
By: Delegates McHale, T. Murphy, and Boston

Introduced and read first time: January 31, 1996

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 Teachers' Retirement and Pension Systems - Eligibility for Retirement

3 FOR the purpose of altering the years of eligibility service required for members of the
4 Teachers' Pension System and the Teachers' Retirement System to retire without a
5 reduction in retirement allowance; and generally relating to the eligibility of
6 members of the Teachers' Pension System and the Teachers' RetirementSystem for
7 retirement.

8 BY repealing and reenacting, with amendments,
9 Article - State Personnel and Pensions
10 Section 22-401, 22-402, 23-401, and 23-402
11 Annotated Code of Maryland
12 (1994 Volume and 1995 Supplement)

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

15 **Article - State Personnel and Pensions**

16 22-401.

17 (a) A member OF THE EMPLOYEES' RETIREMENT SYSTEM may retire with a
18 normal service retirement allowance if:

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

20 (i) has at least 30 years of eligibility service; or

21 (ii) is at least 60 years old; and

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

24 (B) A MEMBER OF THE TEACHERS' RETIREMENT SYSTEM MAY RETIRE WITH
25 A NORMAL SERVICE RETIREMENT ALLOWANCE IF:

26 (1) ON OR BEFORE THE DATE OF RETIREMENT, THE MEMBER:

27 (I) HAS AT LEAST 25 YEARS OF ELIGIBILITY SERVICE; OR

2

1 (II) IS AT LEAST 60 YEARS OLD; AND

2 (2) THE MEMBER COMPLETES AND SUBMITS A WRITTEN APPLICATION
3 TO THE BOARD OF TRUSTEES STATING THE DATE WHEN THE MEMBER DESIRES TO
4 RETIRE.

5 [(b)] (C) On retirement under this section, a member is entitled to receive a
6 normal service retirement allowance that equals one fifty-fifth of the member's average
7 final compensation multiplied by the number of years of creditable service.

8 22-402.

9 (a) A member OF THE EMPLOYEES' RETIREMENT SYSTEM may retire with an
10 early service retirement allowance if:

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

12 (i) has at least 25 but less than 30 years of eligibility service; and

13 (ii) is less than 60 years old; and

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

16 (b) On retirement under this section, a member OF THE EMPLOYEES'
17 RETIREMENT SYSTEM is entitled to an early service retirement allowance that equals
18 one fifty-fifth of the member's average final compensation multiplied by the number of
19 years of creditable service reduced by 0.5% for each month by which the member's date
20 of retirement precedes the earlier of:

21 (1) the date the member will be 60 years old; or

22 (2) the date the member would have completed 30 years of eligibility service
23 had the member continued employment.

24 (C) A MEMBER OF THE TEACHERS' RETIREMENT SYSTEM MAY RETIRE WITH
25 AN EARLY SERVICE RETIREMENT ALLOWANCE IF:

26 (1) ON OR BEFORE THE DATE OF RETIREMENT, THE MEMBER:

27 (I) HAS AT LEAST 20 BUT LESS THAN 25 YEARS OF ELIGIBILITY
28 SERVICE; AND

29 (II) IS LESS THAN 60 YEARS OLD; AND

30 (2) THE MEMBER COMPLETES AND SUBMITS A WRITTEN APPLICATION
31 TO THE BOARD OF TRUSTEES STATING THE DATE WHEN THE MEMBER DESIRES TO
32 RETIRE.

33 (D) ON RETIREMENT UNDER THIS SECTION, A MEMBER OF THE TEACHERS'
34 RETIREMENT SYSTEM IS ENTITLED TO AN EARLY SERVICE RETIREMENT
35 ALLOWANCE THAT EQUALS ONE FIFTY-FIFTH OF THE MEMBER'S AVERAGE FINAL
36 COMPENSATION MULTIPLIED BY THE NUMBER OF YEARS OF CREDITABLE SERVICE
37 REDUCED BY 0.5% FOR EACH MONTH BY WHICH THE MEMBER'S DATE OF
38 RETIREMENT PRECEDES THE EARLIER OF:

3

1 (1) THE DATE THE MEMBER WILL BE 60 YEARS OLD; OR

2 (2) THE DATE THE MEMBER WOULD HAVE COMPLETED 25 YEARS OF
 3 ELIGIBILITY SERVICE HAD THE MEMBER CONTINUED EMPLOYMENT.

