

**ENROLLED BILL**

-- Budget and Taxation/Appropriations --

Introduced by **Senator Kasemeyer (Chairman, Joint Committee on Pensions)**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this  
\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_ M.

\_\_\_\_\_  
President.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **State Retirement and Pension System - Administration - Simplification**

3 FOR the purpose of providing that certain members of certain systems included in the  
4 State Retirement and Pension System who retire within a certain period of time  
5 after ~~terminating State employment~~ separating from employment with certain  
6 employers may receive creditable service for their unused sick leave; requiring  
7 that certain trustees on the Board of Trustees for the State Retirement and  
8 Pension System meet certain criteria; providing that certain members of the  
9 State Police Retirement System or the Law Enforcement Officers' Pension  
10 System are not required to designate certain beneficiaries if a reduced  
11 retirement allowance is selected at the time of retirement; providing that certain  
12 ~~monthly~~ benefit payments may not be included in the payment of certain  
13 optional retirement allowance death benefits; providing that certain ~~monthly~~  
14 benefit payments will not be made if certain individuals die within a certain  
15 period of time; altering the criteria for when membership ends for certain  
16 members of certain systems included in the State Retirement and Pension  
17 System; limiting the period of time when certain members of certain systems

1 included in the State Retirement and Pension System may purchase certain  
 2 service credit; prohibiting certain retirees from being rehired within a certain  
 3 period of time under certain circumstances; altering the time period for filing  
 4 certain applications for disability retirement; altering the period of time when a  
 5 certain offset to a retirement allowance is applied for certain members of the  
 6 employees' systems and the teachers' systems; providing that members of the  
 7 Employees' Pension System, Teachers' Pension System, or Law Enforcement  
 8 Officers' Pension System may only earn a certain amount of service credit for a  
 9 certain period of time; ~~distributing~~ providing, under certain circumstances, for  
 10 the distribution of the accumulated contributions of a deceased member of the  
 11 Law Enforcement Officers' Pension System if the death occurs under certain  
 12 circumstances; requiring that an eligible governmental unit electing to  
 13 participate in the Employees' Pension System or the Law Enforcement Officers'  
 14 Pension System begins participating on a certain date; altering the types of  
 15 service credit that certain members of certain systems included in the State  
 16 Retirement and Pension System may purchase; altering the methods that  
 17 certain members of certain systems included in the State Retirement and  
 18 Pension System may use to purchase certain service credit; providing that  
 19 certain deputy clerks of the court may receive a service retirement allowance after  
 20 -serving a certain number of years; making certain technical and conforming  
 21 changes; providing for the application of certain provisions of this Act; providing  
 22 for a delayed effective date of certain provisions of this Act; and generally  
 23 relating to simplifying the administration of the State Retirement and Pension  
 24 System.

25 BY repealing and reenacting, with amendments,

26 Article - State Personnel and Pensions

27 Section 20-206(c), 21-104(a), 21-402, 21-403, 21-406, 22-217, 22-304,  
 28 ~~22-406(b)~~ 22-305(b), 22-404(c), 22-406(a) and (b), 23-215, 23-302,  
 29 23-307(a), 23-404(c), ~~23-407(b)~~, 24-207, 24-305(a), 25-205, ~~26-206,~~  
 30 ~~26-302,~~ 23-407(a) and (b), 24-207, 24-305(a), 24-306(b), 24-405(a),  
 31 25-205, 25-306(b), 25-403(a), 26-206, 26-302, 26-307(a), 26-403(a),  
 32 28-206, 28-307(a), 28-402(a), 29-104(b) and (c), and 29-203

33 Annotated Code of Maryland

34 (2004 Replacement Volume)

35 BY adding to

36 Article - State Personnel and Pensions

37 ~~Section 22-303.1, 23-304.1, 24-304.1, 25-304.1, 26-306.1, 28-306.1, 31-109.1,~~  
 38 Section 22-303.1, 22-406(h), 23-304.1, 23-407(h), 24-304.1, 24-405(d),  
 39 25-304.1, 25-403(h), 26-306.1, 26-403(f), 28-306.1, 28-402(g), 31-109.1,  
 40 and 31-2A-03.1

41 Annotated Code of Maryland

42 (2004 Replacement Volume)

43 BY repealing and reenacting, without amendments,

44 Article - State Personnel and Pensions

1 Section 22-404(b) and 23-404(b)  
 2 Annotated Code of Maryland  
 3 (2004 Replacement Volume)

4 ~~BY repealing and reenacting, without amendments,~~  
 5 ~~Article State Personnel and Pensions~~  
 6 ~~Section 22-406(a) and 23-407(a)~~  
 7 ~~Annotated Code of Maryland~~  
 8 ~~(2004 Replacement Volume)~~

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

11 **Article - State Personnel and Pensions**

12 20-206.

13 (c) A member is entitled to receive creditable service for unused sick leave [as  
 14 provided in this section] ~~IF THE MEMBER RETIRES ON OR BEFORE 30 DAYS AFTER~~  
 15 ~~THE MEMBER TERMINATES STATE EMPLOYMENT IS SEPARATED FROM~~  
 16 EMPLOYMENT WITH A PARTICIPATING EMPLOYER OR A PARTICIPATING  
 17 GOVERNMENTAL UNIT THAT HAS WITHDRAWN FROM ONE OF THE SEVERAL  
 18 SYSTEMS UNDER TITLE 31 OF THIS ARTICLE.

19 21-104.

20 (a) The Board of Trustees consists of the following 14 trustees:

21 (1) the Secretary of Budget and Management, ex officio;

22 (2) the State Comptroller, ex officio;

23 (3) the State Treasurer, ex officio, who may appoint a deputy treasurer as  
 24 designee; and

25 (4) 11 trustees elected or appointed as follows:

26 (i) one trustee who is a member of the Correctional Officers'  
 27 Retirement System, the Employees' Pension System, the Employees' Retirement System,  
 28 the Judges' Retirement System, the Legislative Pension Plan, the Local Fire and Police  
 29 System, or the Law Enforcement Officers' Pension Plan, who shall be elected as  
 30 provided in subsection (b) of this section and may not be an employee of the State  
 31 Retirement Agency;

32 (ii) one trustee who is a retiree of the Correctional Officers'  
 33 Retirement System, the Employees' Pension System, the Employees' Retirement System,  
 34 the Judges' Retirement System, the Legislative Pension Plan, the Local Fire and Police  
 35 System, or the Law Enforcement Officers' Pension Plan, who shall be elected as

1 provided in subsection (b) of this section and may not be an employee of the State

2 Retirement Agency;

3 (iii) one trustee who is a member of the Teachers' Pension System or

4 the Teachers' Retirement System, who shall be elected as provided in subsection (b) of

5 this section and may not be an employee of the State Retirement Agency;

6 (iv) one trustee who is a retiree of the Teachers' Pension System or the

7 Teachers' Retirement System, who shall be elected as provided in subsection (b) of this

8 section and may not be an employee of the State Retirement Agency;

9 (v) one trustee who is either a member or retiree of the State Police

10 Retirement System, who shall be elected as provided in subsection (b) of this section

11 and may not be an employee of the State Retirement Agency;

12 (vi) one trustee who represents the interests of participating

13 governmental units in the Employees' Pension System and the Employees' Retirement

14 System; and

15 (vii) five trustees who:

16 1. represent the interests of the public;

17 2. are not members of any of the several systems;

18 3. are not [affiliated with] EMPLOYEES, DIRECTORS,

19 PARTNERS, OR OFFICERS OF any of the external investment managers for the several

20 systems;

21 4. DO NOT HAVE AN OWNERSHIP INTEREST IN ANY OF THE

22 EXTERNAL INVESTMENT MANAGERS OF THE SEVERAL SYSTEMS THAT IS GREATER

23 THAN 5% OF THE ISSUED OR OUTSTANDING STOCK;

24 5. ARE NOT DIRECTORS, PARTNERS, OR OFFICERS OF ANY

25 CORPORATION OR LARGE ORGANIZATION IN WHICH ANY OF THE EXTERNAL

26 MANAGERS FOR THE SEVERAL SYSTEMS OWN 10% OR MORE OF THE ISSUED OR

27 OUTSTANDING STOCK OF THE CORPORATION OR LARGE ORGANIZATION; and

28 [4.] 6. have at least 10 years of substantial experience

29 overseeing similar pension systems, large foundations, or other similar large

30 organizations with fiduciary responsibilities relating to different classes of

31 participants.

