

SENATE BILL 402

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1999 Regular Session
9r1893
CF 9r1417

By: **Senators Munson, Jimeno, and DeGrange**
Introduced and read first time: February 5, 1999
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **State Police Retirement System - Benefits**

3 FOR the purpose of providing for certain annual adjustments to the service
4 retirement allowances of certain retirees or beneficiaries of retirees as of a
5 certain date; providing for the adjustments to be subject to a certain
6 cost-of-living adjustment each fiscal year; and generally relating to benefits for
7 retirees or beneficiaries of retirees of the State Police Retirement System.

8 BY repealing and reenacting, with amendments,
9 Article - State Personnel and Pensions
10 Section 24-401
11 Annotated Code of Maryland
12 (1997 Replacement Volume and 1998 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 24-401.

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

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

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

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

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

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

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

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

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

8 (1) one forty-fifth of the member's average final compensation
9 multiplied by each year of the member's first 25 years of creditable service; and

10 (2) one-ninetieth of the member's average final compensation multiplied
11 by each year of creditable service in excess of 25 years.

12 (E) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A RETIREE, OR A
13 BENEFICIARY OF A RETIREE, WHO RETIRES ON OR BEFORE JUNE 30, 1999 WITH A
14 SERVICE RETIREMENT ALLOWANCE, SHALL RECEIVE AN ANNUAL RETIREMENT
15 ALLOWANCE ADJUSTMENT AS OF JULY 1, 1999, AS FOLLOWS:

16 (I) FOR A RETIREE WHO HAS BEEN RETIRED NOT MORE THAN 5
17 YEARS, \$1,200;

18 (II) FOR A RETIREE WHO HAS BEEN RETIRED MORE THAN 5 YEARS
19 BUT NOT MORE THAN 10 YEARS, \$1,500;

20 (III) FOR A RETIREE WHO HAS BEEN RETIRED MORE THAN 10 YEARS
21 BUT NOT MORE THAN 15 YEARS, \$1,800; AND

22 (IV) FOR A RETIREE WHO HAS BEEN RETIRED MORE THAN 15 YEARS,
23 \$2,100.

24 (2) EACH FISCAL YEAR, THE BOARD OF TRUSTEES SHALL INCREASE THE
25 ADJUSTMENT RECEIVED BY THE RETIREE OR THE BENEFICIARY AS OF JULY 1, 1999,
26 BY MULTIPLYING THE ADJUSTMENT BY A FRACTION THAT HAS:

27 (I) AS ITS NUMERATOR, THE CONSUMER PRICE INDEX FOR THE
28 CALENDAR YEAR ENDING DECEMBER 31 OF THE PRECEDING FISCAL YEAR; AND

29 (II) AS ITS DENOMINATOR, THE CONSUMER PRICE INDEX FOR THE
30 CALENDAR YEAR ENDING DECEMBER 31 OF THE FISCAL YEAR IN WHICH THE
31 RETIREE WAS LAST EMPLOYED.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 July 1, 1999.