

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 420 (Delegate Proctor)
(Chairman, Joint Committee on Pensions)

Appropriations

Employees' and Teachers' Retirement and Pension Systems - Transfers of Service Credit

This pension bill clarifies that member transfers between comparable systems of the State Retirement and Pension System (SRPS) are not subject to Title 37 of the State Personnel and Pensions Article governing the transfer of employees among State and local pension systems in Maryland.

The bill takes effect July 1, 2000.

Fiscal Summary

State Effect: None. This bill codifies existing practice.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The proposal would specify that "inter-system" transfers are permissible between the contributory Employees' Pension System and the contributory Teachers' Pension System; between the non-contributory Employees' Pension System and the non-contributory Teachers' Pension System; and between the Employees' Retirement System and the Teachers' Retirement System.

Background and Current Law: Title 37 allows for transfers of service credit among State

and local pension systems in Maryland, but certain procedural requirements are required. Because these pairs of systems within the SRPS are essentially identical in their plan provisions, and the assets and liabilities of these systems all reside within the SRPS, the State Retirement Agency has not historically followed the Title 37 procedures, such as completion of a transfer application, when transferring members among these systems.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): State Retirement Agency, Department of Legislative Services

Fiscal Note History: First Reader - February 18, 2000

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