32 21-402.

33 (a) Each optional form of allowance shall be the actuarial equivalent of the

34 basic allowance under the State system of a member.

1 (b) (1) Subject to paragraph (2) of this subsection, for an optional form of  
 2 allowance providing for payment to a designated beneficiary for life, the designated  
 3 beneficiary must be an individual.

4 (2) If the designated beneficiary is a minor or an individual with a  
 5 disability, the allowance may be paid into a trust for the benefit of the individual.

6 (3) A MEMBER WHO ELECTS TO RECEIVE A REDUCED OPTIONAL  
 7 ALLOWANCE UNDER § 21-403 OF THIS SUBTITLE, MAY DESIGNATE AN INDIVIDUAL  
 8 OTHER THAN THE MEMBER'S CHILD AS THE MEMBER'S DESIGNATED BENEFICIARY.

9 21-403.

10 ~~(A) (1) IF A DEATH BENEFIT FOR A DECEASED RETIREE IS MADE UNDER~~  
 11 ~~SUBSECTION (B), (D), (E), OR (G) OF THIS SECTION, THE PAYMENT MAY NOT INCLUDE~~  
 12 ~~ANY PORTION OF THE MONTHLY BENEFIT THE RETIREE WOULD HAVE RECEIVED IN~~  
 13 ~~THE MONTH IN WHICH THE RETIREE DIED.~~

14 ~~(2) THE PAYMENT FOR THE MONTHLY BENEFIT DUE TO THE RETIREE IN~~  
 15 ~~THE MONTH THE RETIREE DIED SHALL BE PAID UNDER § 21-406 OF THIS SUBTITLE.~~

16 ~~(B)~~ (A) (1) Under Option 1, if a retiree dies before receiving payments  
 17 equal to the actuarial equivalent present value of the retiree's basic allowance  
 18 computed at the time of retirement, the Board of Trustees shall pay the balance as a  
 19 single payment:

20 (i) to the designated beneficiary; or

21 (ii) if there is no designated beneficiary, to the retiree's estate.

22 (2) (i) At the time of retirement, a member of the Judges' Retirement  
 23 System described in § 21-401(a)(2) of this subtitle may designate more than one  
 24 beneficiary for the optional benefit provided in paragraph (1) of this subsection.

25 (ii) If, at the time of retirement, a member of the Judges'  
 26 Retirement System does designate more than one beneficiary for the optional benefit  
 27 provided in paragraph (1) of this subsection, the single payment will be paid in equal  
 28 shares to each of the designated beneficiaries.

29 ~~{(b)}~~ ~~(C)~~ Under Option 2, when a retiree dies, the Board of Trustees shall pay  
 30 the retiree's reduced allowance to the designated beneficiary for the designated  
 31 beneficiary's life.

32 ~~{(c)}~~ ~~(D)~~ Under Option 3, when a retiree dies, the Board of Trustees shall pay  
 33 50% of the retiree's reduced allowance to the designated beneficiary for the  
 34 designated beneficiary's life.

35 ~~{(d)}~~ ~~(E)~~ Under Option 4, if a retiree dies before receiving payments equal to  
 36 the value of the retiree's accumulated contributions at the time of retirement, the  
 37 Board of Trustees shall pay the balance as a single payment:

1 (1) to the designated beneficiary; or

2 (2) if there is no designated beneficiary, to the retiree's estate.

3 ~~{(e)}~~ ~~(F)~~ (1) Subject to paragraph (2) of this subsection, under Option 5,  
4 when a retiree dies, the Board of Trustees shall pay the retiree's reduced allowance to  
5 the designated beneficiary for the designated beneficiary's life.

6 (2) If the designated beneficiary dies before the retiree, then:

7 (i) from the date of death of the designated beneficiary, the Board  
8 of Trustees shall pay the retiree the basic allowance; or

9 (ii) 1. the retiree may designate a new beneficiary in accordance  
10 with § 21-404 of this subtitle; and

11 2. the Board of Trustees shall pay the retiree an allowance as  
12 provided in § 21-404(d)(2) OF THIS SUBTITLE.

13 ~~{(f)}~~ ~~(G)~~ (1) Subject to paragraph (2) of this subsection, under Option 6,  
14 when a retiree dies, the Board of Trustees shall pay 50% of the retiree's reduced  
15 allowance to the designated beneficiary for the designated beneficiary's life.

16 (2) If the designated beneficiary dies before the retiree, then:

17 (i) from the date of death of the designated beneficiary, the Board  
18 of Trustees shall pay the retiree the basic allowance; or

19 (ii) 1. the retiree may designate a new beneficiary in accordance  
20 with § 21-404 of this subtitle; and

21 2. the Board of Trustees shall pay the retiree an allowance as  
22 provided in § 21-404(d)(2) OF THIS SUBTITLE.

23 ~~{(g)}~~ ~~(H)~~ Under Option 7, the Board of Trustees shall pay a retiree or, on the  
24 death of a retiree, the designated beneficiary benefits according to a method of  
25 payment requested before the retiree's retirement, if:

26 (1) the actuary for the Board of Trustees certifies that the method of  
27 payment is the actuarial equivalent of the retiree's basic allowance; and

28 (2) the Board of Trustees approves the method of payment.

29 21-406.

30 (a) (1) [When] IF a designated beneficiary who is receiving payments for  
31 life dies ~~ON OR AFTER THE 1ST DAY OF THE MONTH AND ON OR BEFORE THE 15TH~~  
32 ~~DAY OF THE A MONTH, THE BOARD OF TRUSTEES MAY NOT PAY ANY PORTION OF THE~~  
33 ~~DESIGNATED BENEFICIARY'S MONTHLY BENEFIT ALLOWANCE TO THE DESIGNATED~~  
34 ~~BENEFICIARY'S ESTATE FOR THE MONTH IN WHICH THE DEATH OCCURS.~~

1 (2) IF A DESIGNATED BENEFICIARY WHO IS RECEIVING PAYMENTS FOR  
 2 LIFE DIES ON OR AFTER THE 16TH DAY OF ~~THE~~ A MONTH, the Board of Trustees shall  
 3 pay to the designated beneficiary's estate the [part of the] ~~FULL MONTHLY ENTIRE~~  
 4 allowance due to the designated beneficiary for the month in which the death occurs.

5 (b) (1) [When] IF a retiree dies ~~ON OR AFTER THE 1ST DAY OF THE MONTH~~  
 6 ~~AND~~ ON OR BEFORE THE 15TH DAY OF ~~THE~~ A MONTH, THE BOARD OF TRUSTEES MAY  
 7 NOT PAY ANY PORTION OF THE RETIREE'S ~~MONTHLY BENEFIT~~ ALLOWANCE TO THE  
 8 DESIGNATED BENEFICIARY OR THE RETIREE'S ESTATE FOR THE MONTH IN WHICH  
 9 THE DEATH OCCURS.