4 23-401.

5 (a) A member OF THE EMPLOYEES' PENSION SYSTEM may retire with a normal
 6 service retirement allowance if:

7 (1) the member completes and submits a written application to the Board of
 8 Trustees stating the date when the member desires to retire; and

9 (2) on or before the date of retirement, the member:

10 (i) has at least 30 years of eligibility service; or

11 (ii) has attained the age and the years of eligibility service as follows:

Age	Years of Eligibility Service
62 with	5
63 with	4
64 with	3
65 or more with	2

17 (B) A MEMBER OF THE TEACHERS' PENSION SYSTEM MAY RETIRE WITH A
 18 NORMAL SERVICE RETIREMENT ALLOWANCE IF:

19 (1) THE MEMBER COMPLETES AND SUBMITS A WRITTEN APPLICATION
 20 TO THE BOARD OF TRUSTEES STATING THE DATE WHEN THE MEMBER DESIRES TO
 21 RETIRE; AND

22 (2) ON OR BEFORE THE DATE OF RETIREMENT, THE MEMBER:

23 (I) HAS AT LEAST 25 YEARS OF ELIGIBILITY SERVICE; OR

24 (II) HAS ATTAINED THE AGE AND THE YEARS OF ELIGIBILITY
 25 SERVICE AS FOLLOWS:

AGE	YEARS OF ELIGIBILITY SERVICE
62 WITH	5
63 WITH	4
64 WITH	3
65 OR MORE WITH	2

31 [(b)] (C) On retirement under this section, a member is entitled to receive a
 32 normal service retirement allowance that equals the number of years of the member's
 33 creditable service multiplied by:

4

1 (1) 0.8% of the member's average final compensation that is not in excess of
2 the social security integration level; and

3 (2) 1.5% of the member's average final compensation that exceeds the social
4 security integration level.

5 23-402.

6 (a) A member OF THE EMPLOYEES' PENSION SYSTEM may retire with an early
7 service retirement allowance if:

8 (1) the member completes and submits a written application to the Board of
9 Trustees stating the date when the member desires to retire; and

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

11 (i) has at least 15 years but less than 30 years of eligibility service; and

12 (ii) is at least 55 but less than 62 years old.

13 (b) On retirement under this section, a member OF THE EMPLOYEES' PENSION
14 SYSTEM is entitled to receive an early service retirement allowance that equals the
15 normal service retirement allowance under § 23-401 of this subtitle, reduced by 0.5% for
16 each month that the member's early retirement date precedes the date the member will
17 be 62 years old.

18 (C) A MEMBER OF THE TEACHERS' PENSION SYSTEM MAY RETIRE WITH AN
19 EARLY SERVICE RETIREMENT ALLOWANCE IF:

20 (1) THE MEMBER COMPLETES AND SUBMITS A WRITTEN APPLICATION
21 TO THE BOARD OF TRUSTEES STATING THE DATE WHEN THE MEMBER DESIRES TO
22 RETIRE; AND

23 (2) ON OR BEFORE THE DATE OF RETIREMENT, THE MEMBER:

24 (I) HAS AT LEAST 15 YEARS BUT LESS THAN 25 YEARS OF
25 ELIGIBILITY SERVICE; AND

26 (II) IS AT LEAST 55 BUT LESS THAN 62 YEARS OLD.

27 (D) ON RETIREMENT UNDER THIS SECTION, A MEMBER OF THE TEACHERS'
28 PENSION SYSTEM IS ENTITLED TO RECEIVE AN EARLY SERVICE RETIREMENT
29 ALLOWANCE THAT EQUALS THE NORMAL SERVICE RETIREMENT ALLOWANCE
30 UNDER § 23-401 OF THIS SUBTITLE, REDUCED BY 0.5% FOR EACH MONTH THAT THE
31 MEMBER'S EARLY RETIREMENT DATE PRECEDES THE DATE THE MEMBER WILL BE
32 62 YEARS OLD.

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