
By: **Senator Kasemeyer (Chairman, Joint Committee on Pensions)**

Introduced and read first time: February 4, 2005

Assigned to: Budget and Taxation

A BILL ENTITLED

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 may receive creditable service for their
 6 unused sick leave; providing that certain members of the State Police
 7 Retirement System or the Law Enforcement Officers' Pension System are not
 8 required to designate certain beneficiaries if a reduced retirement allowance is
 9 selected at the time of retirement; providing that certain monthly benefit
 10 payments may not be included in the payment of certain optional retirement
 11 allowance death benefits; providing that certain monthly benefit payments will
 12 not be made if certain individuals die within a certain period of time; altering
 13 the criteria for when membership ends for certain members of certain systems
 14 included in the State Retirement and Pension System; limiting the period of
 15 time when certain members of certain systems included in the State Retirement
 16 and Pension System may purchase certain service credit; altering the period of
 17 time when a certain offset to a retirement allowance is applied for certain
 18 members of the employees' systems and the teachers' systems; providing that
 19 members of the Employees' Pension System, Teachers' Pension System, or Law
 20 Enforcement Officers' Pension System may only earn a certain amount of
 21 service credit for a certain period of time; distributing the accumulated
 22 contributions of a deceased member of the Law Enforcement Officers' Pension
 23 System if the death occurs under certain circumstances; requiring that an
 24 eligible governmental unit electing to participate in the Employees' Pension
 25 System or the Law Enforcement Officers' Pension System begins participating
 26 on a certain date; altering the types of service credit that certain members of
 27 certain systems included in the State Retirement and Pension System may
 28 purchase; making certain technical and conforming changes; providing for a
 29 delayed effective date of certain provisions of this Act; and generally relating to
 30 simplifying the administration of the State Retirement and Pension System.

31 BY repealing and reenacting, with amendments,

32 Article - State Personnel and Pensions

33 Section 20-206(c), 21-402, 21-403, 21-406, 22-217, 22-304, 22-406(b), 23-215,

34 23-302, 23-307(a), 23-407(b), 24-207, 24-305(a), 25-205, 26-206, 26-302,

1 28-206, and 29-203
2 Annotated Code of Maryland
3 (2004 Replacement Volume)

4 BY adding to
5 Article - State Personnel and Pensions
6 Section 22-303.1, 23-304.1, 24-304.1, 25-304.1, 26-306.1, 28-306.1, 31-109.1,
7 and 31-2A-03.1
8 Annotated Code of Maryland
9 (2004 Replacement Volume)

10 BY repealing and reenacting, without amendments,
11 Article - State Personnel and Pensions
12 Section 22-406(a) and 23-407(a)
13 Annotated Code of Maryland
14 (2004 Replacement Volume)

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 20-206.

19 (c) A member is entitled to receive creditable service for unused sick leave [as
20 provided in this section] IF THE MEMBER RETIRES ON OR BEFORE 30 DAYS AFTER
21 THE MEMBER TERMINATES STATE EMPLOYMENT.

22 21-402.

23 (a) Each optional form of allowance shall be the actuarial equivalent of the
24 basic allowance under the State system of a member.

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

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

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

33 21-403.

34 (A) (1) IF A DEATH BENEFIT FOR A DECEASED RETIREE IS MADE UNDER
35 SUBSECTION (B), (D), (E), OR (G) OF THIS SECTION, THE PAYMENT MAY NOT INCLUDE

1 ANY PORTION OF THE MONTHLY BENEFIT THE RETIREE WOULD HAVE RECEIVED IN
2 THE MONTH IN WHICH THE RETIREE DIED.

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

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

8 (i) to the designated beneficiary; or

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

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

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

17 [(b)] (C) Under Option 2, when a retiree dies, the Board of Trustees shall pay
18 the retiree's reduced allowance to the designated beneficiary for the designated
19 beneficiary's life.

20 [(c)] (D) Under Option 3, when a retiree dies, the Board of Trustees shall pay
21 50% of the retiree's reduced allowance to the designated beneficiary for the
22 designated beneficiary's life.

23 [(d)] (E) Under Option 4, if a retiree dies before receiving payments equal to
24 the value of the retiree's accumulated contributions at the time of retirement, the
25 Board of Trustees shall pay the balance as a single payment:

26 (1) to the designated beneficiary; or

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

28 [(e)] (F) (1) Subject to paragraph (2) of this subsection, under Option 5,
29 when a retiree dies, the Board of Trustees shall pay the retiree's reduced allowance to
30 the designated beneficiary for the designated beneficiary's life.

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

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

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

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

3 22-217.

4 Membership ends if the member:

- 5 (1) is separated from employment for more than:
6 (i) [3] 4 years, if a member of the Employees' Retirement System;
7 or
8 (ii) 5 years, if a member of the Teachers' Retirement System;
9 (2) withdraws the member's accumulated contributions;
10 (3) transfers to the Employees' Pension System or Teachers' Pension
11 System;
12 (4) becomes a retiree; or
13 (5) dies.

14 22-303.1.

