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By: **Delegates Getty and Elliott**

Introduced and read first time: February 9, 2001

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System - Estimate of Pension Benefits**

3 FOR the purpose of providing the Board of Trustees of the State Retirement and  
4 Pension System with certain powers if the actual retirement benefit received by  
5 a retiree is a certain percent lower than a certain estimate of benefits and the  
6 retiree acted in reliance upon the estimate; providing for the application of this  
7 Act; and generally relating to estimates of retirement benefits to retirees of the  
8 State retirement and pension systems.

9 BY repealing and reenacting, with amendments,  
10 Article - State Personnel and Pensions  
11 Section 21-503  
12 Annotated Code of Maryland  
13 (1997 Replacement Volume and 2000 Supplement)

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

16 **Article - State Personnel and Pensions**

17 21-503.

18 (A) The Board of Trustees shall offer counseling about retirement benefits:

19 (1) to the members, former members, and retirees of each State system;  
20 and

21 (2) if a member, former member, or retiree consents, to an immediate  
22 family member.

23 (B) (1) THIS SUBSECTION APPLIES IF THE BOARD OF TRUSTEES OR THE  
24 STATE RETIREMENT AGENCY PROVIDES AN ESTIMATE OF RETIREMENT BENEFITS AS  
25 A PART OF ITS COUNSELING WITHIN A YEAR BEFORE RETIREMENT, AND THE ACTUAL  
26 BENEFIT IS LOWER THAN THE ESTIMATE BY MORE THAN 1%.

1                   (2)       IF THE BOARD OF TRUSTEES FINDS THAT A RETIREE ACTED TO THE  
2 RETIREE'S DETRIMENT WITH RESPECT TO AN ESTIMATE OF RETIREMENT BENEFITS  
3 DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION, THE BOARD OF TRUSTEES MAY:

4                   (I)       INCREASE THE RETIREE'S ALLOWANCE TO AN AMOUNT NOT  
5 MORE THAN THE ESTIMATE AND AGREED TO BY THE BOARD OF TRUSTEES AND THE  
6 RETIREE; OR

7                   (II)      REFUND THE COSTS INCURRED BY THE RETIREE THAT  
8 RESULTED FROM THE RETIREE'S RELIANCE UPON THE ESTIMATE INCLUDING  
9 REASONABLE ATTORNEY'S FEES, COURT COSTS, AND OTHER EXPENSES.

10       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be  
11 construed retroactively and shall be applied to and interpreted to affect retirees of the  
12 State retirement and pension systems who retired on or after January 1, 1999.

13       SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
14 July 1, 2001.