10 (2) IF A RETIREE DIES ON OR AFTER THE 16TH DAY OF ~~THE~~ A MONTH,  
 11 the Board of Trustees shall pay the [part of the] ~~FULL MONTHLY ENTIRE~~ allowance  
 12 due to the retiree for the month in which the death occurs:

13 ~~(1)~~ (I) to the designated beneficiary; or

14 ~~(2)~~ (II) if there is no designated beneficiary, to the retiree's estate.

15 22-217.

16 Membership ends if the member:

17 (1) is separated from employment for more than:

18 (i) [3] 4 years, if a member of the Employees' Retirement System;  
 19 or

20 (ii) 5 years, if a member of the Teachers' Retirement System;

21 (2) withdraws the member's accumulated contributions;

22 (3) transfers to the Employees' Pension System or Teachers' Pension  
 23 System;

24 (4) becomes a retiree; or

25 (5) dies.

26 22-303.1.

27 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MEMBER  
 28 MAY NOT PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE MEMBER IS ~~NO~~  
 29 ~~LONGER MAKING MEMBER CONTRIBUTIONS AS PROVIDED IN § 22-214 OF THIS TITLE~~  
 30 SEPARATED FROM EMPLOYMENT.

31 (B) A MEMBER MAY PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE  
 32 MEMBER IS ON AN ~~AN APPROVED~~ A LEAVE OF ABSENCE ~~PROVIDED UNDER § 9-1105 OF~~  
 33 ~~THIS ARTICLE~~ APPROVED BY THE BOARD OF TRUSTEES UNDER REGULATIONS THAT  
 34 APPLY TO ALL MEMBERS.

1 22-406.

2 (a) ~~An~~ EXCEPT AS PROVIDED IN SUBSECTION (H) OF THIS SECTION, AN  
3 individual who is receiving a service retirement allowance or vested allowance may  
4 accept employment with a participating employer on a permanent, temporary, or  
5 contractual basis, if:

6 (1) the individual immediately notifies the Board of Trustees of the  
7 individual's intention to accept this employment; and

8 (2) the individual specifies the compensation to be received.

9 (b) (1) The Board of Trustees shall reduce the allowance of an individual  
10 who accepts employment as provided under subsection (a) of this section if:

11 (i) the individual's current employer is a participating employer  
12 other than the State and is the same participating employer that employed the  
13 individual at the time of the individual's last separation from employment with a  
14 participating employer before the individual commenced receiving a service  
15 retirement allowance or vested allowance;

16 (ii) the individual's current employer is any unit of State  
17 government and the individual's employer at the time of the individual's last  
18 separation from employment with the State before the individual commenced  
19 receiving a service retirement allowance or vested allowance was also a unit of State  
20 government; or

21 (iii) the individual becomes reemployed within 12 months of  
22 receiving an early service retirement allowance under § 22-402 of this subtitle.

23 (2) The reduction required under paragraph (1) of this subsection shall  
24 equal:

25 (i) the amount by which the sum of the individual's initial annual  
26 basic allowance and the individual's annual compensation exceeds the average final  
27 compensation used to compute the basic allowance; or

28 (ii) for a retiree who retired under the Workforce Reduction Act  
29 (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual  
30 compensation and the retiree's annual basic allowance at the time of retirement,  
31 including the incentive provided by the Workforce Reduction Act, exceeds the average  
32 final compensation used to compute the basic allowance.

33 (3) A reduction of an early service retirement allowance under paragraph  
34 (1)(iii) of this subsection shall be applied only until the individual has received an  
35 allowance for 12 months.

36 (4) Except for an individual whose allowance is subject to a reduction as  
37 provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an  
38 allowance under this subsection does not apply to:

1 (i) an individual who has been retired for [more than 10] 9 years,  
2 BEGINNING ON JANUARY 1 AFTER THE DATE THE INDIVIDUAL RETIRES;

3 (ii) an individual whose average final compensation was less than  
4 \$10,000 and who is reemployed on a temporary or contractual basis;

5 (iii) an individual who is serving in an elected position as an official  
6 of a participating governmental unit or as a constitutional officer for a county that is  
7 a participating governmental unit;

8 (iv) a retiree of the Teachers' Retirement System:

9 1. who retired and was reemployed by a participating  
10 employer other than the State on or before September 30, 1994; and

11 2. whose employment compensation does not derive, in whole  
12 or in part, from State funds; or

13 (v) a former employee of the Domestic Relations Division of Anne  
14 Arundel County Circuit Court who transfers into the State Employees' Personnel  
15 System under § 2-510 of the Courts Article.

16 (H) AN INDIVIDUAL WHO IS REHIRED UNDER THIS SECTION MAY NOT BE  
17 REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED IF:

18 (1) THE INDIVIDUAL'S CURRENT EMPLOYER IS A PARTICIPATING  
19 EMPLOYER OTHER THAN THE STATE AND IS THE SAME PARTICIPATING EMPLOYER  
20 THAT EMPLOYED THE INDIVIDUAL AT THE TIME OF THE INDIVIDUAL'S LAST  
21 SEPARATION FROM EMPLOYMENT WITH A PARTICIPATING EMPLOYER BEFORE THE  
22 INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE; OR

23 (2) THE INDIVIDUAL'S CURRENT EMPLOYER IS ANY UNIT OF STATE  
24 GOVERNMENT AND THE INDIVIDUAL'S EMPLOYER AT THE TIME OF THE  
25 INDIVIDUAL'S LAST SEPARATION FROM EMPLOYMENT WITH THE STATE BEFORE THE  
26 INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE WAS  
27 ALSO A UNIT OF STATE GOVERNMENT.

28 23-215.

29 [(a) Except as provided in subsection (b) of this section, membership ends on  
30 separation from employment.

31 (b) If a member is subject to the contributory pension benefit under Part II of  
32 this subtitle, membership] MEMBERSHIP ends if the member:

33 (1) is separated from employment for more than 4 years;

34 (2) withdraws the member's accumulated contributions;

35 (3) becomes a retiree; or

1 (4) dies.

2 23-302.

3 (a) Subject to subsections [(b) and (c)] (B), (C), AND (D) of this section, a  
4 member is entitled to eligibility service for periods of employment while a member of  
5 the Employees' Pension System or the Teachers' Pension System.

6 (b) THE BOARD OF TRUSTEES MAY NOT ALLOW MORE THAN 1 YEAR OF  
7 SERVICE CREDIT FOR A CALENDAR YEAR.

8 (C) (1) If a member completes at least 500 hours of employment while a  
9 member in any fiscal year, the member is entitled to 1 year of eligibility service.

10 (2) Except in the first and last fiscal years or except as provided in  
11 subsection (c) of this section, a member may not receive any eligibility service for a  
12 fiscal year in which the member completes less than 500 hours of employment while  
13 a member.

14 (3) In the first and last fiscal years, if a member completes less than 500  
15 hours of employment while a member, the Board of Trustees shall prorate the  
16 eligibility service based on the number of hours worked.

17 [(c)] (D) If a member who is subject to the contributory pension benefit under  
18 Subtitle 2, Part II of this title completes less than 500 hours of employment while a  
19 member, the Board of Trustees shall prorate the member's eligibility service based on  
20 the number of hours worked.

21 23-304.1.

22 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MEMBER  
23 MAY NOT PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE MEMBER IS ~~NO~~  
24 ~~LONGER MAKING MEMBER CONTRIBUTIONS AS PROVIDED IN § 23-212 OF THIS TITLE~~  
25 SEPARATED FROM EMPLOYMENT.

