
By: Senator Della

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Assigned to: Finance

Reassigned: Budget and Taxation, January 13, 1997

Committee Report: Favorable

Senate action: Adopted

Read second time: February 11, 1997

CHAPTER ____

1 AN ACT concerning

2 **Retirement and Pensions - Workers' Compensation Offset - Payments to Third Parties**

3 FOR the purpose of exempting from a certain offset from certain disability retirement

4 benefits of retirees of the State retirement and pension systems certain workers'

5 compensation benefits that are reimbursement for legal fees, medical expenses, or

6 other payments to third parties and not to the retiree.

7 BY repealing and reenacting, with amendments,

8 Article - State Personnel and Pensions

9 Section 29-118

10 Annotated Code of Maryland

11 (1994 Volume and 1996 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - State Personnel and Pensions**

15 29-118.

16 (a) This section applies to a retiree and any designated beneficiary.

17 (b) (1) The Board of Trustees shall reduce a disability retirement benefit by any

18 related workers' compensation benefits paid or payable after the effective date of

19 retirement if the workers' compensation benefits:

20 (i) are paid or payable while a pension is paid or payable; and

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1 (ii) are for an accidental personal injury or occupational disease
2 arising out of and in the course of the retiree's employment by a participating employer.

3 (2) A retirement allowance may not be reduced:

4 (I) to be less than the sum of the retiree's annuity and the amount
5 authorized to be deducted for health insurance premiums; OR

6 (II) FOR WORKERS' COMPENSATION BENEFITS THAT ARE
7 REIMBURSEMENTS FOR LEGAL FEES, MEDICAL EXPENSES, OR OTHER PAYMENTS
8 MADE TO THIRD PARTIES AND NOT TO THE RETIREE.

9 (c) The retirement allowance to be reduced under this section is the retirement
10 allowance at retirement without any cost-of-living adjustment and is retroactive.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 October 1, 1997.