
By: **Chairman, Appropriations Committee (Departmental - State Police)**

Introduced and read first time: February 28, 2002

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **State Police Retirement System - Transfers of Service Credit - Time**
3 **Limitations - Exception**

4 FOR the purpose of providing an exception to the time limitations for certain
5 transfers of service credit by certain members of the State Police Retirement
6 System; providing for procedures in the transfer; providing for the application of
7 this Act; providing for the termination of this Act; and generally relating to
8 transfers of service credit by members of the State Police Retirement System.

9 BY repealing and reenacting, without amendments,
10 Article - State Personnel and Pensions
11 Section 37-203
12 Annotated Code of Maryland
13 (1997 Replacement Volume and 2001 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 37-203.

18 (a) This section does not apply to a transfer of service credit to or from the
19 State Contributory Employees' Pension System or the State Contributory Teachers'
20 Pension System.

21 (b) (1) An individual may not transfer service credit under this title unless
22 the individual makes a claim for the service credit within 1 year after becoming a
23 member of the new system.

24 (2) An individual may not transfer service credit from one contributory
25 system to another contributory system unless within 1 year after becoming a member
26 of the new system the individual deposits in the annuity savings fund or other
27 corresponding fund of the new system the total accumulated contributions to the

1 individual's credit in the annuity savings fund or other corresponding fund of the
2 previous system.

3 (c) Except as provided in § 37-204 of this subtitle, an individual who transfers
4 service credit under this title shall receive service credit in the new system in the
5 amount of service credit accumulated under the previous system.

6 (d) On verification of the service credit, the previous system may not provide
7 any benefit for service credit transferred from the previous system to a new system
8 under this title.

9 (e) (1) Except as provided in paragraph (2) of this subsection, if an
10 individual transfers service credit under this title, the previous system shall refund
11 the individual's accumulated contributions on request.

12 (2) Accumulated contributions applicable to the receipt of service credit
13 or benefits in the new system may not be refunded if:

14 (i) an individual transfers from one noncontributory system to
15 another noncontributory system; or

16 (ii) a former member transfers under § 37-202(b) of this subtitle.

17 (f) (1) Except as otherwise provided in this subsection, after an individual
18 transfers service credit to a new system under this title, the individual:

19 (i) shall pay the rate of contribution applicable to a member of the
20 new system; and

21 (ii) is eligible for a pension and annuity as provided under the new
22 system, determined by taking into account the transferred service credit.

23 (2) Except as provided in § 37-204 of this subtitle, if an individual
24 transfers from a noncontributory system to a contributory system, on retirement the
25 individual's retirement allowance shall be reduced by the actuarial equivalent of the
26 accumulated contributions that would have been deducted if the individual had
27 earned the transferred service credit under the new system, including interest on
28 those contributions.

29 (3) If an individual retires within 5 years after transferring into a new
30 system, the benefits payable with respect to the transferred service credit may not be
31 greater than the benefits that would have been payable by the previous system with
32 respect to that service if the individual had remained in the previous system.

33 SECTION 2. AND BE IT FURTHER ENACTED, That the time limitations
34 described in § 37-203(b) of the State Personnel and Pensions Article do not apply to a
35 member of the State Police Retirement System who:

36 (1) made a claim to transfer service credit under Title 37 within 1 year
37 after becoming a member but the claim was not processed; and

1 (2) submits a completed claim form to the State Retirement Agency and
2 deposits in the annuity savings fund of the State Police Retirement System the
3 member's total accumulated contributions from the previous system.

4 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall be
5 construed retroactively and shall be applied to and interpreted to affect only
6 individuals who became members of the State Police Retirement System on or after
7 January 1, 2000.

8 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 July 1, 2002. It shall remain effective for a period of 12 months and, at the end of June
10 30, 2003, with no further action required by the General Assembly, this Act shall be
11 abrogated and of no further force and effect.