26 (B) A MEMBER MAY PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE  
27 MEMBER IS ON AN ~~APPROVED~~ A LEAVE OF ABSENCE PROVIDED UNDER § 9-1105 OF  
28 THIS ARTICLE APPROVED BY THE BOARD OF TRUSTEES UNDER REGULATIONS THAT  
29 APPLY TO ALL MEMBERS.

30 23-407.

31 (a) AN EXCEPT AS PROVIDED IN SUBSECTION (H) OF THIS SECTION, AN  
32 individual who is receiving a service retirement allowance or a vested allowance may  
33 accept employment with a participating employer on a permanent, temporary, or  
34 contractual basis, if:

35 (1) the individual immediately notifies the Board of Trustees of the  
36 individual's intention to accept this employment; and

1 (2) the individual specifies the compensation to be received.

2 (b) (1) The Board of Trustees shall reduce the allowance of an individual  
3 who accepts employment as provided under subsection (a) of this section if:

4 (i) the individual's current employer is a participating employer  
5 other than the State and is the same participating employer that employed the  
6 individual at the time of the individual's last separation from employment with a  
7 participating employer before the individual commenced receiving a service  
8 retirement allowance or vested allowance;

9 (ii) the individual's current employer is any unit of State  
10 government and the individual's employer at the time of the individual's last  
11 separation from employment with the State before the individual commenced  
12 receiving a service retirement allowance or vested allowance was also a unit of State  
13 government; or

14 (iii) the individual becomes reemployed within 12 months of  
15 receiving an early service retirement allowance or an early vested allowance  
16 computed under § 23-402 of this subtitle.

17 (2) The reduction required under paragraph (1) of this subsection shall  
18 equal:

19 (i) the amount by which the sum of the individual's initial annual  
20 basic allowance and the individual's annual compensation exceeds the average final  
21 compensation used to compute the basic allowance; or

22 (ii) for a retiree who retired under the Workforce Reduction Act  
23 (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual  
24 compensation and the retiree's annual basic allowance at the time of retirement,  
25 including the incentive provided by the Workforce Reduction Act, exceeds the average  
26 final compensation used to compute the basic allowance.

27 (3) A reduction of an early service retirement allowance or an early  
28 vested allowance under paragraph (1)(iii) of this subsection shall be applied only until  
29 the individual has received an allowance for 12 months.

30 (4) Except for an individual whose allowance is subject to a reduction as  
31 provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an  
32 allowance under this subsection does not apply to:

33 (i) an individual whose average final compensation was less than  
34 \$10,000 and who is reemployed on a temporary or contractual basis;

35 (ii) an individual who is serving in an elected position as an official  
36 of a participating governmental unit or as a constitutional officer for a county that is  
37 a participating governmental unit; or

1 (iii) an individual who has been retired for [more than 10] 9 years,  
2 BEGINNING ON JANUARY 1 AFTER THE DATE THE INDIVIDUAL RETIRES.

3 (H) AN INDIVIDUAL WHO IS REHIRED UNDER THIS SECTION MAY NOT BE  
4 REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED IF:

5 (1) THE INDIVIDUAL'S CURRENT EMPLOYER IS A PARTICIPATING  
6 EMPLOYER OTHER THAN THE STATE AND IS THE SAME PARTICIPATING EMPLOYER  
7 THAT EMPLOYED THE INDIVIDUAL AT THE TIME OF THE INDIVIDUAL'S LAST  
8 SEPARATION FROM EMPLOYMENT WITH A PARTICIPATING EMPLOYER BEFORE THE  
9 INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE; OR

10 (2) THE INDIVIDUAL'S CURRENT EMPLOYER IS ANY UNIT OF STATE  
11 GOVERNMENT AND THE INDIVIDUAL'S EMPLOYER AT THE TIME OF THE  
12 INDIVIDUAL'S LAST SEPARATION FROM EMPLOYMENT WITH THE STATE BEFORE THE  
13 INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE WAS  
14 ALSO A UNIT OF STATE GOVERNMENT.

15 24-207.

16 Membership ends if the member:

17 (1) is separated from employment for more than [3] 4 years;

18 (2) withdraws the member's accumulated contributions;

19 (3) becomes a retiree;

20 (4) dies; or

21 (5) elects to participate in the Deferred Retirement Option Program  
22 established under § 24-401.1 of this title.

23 24-304.1.

24 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MEMBER  
25 MAY NOT PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE MEMBER IS ~~NO~~  
26 ~~LONGER MAKING MEMBER CONTRIBUTIONS AS PROVIDED IN § 24-205 OF THIS TITLE~~  
27 SEPARATED FROM EMPLOYMENT.

28 (B) A MEMBER MAY PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE  
29 MEMBER IS ON ~~AN APPROVED~~ A LEAVE OF ABSENCE ~~PROVIDED UNDER § 9-1105 OF~~  
30 ~~THIS ARTICLE~~ APPROVED BY THE BOARD OF TRUSTEES UNDER REGULATIONS THAT  
31 APPLY TO ALL MEMBERS.

32 24-405.

33 (a) [Subject] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION  
34 AND SUBJECT to subsections (b) and (c) of this section, an individual who is receiving  
35 a service retirement allowance or vested allowance may accept employment with a  
36 participating employer on a temporary basis, if:

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1 (1) the employment is not in a regularly allocated position; and

2 (2) the individual immediately notifies the Board of Trustees:

3 (i) of the individual's intention to accept the employment; and

4 (ii) of the compensation that the individual will receive.

5 (D) AN INDIVIDUAL WHO IS REHIRED UNDER THIS SECTION MAY NOT BE  
6 REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED IF THE  
7 INDIVIDUAL'S CURRENT EMPLOYER IS ANY UNIT OF STATE GOVERNMENT AND THE  
8 INDIVIDUAL'S EMPLOYER AT THE TIME OF THE INDIVIDUAL'S LAST SEPARATION  
9 FROM EMPLOYMENT WITH THE STATE BEFORE THE INDIVIDUAL COMMENCED  
10 RECEIVING A SERVICE RETIREMENT ALLOWANCE WAS ALSO A UNIT OF STATE  
11 GOVERNMENT.

12 25-205.

13 Membership ends if the member:

14 (1) is separated from employment for more than [3] 4 years;

15 (2) withdraws the member's accumulated contributions;

16 (3) becomes a retiree; or

17 (4) dies.

18 25-304.1.

19 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MEMBER  
20 MAY NOT PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE MEMBER IS ~~NO~~  
21 ~~LONGER MAKING MEMBER CONTRIBUTIONS AS PROVIDED IN § 25 203 OF THIS TITLE~~  
22 SEPARATED FROM EMPLOYMENT.

23 (B) A MEMBER MAY PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE  
24 MEMBER IS ON AN ~~APPROVED~~ A LEAVE OF ABSENCE ~~PROVIDED UNDER § 9 1105 OF~~  
25 ~~THIS ARTICLE APPROVED BY THE BOARD OF TRUSTEES UNDER REGULATIONS THAT~~  
26 APPLY TO ALL MEMBERS.

27 25-403.

28 (a) [An] EXCEPT AS PROVIDED IN SUBSECTION (H) OF THIS SECTION, AN  
29 individual who is receiving a service retirement allowance or vested allowance may  
30 accept employment with a participating employer on a permanent, temporary, or  
31 contractual basis, if the individual immediately notifies the Board of Trustees:

32 (1) of the individual's intention to accept the employment; and

33 (2) of the compensation that the individual will receive.

