

EMERGENCY BILL

K4

6lr2443

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**By: Delegates Hutchins, Owings, Stup, Snodgrass, Rzepkowski, Kach, Stull, Mossburg, Getty, Jacobs, Stocksdale, Vallario, R. Baker, Healey, Hubbard, Menes, Fulton, Fry, Kagan, Gordon, Mohorovic, Perry, Pitkin, Genn, Petzold, M. Burns, Ports, V. Mitchell, Linton, Malone, Minnick, DeCarlo, T. Murphy, Wood, Exum, Harkins, C. Mitchell, Nathan-Pulliam, C. Davis, Dypski, Walkup, Boston, Poole, E. Burns, Morgan, Bissett, Doory, Preis, Valderrama, Grosfeld, Montague, Dembrow, Ciliberti, Beck, Parker, and Benson**

Introduced and read first time: February 8, 1996

Assigned to: Appropriations

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A BILL ENTITLED

1 AN ACT concerning

2 **Retirement and Pensions - State Employee Positions Eliminated by Act of General**  
 3 **Assembly - Early Retirement Option**

4 FOR the purpose of allowing a State employee who is a member of the Employees'  
 5 Retirement System, the Employees' Pension System, the Teachers' Retirement  
 6 System, or the Teachers' Pension System to retire if the member has a minimum  
 7 number of years of eligibility service and the member is separated from employment  
 8 as a result of the elimination of the member's position by an Act of the General  
 9 Assembly; providing for a certain reduction in the retirement allowance under  
 10 certain circumstances; and making this Act an emergency measure.

11 BY adding to

12 Article - State Personnel and Pensions  
 13 Section 22-402.1 and 23-402.1  
 14 Annotated Code of Maryland  
 15 (1994 Volume and 1995 Supplement)

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

18 **Article - State Personnel and Pensions**

19 22-402.1.

20 (A) A MEMBER WHO IS A STATE EMPLOYEE MAY RETIRE WITH AN EARLY  
 21 SERVICE RETIREMENT ALLOWANCE IF:

22 (1) THE STATE EMPLOYEE IS SEPARATED FROM EMPLOYMENT AS A  
 23 RESULT OF THE EMPLOYEE'S POSITION BEING ELIMINATED BY AN ACT OF THE  
 24 GENERAL ASSEMBLY;

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1 (2) ON OR BEFORE THE DATE OF RETIREMENT, THE MEMBER HAS AT  
2 LEAST 20 YEARS OF ELIGIBILITY SERVICE; AND

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

6 (B) ON RETIREMENT UNDER THIS SECTION, A MEMBER IS ENTITLED TO AN  
7 EARLY SERVICE RETIREMENT ALLOWANCE THAT EQUALS ONE FIFTY-FIFTH OF THE  
8 MEMBER'S AVERAGE FINAL COMPENSATION MULTIPLIED BY THE NUMBER OF  
9 YEARS OF CREDITABLE SERVICE REDUCED BY THE LESSER OF:

10 (1) 30%; OR

11 (2) 0.5% FOR EACH MONTH BY WHICH THE MEMBER'S DATE OF  
12 RETIREMENT PRECEDES THE EARLIER OF:

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

14 (II) THE DATE THE MEMBER WOULD HAVE COMPLETED 30 YEARS  
15 OF ELIGIBILITY SERVICE HAD THE MEMBER CONTINUED EMPLOYMENT.

16 23-402.1.

17 (A) A MEMBER WHO IS A STATE EMPLOYEE MAY RETIRE WITH AN EARLY  
18 SERVICE RETIREMENT ALLOWANCE IF:

19 (1) THE STATE EMPLOYEE IS SEPARATED FROM EMPLOYMENT AS A  
20 RESULT OF THE EMPLOYEE'S POSITION BEING ELIMINATED BY AN ACT OF THE  
21 GENERAL ASSEMBLY;

22 (2) ON OR BEFORE THE DATE OF RETIREMENT, THE MEMBER HAS AT  
23 LEAST 20 YEARS OF ELIGIBILITY SERVICE; AND

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

27 (B) ON RETIREMENT UNDER THIS SECTION, A MEMBER IS ENTITLED TO  
28 RECEIVE AN EARLY SERVICE RETIREMENT ALLOWANCE THAT EQUALS THE  
29 NORMAL SERVICE RETIREMENT ALLOWANCE UNDER § 23-401 OF THIS SUBTITLE,  
30 REDUCED BY THE LESSER OF:

31 (1) 42%; OR

32 (2) 0.5% FOR EACH MONTH THAT THE MEMBER'S EARLY RETIREMENT  
33 DATE PRECEDES THE DATE THE MEMBER WILL BE 62 YEARS OLD.

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency  
35 measure, is necessary for the immediate preservation of the public health and safety, has  
36 been passed by a ye and nay vote supported by three-fifths of all the members elected to  
37 each of the two Houses of the General Assembly, and shall take effect from the date it is  
38 enacted.