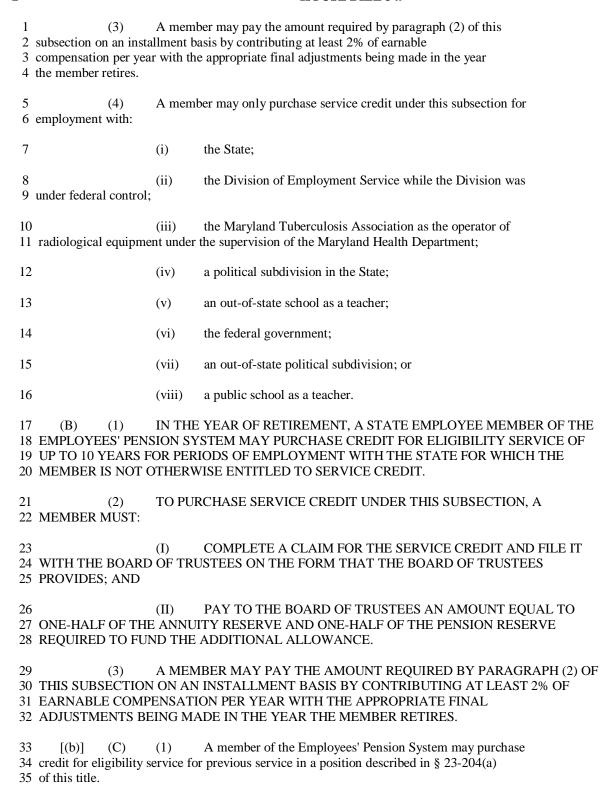
Unofficial Copy K4 2000 Regular Session 0lr1545

By: Delegate Proctor (Chairman, Joint Committee on Pensions) Introduced and read first time: February 2, 2000 Assigned to: Appropriations A BILL ENTITLED 1 AN ACT concerning 2 Employees' Pension System - Purchase of Service Credit 3 FOR the purpose of altering the amount that a State employee member of the Employees' Pension System shall pay to the Board of Trustees of the State 4 5 Retirement and Pension System when purchasing certain service credit; and 6 generally relating to purchase of service credit by State employee members of the Employees' Pension System. 7 BY repealing and reenacting, with amendments, 8 Article - State Personnel and Pensions 10 Section 23-307 11 Annotated Code of Maryland 12 (1997 Replacement Volume and 1999 Supplement) SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 13 14 MARYLAND, That the Laws of Maryland read as follows: 15 **Article - State Personnel and Pensions** 16 23-307. 17 (a) [In] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, IN (1) 18 the year of retirement, a member of the Employees' Pension System may purchase 19 credit for eligibility service of up to 10 years for periods of employment described in 20 paragraph (4) of this subsection for which the member is not otherwise entitled to 21 service credit. 22 (2) To purchase service credit under this subsection, a member must: complete a claim for the service credit and file it with the Board 23 24 of Trustees on the form that the Board of Trustees provides; and 25 pay to the Board of Trustees an amount equal to the annuity (ii) 26 reserve and pension reserve required to fund the additional allowance.

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	(2) To purchase the service credit, the member must pay in a single payment, the contributions, with interest, that the Board of Trustees considers appropriate.			
6	[(c)] (D) (1) A member of the Employees' Pension System who is employed by a member of the State Senate or House of Delegates for at least 130 days per year as a legislative employee before becoming a member is considered to have been a permanent part-time legislative employee.			
	(2) A member described in paragraph (1) of this subsection may purchase credit for eligibility service for that period of legislative employment by paying to the Board of Trustees:			
11 12	sum of:	(i)	for a per	riod of employment on or before December 31, 1979, the
13 14	1. the amount that the member would have been required to contribute for that period of employment; and			
15 16	annually; and		2.	interest on the member's contributions, compounded
17 18	of:	(ii)	for a per	riod of employment on or after January 1, 1980, the sum
19 20	1. the amount that the member would have been required to contribute for that period of employment;			
21 22	2. the amount that the State would have been required to contribute for the member for that period of employment; and			
23 24	compounded annually	y.	3.	interest on the member's and State's contributions,
27	(3) The rate of interest to be paid under this subsection is the average for the 5 years preceding the year of payment of the yearly rate of interest computed as the sum of the investment income and the realized gains and losses divided by the book value of the total investments.			
29 30	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2000.			