1 (H) AN INDIVIDUAL WHO IS REHIRED UNDER THIS SECTION MAY NOT BE  
2 REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED IF:

3 (1) THE INDIVIDUAL'S CURRENT EMPLOYER IS A PARTICIPATING  
4 EMPLOYER OTHER THAN THE STATE AND IS THE SAME PARTICIPATING EMPLOYER  
5 THAT EMPLOYED THE INDIVIDUAL AT THE TIME OF THE INDIVIDUAL'S LAST  
6 SEPARATION FROM EMPLOYMENT WITH A PARTICIPATING EMPLOYER BEFORE THE  
7 INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE; OR

8 (2) THE INDIVIDUAL'S CURRENT EMPLOYER IS ANY UNIT OF STATE  
9 GOVERNMENT AND THE INDIVIDUAL'S EMPLOYER AT THE TIME OF THE  
10 INDIVIDUAL'S LAST SEPARATION FROM EMPLOYMENT WITH THE STATE BEFORE THE  
11 INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE WAS  
12 ALSO A UNIT OF STATE GOVERNMENT.

13 26-206.

14 [(a) Except as provided in subsection (b) of this section, membership ends on  
15 separation from employment.

16 (b) (1) This subsection applies only to a member who is subject to the Law  
17 Enforcement Officers' Modified Pension Benefit under Part II of this subtitle.

18 (2)] Membership ends if the member:

19 [(i) (1) is separated from employment for more than 4 years;

20 [(ii) (2) withdraws the member's accumulated contributions;

21 [(iii) (3) becomes a retiree; or

22 [(iv) (4) dies.

23 26-302.

24 (a) Subject to subsections [(b) and (c)] (B), (C), AND (D) of this section, a  
25 member is entitled to eligibility service for periods of employment while a member of  
26 the Law Enforcement Officers' Pension System.

27 (b) THE BOARD OF TRUSTEES MAY NOT ALLOW MORE THAN 1 YEAR OF  
28 SERVICE CREDIT FOR A CALENDAR YEAR.

29 (C) (1) If a member completes at least 500 hours of employment while a  
30 member in any fiscal year, the member is entitled to 1 year of eligibility service.

31 (2) Except in the first and last fiscal years, a member may not receive  
32 any eligibility service for a fiscal year in which the member completes less than 500  
33 hours of employment while a member.

1 (3) In the first and last fiscal years, if a member completes less than 500  
2 hours of employment while a member, the Board of Trustees shall prorate the  
3 eligibility service based on the number of hours worked.

4 [(c)] (D) If a member who is subject to the Law Enforcement Officers' Modified  
5 Pension Benefit under Subtitle 2, Part II of this title completes less than 500 hours of  
6 employment while a member, the Board of Trustees shall prorate the member's  
7 eligibility service based on the number of hours worked.

8 26-306.1.

9 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MEMBER  
10 MAY NOT PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE MEMBER IS ~~NO~~  
11 ~~LONGER MAKING MEMBER CONTRIBUTIONS AS PROVIDED IN § 26-204 OF THIS TITLE~~  
12 SEPARATED FROM EMPLOYMENT.

13 (B) A MEMBER MAY PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE  
14 MEMBER IS ON ~~AN APPROVED~~ A LEAVE OF ABSENCE PROVIDED UNDER § 9-1105 OF  
15 ~~THIS ARTICLE~~ APPROVED BY THE BOARD OF TRUSTEES UNDER REGULATIONS THAT  
16 APPLY TO ALL MEMBERS.

17 26-403.

18 (a) [A] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, A retiree  
19 who is receiving a service retirement allowance may accept employment with a  
20 participating employer on a permanent, temporary, or contractual basis, without any  
21 reduction in retirement allowance.

22 (F) AN INDIVIDUAL WHO IS REHIRED UNDER THIS SECTION MAY NOT BE  
23 REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED IF:

24 (1) THE INDIVIDUAL'S CURRENT EMPLOYER IS A PARTICIPATING  
25 EMPLOYER OTHER THAN THE STATE AND IS THE SAME PARTICIPATING EMPLOYER  
26 THAT EMPLOYED THE INDIVIDUAL AT THE TIME OF THE INDIVIDUAL'S LAST  
27 SEPARATION FROM EMPLOYMENT WITH A PARTICIPATING EMPLOYER BEFORE THE  
28 INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE; OR

29 (2) THE INDIVIDUAL'S CURRENT EMPLOYER IS ANY UNIT OF STATE  
30 GOVERNMENT AND THE INDIVIDUAL'S EMPLOYER AT THE TIME OF THE  
31 INDIVIDUAL'S LAST SEPARATION FROM EMPLOYMENT WITH THE STATE BEFORE THE  
32 INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE WAS  
33 ALSO A UNIT OF STATE GOVERNMENT.

34 28-206.

35 Membership ends [on separation from employment] IF THE MEMBER IS  
36 SEPARATED FROM EMPLOYMENT FOR MORE THAN 4 YEARS.

1 28-306.1.

2 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MEMBER  
3 MAY NOT PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE MEMBER IS ~~NO~~  
4 ~~LONGER MAKING MEMBER CONTRIBUTIONS AS PROVIDED IN § 28-204 OF THIS TITLE~~  
5 SEPARATED FROM EMPLOYMENT.

6 (B) A MEMBER MAY PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE  
7 MEMBER IS ON A LEAVE OF ABSENCE APPROVED BY THE ~~MEMBER'S EMPLOYER~~  
8 BOARD OF TRUSTEES UNDER REGULATIONS THAT APPLY TO ALL MEMBERS.

9 28-402.

10 (a) [An] EXCEPT AS PROVIDED IN SUBSECTION (G) OF THIS SECTION, AN  
11 individual who is receiving a service retirement allowance or vested allowance may  
12 accept employment with a participating employer on a permanent, temporary, or  
13 contractual basis, without any reduction in the allowance, if:

14 (1) the individual immediately notifies the Board of Trustees of the  
15 individual's intention to accept the employment; and

16 (2) the individual specifies the compensation to be received.

17 (G) AN INDIVIDUAL WHO IS REHIRED UNDER THIS SECTION MAY NOT BE  
18 REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED IF THE  
19 INDIVIDUAL'S CURRENT EMPLOYER IS A PARTICIPATING EMPLOYER OTHER THAN  
20 THE STATE AND IS THE SAME PARTICIPATING EMPLOYER THAT EMPLOYED THE  
21 INDIVIDUAL AT THE TIME OF THE INDIVIDUAL'S LAST SEPARATION FROM  
22 EMPLOYMENT WITH A PARTICIPATING EMPLOYER BEFORE THE INDIVIDUAL  
23 COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE.

24 29-104.

25 (b) (1) (i) *This subsection applies only to an application for an ordinary or*  
26 *accidental disability retirement allowance under the Employees' Pension System,*  
27 *Local Fire and Police System, Law Enforcement Officers' Pension System, or the*  
28 *Teachers' Pension System.*

29 (ii) *This subsection does not apply to a member of the Law*  
30 *Enforcement Officers' Pension System who is subject to the Law Enforcement Officers'*  
31 *Modified Pension Benefit under Title 26, Subtitle 2, Part II of this article.*

32 (iii) *This subsection does not apply to a member of the Employees'*  
33 *Pension System or Teachers' Pension System who is subject to the contributory pension*  
34 *benefit under Title 23, Subtitle 2, Part II of this article.*

35 (2) *For the purpose of submitting an application for disability,*  
36 *membership continues for [3] 4 years after paid employment ends.*

1       (c)     (1)     Except as provided in paragraphs (2) through (4) of this subsection,  
 2 the Board of Trustees may accept an application for ordinary, accidental, or special  
 3 disability retirement from a former member within [36] 24 months after the month  
 4 membership ended if the former member proves to the satisfaction of the medical board  
 5 that failure to submit an application while a member was attributable solely to  
 6 physical or mental incapacity during the filing period.

