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By: **Senator Kasemeyer**  
Introduced and read first time: January 28, 2002  
Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments  
Senate action: Adopted  
Read second time: March 12, 2002

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Retirement and Pensions - Service Retirement Benefit**

3 FOR the purpose of altering the requirements that certain members of the  
4 Employees' Pension System or the Teachers' Pension System must satisfy to be  
5 eligible for a service retirement benefit; providing for the calculation of a service  
6 retirement benefit for certain members of the Employees' Pension System or the  
7 Teachers' Pension System; ~~providing for the application of this Act~~; and  
8 generally relating to service retirement benefits for members of the Employees'  
9 Pension System or the Teachers' Pension System.

10 BY repealing and reenacting, with amendments,  
11 Article - State Personnel and Pensions  
12 Section 23-401  
13 Annotated Code of Maryland  
14 (1997 Replacement Volume and 2001 Supplement)

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

17 **Article - State Personnel and Pensions**

18 23-401.

19 (a) A member may retire with a normal service retirement allowance if:

20 (1) the member completes and submits a written application to the  
21 Board of Trustees stating the date when the member desires to retire; and

1 (2) on or before the date of retirement, the member:

2 (i) has at least 30 years of eligibility service; [or]

3 (ii) HAS A COMBINED TOTAL OF AT LEAST 30 YEARS OF ELIGIBILITY  
4 SERVICE FROM THE EMPLOYEES' PENSION SYSTEM, THE TEACHERS' PENSION  
5 SYSTEM, THE EMPLOYEES' RETIREMENT SYSTEM, OR THE TEACHERS' RETIREMENT  
6 SYSTEM; OR

7 (III) has attained the age and the years of eligibility service as  
8 follows:

9 Age	Years of Eligibility Service
10 62 with 5	
11 63 with 4	
12 64 with 3	
13 65 or more with 2	

14 (b) Except as provided in [subsection (c)] SUBSECTIONS (C) AND (D) of this  
15 section, on retirement under this section, a member is entitled to receive a normal  
16 service retirement allowance that equals the number of years of the member's  
17 creditable service multiplied by:

18 (1) 0.8% of the member's average final compensation that is not in excess  
19 of the Social Security integration level; and

20 (2) 1.5% of the member's average final compensation that exceeds the  
21 Social Security integration level.

22 (c) [On] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, ON  
23 retirement under this section, a member who is subject to the contributory pension  
24 benefit under Subtitle 2, Part II of this title is entitled to receive a normal service  
25 retirement allowance that equals the sum of:

26 (1) the number of years of the member's creditable service on or after  
27 July 1, 1998 multiplied by 1.4% of the member's average final compensation; and

28 (2) the greater of:

29 (i) the number of years of the member's creditable service on or  
30 before June 30, 1998 multiplied by 1.2% of the member's average final compensation;  
31 or

32 (ii) the number of years of the member's creditable service on or  
33 before June 30, 1998 multiplied by:

34 1. 0.8% of the member's average final compensation that is  
35 not in excess of the Social Security integration level; and

