
18 service retirement allowance that equals:

19 (1) [one forty-fifth] ONE THIRTY-EIGHTH of the member's average final
20 compensation multiplied by each year of the member's first 25 years of creditable service;
21 and

22 (2) one-ninetieth of the member's average final compensation multiplied by
23 each year of creditable service in excess of 25 years BUT NOT EXCEEDING 30 YEARS.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
25 July 1, 1996.