7               (2)     The Board of Trustees may accept an application for ordinary or  
 8 accidental disability retirement from a former member of the Teachers' Retirement  
 9 System within 12 months after the month membership ended if the former member of  
 10 the Teachers' Retirement System proves to the satisfaction of the medical board that  
 11 failure to submit an application while a member of the Teachers' Retirement System  
 12 was attributable solely to physical or mental incapacity during the filing period.

13               (3)     (i)     This paragraph applies only to a former member of the Law  
 14 Enforcement Officers' Pension System who is subject to the Law Enforcement Officers'  
 15 Modified Pension Benefit under Title 26, Subtitle 2, Part II of this article.

16                       (ii)     The Board of Trustees may accept an application for ordinary or  
 17 accidental disability retirement from a former member of the Law Enforcement  
 18 Officers' Pension System within 24 months after the month membership ended if the  
 19 former member of the Law Enforcement Officers' Pension System proves to the  
 20 satisfaction of the medical board that failure to submit an application while a member  
 21 of the Law Enforcement Officers' Pension System was attributable solely to physical or  
 22 mental incapacity during the filing period.

23               (4)     (i)     This paragraph only applies to a former member of the  
 24 Employees' Pension System or Teachers' Pension System who is subject to the  
 25 contributory pension benefit under Title 23, Subtitle 2, Part II of this article.

26                       (ii)     The Board of Trustees may accept an application for ordinary or  
 27 accidental disability retirement from a former member of the Employees' Pension  
 28 System or Teachers' Pension System within 24 months after the month membership  
 29 ended if the former member of the Employees' Pension System or Teachers' Pension  
 30 System proves to the satisfaction of the medical board that failure to submit an  
 31 application while a member of the Employees' Pension System or Teachers' Pension  
 32 System was attributable solely to physical or mental incapacity during the filing  
 33 period.

34               (5)     If the Board of Trustees accepts a disability retirement application  
 35 under this subsection and grants a disability retirement allowance, the retirement  
 36 allowance begins as of the first day of the month after the Board of Trustees receives  
 37 the application.

38 ~~29-203.~~

39       (a)     (1)     This subsection applies only to an individual who dies while  
 40 employed as a member of the Law Enforcement Officers' Pension System:

41               (i)     without willful negligence by the member; and

1 (ii) with more than 2 years of eligibility service.

2 (2) When the Board of Trustees receives proof of death of a member and  
3 finds that the death has occurred in the manner described in paragraph (1) of this  
4 subsection, the Board of Trustees shall pay:

5 (i) if the member is survived by a spouse or child under the age of  
6 18 years[.];

7 1. ~~THE MEMBER'S ACCUMULATED CONTRIBUTIONS TO THE~~  
8 ~~DESIGNATED BENEFICIARY, OR OTHERWISE TO THE MEMBER'S ESTATE; AND~~

9 2. an allowance of 50% of the ordinary disability retirement  
10 allowance provided for in § 29-108 of this title:

11 [1.] A. to the surviving spouse; or

12 [2.] B. if there is no surviving spouse or if the surviving  
13 spouse dies before the youngest child of the member is 18 years old, to any children of  
14 the deceased member who are under the age of 18 years; or

15 (ii) if the member is not survived by a spouse or child under the age  
16 of 18 years, the death benefit under § 29-202 of this subtitle.

17 (b) (1) This subsection applies only to an individual who dies while  
18 employed as a member of the Law Enforcement Officers' Pension System:

19 (i) without willful negligence by the member; and

20 (ii) with death arising out of or in the course of the actual  
21 performance of duty.

22 (2) When the Board of Trustees receives proof of death of a member and  
23 finds that the death has occurred in the manner described in paragraph (1) of this  
24 subsection, the Board of Trustees shall pay:

25 (i) if the member is survived by a spouse or child under the age of  
26 18 years[.];

27 1. ~~THE MEMBER'S ACCUMULATED CONTRIBUTIONS TO THE~~  
28 ~~DESIGNATED BENEFICIARY, OR OTHERWISE TO THE MEMBER'S ESTATE; AND~~

29 2. an allowance of two thirds of the member's average final  
30 compensation:

31 [1.] A. to the surviving spouse; or

32 [2.] B. if there is no surviving spouse or if the surviving  
33 spouse dies before the youngest child of the member is 18 years old, to any children of  
34 the deceased member who are under the age of 18 years; or

1 (ii) if the member is not survived by a spouse or child under the age  
2 of 18 years, the death benefit under § 29-202 of this subtitle.

3 (e) If the Board of Trustees pays an allowance under this section to more than  
4 one child, the Board of Trustees shall divide the allowance among the children under  
5 the age of 18 years in a manner that provides for payments to continue until each  
6 child dies or becomes 18 years old.

7 31-109.1.

8 THE EFFECTIVE DATE OF PARTICIPATION FOR AN ELIGIBLE GOVERNMENTAL  
9 UNIT IS JULY 1 OF THE YEAR FOLLOWING THE FISCAL YEAR IN WHICH THE ELIGIBLE  
10 GOVERNMENTAL UNIT ELECTS TO PARTICIPATE IN THE EMPLOYEES' PENSION  
11 SYSTEM.

12 31-2A-03.1.

13 THE EFFECTIVE DATE OF PARTICIPATION FOR AN ELIGIBLE GOVERNMENTAL  
14 UNIT IS JULY 1 OF THE YEAR FOLLOWING THE FISCAL YEAR IN WHICH THE ELIGIBLE  
15 GOVERNMENTAL UNIT ELECTS TO PARTICIPATE IN THE LAW ENFORCEMENT  
16 OFFICERS' PENSION SYSTEM.

17 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
18 read as follows:

19 **Article - State Personnel and Pensions**

20 22-304.

21 (a) A member may purchase service credit as provided in subsection (b) of this  
22 section for periods of employment described in subsection (c) or (d) of this section for  
23 which the member is not otherwise entitled to service credit.

24 (b) (1) A member who purchases service credit under this section shall:

25 (i) complete a claim for the service credit and file it with the Board  
26 of Trustees on a form that the Board of Trustees provides; and

27 (ii) pay to the Board of Trustees in a single payment the member  
28 contributions the member would have made for the period of employment for which  
29 service credit is being purchased plus regular interest to the date of payment.

30 (2) A member may pay for service credit purchased under this section at  
31 any time before retirement.

32 (c) (1) A member of the Employees' Retirement System may purchase  
33 service credit for a period of employment:

34 (i) [from July 1, 1970, to June 30, 1972, both inclusive, during  
35 which a member elected to delay enrollment in the Employees' Retirement System;

1 (ii) from January 1, 1972, to July 1, 1975, both inclusive, for which  
2 a member has been employed by a board of supervisors of elections;

3 (iii) as staff for the Commission to Revise the Annotated Code;

4 (iv) by the Division of Employment Service when it was under  
5 federal control;

6 (v) by the Maryland Tuberculosis Association during which the  
7 member operated radiologic equipment under the supervision of the Maryland Health  
8 Department or its successors;

9 (vi)] by the State or a participating governmental unit ~~on a~~  
10 ~~temporary or emergency basis;~~

11 [(vii)] (II) as a member of the State Police Retirement System for  
12 which the member was not vested in that State system;

13 [(viii)] when membership was mandatory but for which member  
14 contributions were not made;

15 [(ix)] (III) when the member was on an employer-approved leave of  
16 absence not exceeding 2 years that has qualified for purchase under regulations  
17 adopted by the Board of Trustees;

18 [(x)] (IV) by the Department of Legislative Services, the Office of  
19 the Attorney General, or as secretary to the Speaker of the House of Delegates or as  
20 secretary to the President of the Senate during a session of the General Assembly;

21 [(xi)] (V) by a member of the Senate or House of Delegates or the  
22 office of the Secretary of the Senate or the Chief Clerk of the House of Delegates; or

23 [(xii)] (VI) as a member of the Employees' Retirement System or the  
24 Teachers' Retirement System for which the member had withdrawn the member's  
25 accumulated contributions after a prior termination of membership.

