
By: **Delegate Proctor (Chairman, Joint Committee on Pensions)**

Introduced and read first time: February 3, 2000

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Retirement and Pensions - Membership in a State System - Dual**
3 **Employment**

4 FOR the purpose of providing that a member of a system of the State Retirement and
5 Pension System of Maryland may not receive eligibility service or creditable
6 service from more than one State system for the same period of time; requiring
7 certain members to elect participation in one system only; providing that for the
8 purpose of this Act, the Employees' Pension System and the Teachers' Pension
9 System that are subject to a certain contributory pension benefit are separate
10 systems from the Employees' Pension System and the Teachers' Pension System
11 that are not subject to that contributory pension benefit; providing for the
12 termination of this Act; and generally relating to the State Retirement and
13 Pension System.

14 BY adding to
15 Article - State Personnel and Pensions
16 Section 20-203.1
17 Annotated Code of Maryland
18 (1997 Replacement Volume and 1999 Supplement)

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

21 **Article - State Personnel and Pensions**

22 20-203.1.

23 (A) FOR THE PURPOSE OF THIS SECTION ONLY:

24 (1) THE EMPLOYEES' PENSION SYSTEM THAT IS SUBJECT TO THE
25 CONTRIBUTORY PENSION BENEFIT ESTABLISHED UNDER TITLE 23, SUBTITLE 2, PART
26 II OF THIS ARTICLE SHALL BE CONSIDERED A SEPARATE SYSTEM OF THE STATE
27 RETIREMENT AND PENSION SYSTEM FROM THE EMPLOYEES' PENSION SYSTEM THAT
28 IS NOT SUBJECT TO THE CONTRIBUTORY PENSION BENEFIT ESTABLISHED UNDER
29 TITLE 23, SUBTITLE 2, PART II OF THIS ARTICLE.

1 (2) THE TEACHERS' PENSION SYSTEM THAT IS SUBJECT TO THE
2 CONTRIBUTORY PENSION BENEFIT ESTABLISHED UNDER TITLE 23, SUBTITLE 2, PART
3 II OF THIS ARTICLE FOR THE TEACHERS' PENSION SYSTEM SHALL BE CONSIDERED A
4 SEPARATE SYSTEM OF THE STATE RETIREMENT AND PENSION SYSTEM FROM THE
5 TEACHERS' PENSION SYSTEM THAT IS NOT SUBJECT TO THE CONTRIBUTORY
6 PENSION BENEFIT ESTABLISHED UNDER TITLE 23, SUBTITLE 2, PART II OF THIS
7 ARTICLE.

8 (B) THIS SECTION DOES NOT APPLY TO AN INDIVIDUAL WHO IS A MEMBER OF
9 THE LEGISLATIVE PENSION PLAN.

10 (C) DURING ANY PERIOD IN WHICH A MEMBER IS EMPLOYED IN MORE THAN
11 ONE POSITION THAT REQUIRES PARTICIPATION IN MORE THAN ONE STATE SYSTEM,
12 THE MEMBER:

13 (1) SHALL PARTICIPATE AS A MEMBER IN ONE STATE SYSTEM;

14 (2) MAY NOT RECEIVE ELIGIBILITY SERVICE OR CREDITABLE SERVICE
15 FROM MORE THAN ONE STATE SYSTEM; AND

16 (3) MAY NOT USE THE COMPENSATION EARNED FROM BOTH POSITIONS
17 TO INCREASE THE MEMBER'S AVERAGE FINAL COMPENSATION.

18 (D) IF A MEMBER OF A STATE SYSTEM OBTAINS EMPLOYMENT WITH A
19 PARTICIPATING EMPLOYER THAT REQUIRES PARTICIPATION AS A MEMBER IN MORE
20 THAN ONE STATE SYSTEM, THE MEMBER SHALL ELECT THE STATE SYSTEM IN
21 WHICH THE MEMBER SHALL PARTICIPATE AS PROVIDED IN SUBSECTION (E) OF THIS
22 SECTION.

23 (E) (1) WITHIN 1 YEAR AFTER OBTAINING EMPLOYMENT THAT REQUIRES
24 PARTICIPATION IN MORE THAN ONE STATE SYSTEM, A MEMBER SHALL ELECT THE
25 STATE SYSTEM IN WHICH THE MEMBER SHALL PARTICIPATE AS A MEMBER AND
26 EARN SERVICE CREDIT BY COMPLETING AN ELECTION FORM PROVIDED BY THE
27 BOARD OF TRUSTEES AND FILING IT WITH THE BOARD OF TRUSTEES.

28 (2) THE ELECTION SHALL BE EFFECTIVE AS OF THE FIRST DAY OF THE
29 MONTH FOLLOWING THE DATE THE MEMBER OBTAINED EMPLOYMENT THAT
30 REQUIRED PARTICIPATION IN MORE THAN ONE STATE SYSTEM.

31 (3) A MEMBER SHALL REMAIN A MEMBER OF THE STATE SYSTEM THAT
32 THE MEMBER FIRST JOINED IF THE MEMBER:

33 (I) FAILS TO FILE A TIMELY ELECTION WITH THE BOARD OF
34 TRUSTEES; OR

35 (II) DIES BEFORE MAKING THE ELECTION.

36 SECTION 2. AND BE IT FURTHER ENACTED, That no later than September
37 1, 2000, the State Retirement Agency shall submit a report to the Joint Committee on
38 Pensions: (1) identifying the number of members of the State Retirement and Pension

1 System who are affected by this Act; (2) calculating the average amount of eligibility
2 service and creditable service that each such affected member would have received in
3 the absence of this Act; and (3) presenting a specific proposal for legislation that will
4 allow such affected members to receive such service credit, both retrospectively and
5 prospectively, for all permanent employment with an employer that participates in
6 the State Retirement and Pension System of Maryland while addressing the State
7 Retirement Agency's Administrative concerns.

8 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 July 1, 2000. It shall remain effective for a period of 1 year and, at the end of June 30,
10 2001, with no further action required by the General Assembly, this Act shall be
11 abrogated and of no further force and effect.