26 (2) For service credit purchased under:

27 (i) paragraph [(1)(x)] (1)(IV) of this subsection, a year or part of a  
28 year of employment equals 1 year of service credit; and

29 (ii) paragraph [(1)(xi)] (1)(V) of this subsection, employment for at  
30 least 130 days per year as a legislative employee equals 1 year of service credit.

31 (d) A member of the Teachers' Retirement System may purchase service credit  
32 for periods of employment:

33 (1) [from July 1, 1970, to June 30, 1972, both inclusive, during which a  
34 member elected to delay enrollment in the Teachers' Retirement System;

1 (2) on or before December 30, 1969, for which membership in the  
2 Teachers' Retirement System was contingent on the member's election;

3 (3)] during which a member held an emergency teaching certificate;

4 [(4)] (2) as a member of the State Police Retirement System for which  
5 the member was not vested in that State system;

6 [(5)] (3) when membership was mandatory but for which member  
7 contributions were not made;

8 [(6)] (4) when the member was on an employer-approved leave of  
9 absence not exceeding 2 years that has qualified for purchase under regulations  
10 adopted by the Board of Trustees; or

11 [(7)] (5) as a member of the Employees' Retirement System or the  
12 Teachers' Retirement System for which the member had withdrawn the member's  
13 accumulated contributions after a prior termination of membership.

14 22-305.

15 (b) (1) A member who purchases service credit under this section shall:

16 (i) complete a claim for the service credit and file it with the Board  
17 of Trustees on a form that the Board of Trustees provides; and

18 (ii) pay to the Board of Trustees an amount equal to the annuity  
19 reserve and pension reserve required to fund the additional allowance.

20 (2) Except as provided in paragraphs (3) and (4) of this subsection, the  
21 member shall pay for service credit purchased under this section at retirement.

22 (3) [A member may reduce the final cost of service credit purchased  
23 under this section through a payroll deduction of not less than 2% of annual salary  
24 per year, with the appropriate final adjustment made at retirement for:

25 (i) the purchase of federal or out-of-state municipal service credit  
26 for a member of the Employees' Retirement System; or

27 (ii) the purchase of service credit under subsection (d) of this  
28 section for a member of the Teachers' Retirement System.

29 (4)] The surviving spouse of a member of the Teachers' Retirement  
30 System may pay for the appropriate final adjustment under paragraph (3) of this  
31 subsection if:

32 (i) the member dies while employed as a member;

33 (ii) the member was purchasing service credit through a payroll  
34 deduction; and

1 (iii) the service credit qualifies for benefits under § 29-205 of this  
 2 article.  
 3 23-307.

4 (a) (1) Except as provided in subsection (b) of this section, in the year of  
 5 retirement, a member of the Employees' Pension System may purchase credit for  
 6 eligibility service of up to 10 years for periods of employment described in paragraph  
 7 (4) of this subsection for which the member is not otherwise entitled to service credit.

8 (2) To purchase service credit under this subsection, a member must:

9 (i) complete a claim for the service credit and file it with the Board  
 10 of Trustees on the form that the Board of Trustees provides; and

11 (ii) pay to the Board of Trustees an amount equal to the annuity  
 12 reserve and pension reserve required to fund the additional allowance.

13 (3) ~~A member may pay the amount required by paragraph (2) of this~~  
 14 ~~subsection on an installment basis by contributing at least 2% of earnable~~  
 15 ~~compensation per year with the appropriate final adjustments being made in the year~~  
 16 ~~the member retires.~~

17 (4) A member may only purchase service credit under this subsection for  
 18 employment with:

19 (i) the State;

20 (ii) [the Division of Employment Service while the Division was  
 21 under federal control;

22 (iii) the Maryland Tuberculosis Association as the operator of  
 23 radiological equipment under the supervision of the Maryland Health Department;

24 (iv)] a political subdivision in the State;

25 [(v)] (III) an out-of-state school as a teacher;

26 [(vi)] (IV) the federal government;

27 [(vii)] (V) an out-of-state political subdivision; or

28 [(viii)] (VI) a public school as a teacher.

29 24-305.

30 (a) A member may purchase service credit as provided in subsection (b) of this  
 31 section for[:

32 (1) periods of employment from July 1, 1970, through June 30, 1972,  
 33 both inclusive, during which the member elected to delay enrollment in the State

1 Police Retirement System and for which the member is not otherwise entitled to  
2 service credit; and

3 (2) a period of employment when the member was on an  
4 employer-approved leave of absence not exceeding 2 years that has qualified for  
5 purchase under regulations adopted by the Board of Trustees.

6 24-306.

7 (b) (1) A member who purchases service credit under this section shall:

8 (i) complete a claim for the service credit and file it with the Board  
9 of Trustees on the form that the Board of Trustees provides; and

10 (ii) pay to the Board of Trustees an amount equal to the annuity  
11 reserve and pension reserve required to fund the additional allowance.

12 (2) The member shall pay for service credit purchased under this  
13 section[:

14 (i) in a single payment at retirement[: or

15 (ii) through a payroll deduction of not less than 2% of earnable  
16 compensation, with the appropriate final adjustment made at retirement].

17 25-306.

18 (b) (1) A member who purchases service credit under this section shall:

19 (i) complete a claim for the service credit and file it with the Board  
20 of Trustees on the form that the Board of Trustees provides; and

21 (ii) pay to the Board of Trustees an amount equal to the annuity  
22 reserve and pension reserve required to fund the additional allowance.

23 (2) The member shall pay for service credit purchased under this  
24 section[:

25 (i) in a single payment at retirement[: or

26 (ii) through a payroll deduction of not less than 2% of earnable  
27 compensation, with the appropriate final adjustment made at retirement].

28 26-307.

29 (a) (1) In the year of retirement, a member may purchase service credit for  
30 eligibility service of up to 10 years for periods of employment for which the member:

31 (i) would have been entitled to purchase the service credit under  
32 the Employees' Pension System; and

1 (ii) is not otherwise entitled to service credit under the Law  
2 Enforcement Officers' Pension System.

3 (2) To purchase service credit under this section, a member must:

4 (i) complete a claim for the service credit and file it with the Board  
5 of Trustees on the form that the Board of Trustees provides; and

6 (ii) pay to the Board of Trustees an amount equal to the annuity  
7 reserve and pension reserve required to fund the additional allowance.

8 [(3) A member may pay the amount required by paragraph (2) of this  
9 subsection on an installment basis by contributing at least 2% of earnable  
10 compensation with the appropriate final adjustments being made in the year the  
11 member retires.]

12 28-307.

13 (a) (1) In the year of retirement, a member may purchase service credit for  
14 eligibility service of up to 10 years for periods of employment for which the member:

15 (i) would have been entitled to purchase service credit under the  
16 Employees' Pension System; and

17 (ii) is not otherwise entitled to service credit under the Local Fire  
18 and Police System.

19 (2) To purchase service credit under this section, a member must:

20 (i) complete a claim for the service credit and file it with the Board  
21 of Trustees on the form that the Board of Trustees provides; and

22 (ii) pay to the Board of Trustees an amount equal to the annuity  
23 reserve and pension reserve required to fund the additional allowance.

24 [(3) A member may pay the amount required by paragraph (2) of this  
25 subsection on an installment basis by contributing at least 2% of earnable  
26 compensation per year with the appropriate final adjustments being made in the year  
27 the member retires.]

28 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
29 read as follows:

30 **Article - State Personnel and Pensions**

31 22-404.

32 (b) The Board of Trustees shall pay a member of the Employees' Retirement  
33 System who qualifies under subsection (c) of this section a pension equal to an  
34 ordinary disability pension, regardless of age, if the member:

1           (1)     has at least 16 years of creditable service; and

2           (2)     elects to have the member's accumulated contributions paid as an  
3 annuity of equivalent actuarial value instead of withdrawing the accumulated  
4 contributions.

5       (c)     A member qualifies for a pension under subsection (b) of this section if the  
6 member:

7           (1)     (i)     is an elected or appointed official of the State at the time of  
8 application for retirement; and

9                     (ii)     was initially an elected or appointed official of the State before  
10 July 22, 1981;

11           (2)     (i)     is an elected or appointed official of the State when separating  
12 from employment;

13                     (ii)     was initially an elected or appointed official of the State during  
14 the period from July 22, 1981, through June 30, 1982, both inclusive; and

15                     (iii)    separated from employment involuntarily as certified by the  
16 Secretary of Budget and Management; [or]

17           (3)     (i)     was promoted to a position in the unclassified service of the  
18 State on or before June 30, 1982;

19                     (ii)     has been in the unclassified service or its equivalent in the State  
20 continuously from June 30, 1982, until separating from employment; and

21                     (iii)    separated from employment involuntarily as certified by the  
22 Secretary of Budget and Management; OR

23           (4)     (I)     IS A DEPUTY CLERK OF THE COURT AT THE TIME OF  
24 APPLICATION FOR RETIREMENT; AND

25                     (II)    WAS INITIALLY A DEPUTY CLERK OF THE COURT BEFORE JULY  
26 22, 1981.

27 23-404.

28       (b)     The Board of Trustees shall pay a member of the Employees' Pension  
29 System who qualifies under subsection (c) of this section a normal service retirement  
30 allowance, regardless of age, if the member:

31           (1)     has at least 16 years of creditable service; and

32           (2)     elects to have the member's accumulated contributions paid as an  
33 annuity of equivalent actuarial value instead of withdrawing the accumulated  
34 contributions.

1 (c) A member qualifies for a normal service retirement allowance under  
 2 subsection (b) of this section if the member:

3 (1) (i) is an elected or appointed official of the State at the time of  
 4 application for retirement; and

5 (ii) was initially an elected or appointed official of the State before  
 6 July 22, 1981;

7 (2) (i) is an elected or appointed official of the State when separating  
 8 from employment;

9 (ii) was initially an elected or appointed official of the State during  
 10 the period from July 22, 1981, through June 30, 1982, both inclusive; and

11 (iii) separated from employment involuntarily, as certified by the  
 12 Secretary of Budget and Management; [or]

13 (3) (i) was promoted to a position in the unclassified service of the  
 14 State on or before June 30, 1982;

15 (ii) has been in the unclassified service or its equivalent in the State  
 16 continuously from June 30, 1982, until separating from employment; and

17 (iii) separated from employment involuntarily, as certified by the  
 18 Secretary of Budget and Management; OR

19 (4) (I) IS A DEPUTY CLERK OF THE COURT AT THE TIME OF  
 20 APPLICATION FOR RETIREMENT; AND

21 (II) WAS INITIALLY A DEPUTY CLERK OF THE COURT BEFORE JULY  
 22 22, 1981.

23 SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
 24 read as follows:

25 **Article - State Personnel and Pensions**

26 29-203.

27 (a) (1) This subsection applies only to an individual who dies while employed  
 28 as a member of the Law Enforcement Officers' Pension System:

29 (i) without willful negligence by the member; and

30 (ii) with more than 2 years of eligibility service.

31 (2) When the Board of Trustees receives proof of death of a member and  
 32 finds that the death has occurred in the manner described in paragraph (1) of this  
 33 subsection, the Board of Trustees shall pay:

1 (i) if the member is survived by a spouse or child under the age of 18  
 2 years[,1]:

3 1. THE MEMBER'S ACCUMULATED CONTRIBUTIONS TO THE  
 4 DESIGNATED BENEFICIARY, OR OTHERWISE TO THE MEMBER'S ESTATE; AND

5 2. an allowance of 50% of the ordinary disability retirement  
 6 allowance provided for in § 29-108 of this title:

7 [1.] A. to the surviving spouse; or

8 [2.] B. if there is no surviving spouse or if the surviving  
 9 spouse dies before the youngest child of the member is 18 years old, to any children of  
 10 the deceased member who are under the age of 18 years; or

11 (ii) if the member is not survived by a spouse or child under the age  
 12 of 18 years, the death benefit under § 29-202 of this subtitle.

13 (b) (1) This subsection applies only to an individual who dies while employed  
 14 as a member of the Law Enforcement Officers' Pension System:

15 (i) without willful negligence by the member; and

16 (ii) with death arising out of or in the course of the actual  
 17 performance of duty.

18 (2) When the Board of Trustees receives proof of death of a member and  
 19 finds that the death has occurred in the manner described in paragraph (1) of this  
 20 subsection, the Board of Trustees shall pay:

21 (i) if the member is survived by a spouse or child under the age of 18  
 22 years[,1]:

23 1. THE MEMBER'S ACCUMULATED CONTRIBUTIONS TO THE  
 24 DESIGNATED BENEFICIARY, OR OTHERWISE TO THE MEMBER'S ESTATE; AND

25 2. an allowance of two-thirds of the member's average final  
 26 compensation:

27 [1.] A. to the surviving spouse; or

28 [2.] B. if there is no surviving spouse or if the surviving  
 29 spouse dies before the youngest child of the member is 18 years old, to any children of  
 30 the deceased member who are under the age of 18 years; or

31 (ii) if the member is not survived by a spouse or child under the age  
 32 of 18 years, the death benefit under § 29-202 of this subtitle.

33 (c) If the Board of Trustees pays an allowance under this section to more than  
 34 one child, the Board of Trustees shall divide the allowance among the children under

1 the age of 18 years in a manner that provides for payments to continue until each child  
2 dies or becomes 18 years old.

3 SECTION 5. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall  
4 be construed to apply retroactively and shall be applied to and interpreted to affect any  
5 individual who on or after November 6, 1990, was a Deputy Clerk of the Court at the  
6 time of application for retirement.

7 SECTION 6. AND BE IT FURTHER ENACTED, That Section 4 of this Act shall  
8 be construed to apply retroactively and shall be applied to and interpreted to affect any  
9 individual who on or after July 1, 2004, died while employed as a member of the Law  
10 Enforcement Officers' Pension System:

11 (1) without willful negligence by the member; and

12 (2) with more than 2 years of eligibility service.

13 ~~SECTION 3.~~ SECTION 7. AND BE IT FURTHER ENACTED, That Section 2 of this Act  
14 shall take effect January 1, 2006.

15 ~~SECTION 4.~~ SECTION 8. AND BE IT FURTHER ENACTED, That, except as provided in  
16 Section ~~3~~ 7 of this Act, this Act shall take effect July 1, 2005.