15 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MEMBER
16 MAY NOT PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE MEMBER IS NO
17 LONGER MAKING MEMBER CONTRIBUTIONS AS PROVIDED IN § 22-214 OF THIS TITLE.

18 (B) A MEMBER MAY PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE
19 MEMBER IS ON AN APPROVED LEAVE OF ABSENCE PROVIDED UNDER § 9-1105 OF
20 THIS ARTICLE.

21 22-406.

22 (a) An individual who is receiving a service retirement allowance or vested
23 allowance may accept employment with a participating employer on a permanent,
24 temporary, or contractual basis, if:

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

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

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

30 (i) the individual's current employer is a participating employer
31 other than the State and is the same participating employer that employed the
32 individual at the time of the individual's last separation from employment with a

1 participating employer before the individual commenced receiving a service
2 retirement allowance or vested allowance;

3 (ii) the individual's current employer is any unit of State
4 government and the individual's employer at the time of the individual's last
5 separation from employment with the State before the individual commenced
6 receiving a service retirement allowance or vested allowance was also a unit of State
7 government; or

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

10 (2) The reduction required under paragraph (1) of this subsection shall
11 equal:

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

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

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

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

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

28 (ii) an individual whose average final compensation was less than
29 \$10,000 and who is reemployed on a temporary or contractual basis;

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

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

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

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

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

4 23-215.

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

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

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

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

11 (3) becomes a retiree; or

12 (4) dies.

13 23-302.

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

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

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

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

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

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

32 23-304.1.

33 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MEMBER
34 MAY NOT PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE MEMBER IS NO
35 LONGER MAKING MEMBER CONTRIBUTIONS AS PROVIDED IN § 23-212 OF THIS TITLE.

1 (B) A MEMBER MAY PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE
2 MEMBER IS ON AN APPROVED LEAVE OF ABSENCE PROVIDED UNDER § 9-1105 OF
3 THIS ARTICLE.

4 23-407.

5 (a) An individual who is receiving a service retirement allowance or a vested
6 allowance may accept employment with a participating employer on a permanent,
7 temporary, or contractual basis, if:

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

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

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

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

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

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

26 (2) The reduction required under paragraph (1) of this subsection shall
27 equal:

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

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

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

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

4 (i) an individual whose average final compensation was less than
5 \$10,000 and who is reemployed on a temporary or contractual basis;

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

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

11 24-207.

12 Membership ends if the member:

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

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

15 (3) becomes a retiree;

16 (4) dies; or

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

19 24-304.1.

20 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MEMBER
21 MAY NOT PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE MEMBER IS NO
22 LONGER MAKING MEMBER CONTRIBUTIONS AS PROVIDED IN § 24-205 OF THIS TITLE.

23 (B) A MEMBER MAY PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE
24 MEMBER IS ON AN APPROVED LEAVE OF ABSENCE PROVIDED UNDER § 9-1105 OF
25 THIS ARTICLE.

26 25-205.

27 Membership ends if the member:

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

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

30 (3) becomes a retiree; or

31 (4) dies.

1 25-304.1.

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 § 25-203 OF THIS TITLE.

5 (B) A MEMBER MAY PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE
6 MEMBER IS ON AN APPROVED LEAVE OF ABSENCE PROVIDED UNDER § 9-1105 OF
7 THIS ARTICLE.

8 26-206.

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

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

13 (2)] Membership ends if the member:

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

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

16 [(iii)] (3) becomes a retiree; or

17 [(iv)] (4) dies.

18 26-302.

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

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

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

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

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

32 [(c)] (D) If a member who is subject to the Law Enforcement Officers' Modified
33 Pension Benefit under Subtitle 2, Part II of this title completes less than 500 hours of

1 employment while a member, the Board of Trustees shall prorate the member's
2 eligibility service based on the number of hours worked.

3 26-306.1.

4 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MEMBER
5 MAY NOT PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE MEMBER IS NO
6 LONGER MAKING MEMBER CONTRIBUTIONS AS PROVIDED IN § 26-204 OF THIS TITLE.

7 (B) A MEMBER MAY PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE
8 MEMBER IS ON AN APPROVED LEAVE OF ABSENCE PROVIDED UNDER § 9-1105 OF
9 THIS ARTICLE.

10 28-206.

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

13 28-306.1.

14 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MEMBER
15 MAY NOT PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE MEMBER IS NO
16 LONGER MAKING MEMBER CONTRIBUTIONS AS PROVIDED IN § 28-204 OF THIS TITLE.

17 (B) A MEMBER MAY PURCHASE SERVICE CREDIT UNDER THIS TITLE IF THE
18 MEMBER IS ON A LEAVE OF ABSENCE APPROVED BY THE MEMBER'S EMPLOYER.

19 29-203.

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

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

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

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

27 (i) if the member is survived by a spouse or child under the age of
28 18 years[.];

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

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

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

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

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

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

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

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

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

14 (i) if the member is survived by a spouse or child under the age of
15 18 years[.];

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

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

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

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

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

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

30 31-109.1.

31 THE EFFECTIVE DATE FOR AN ELIGIBLE GOVERNMENTAL UNIT IS JULY 1 OF
32 THE YEAR THE ELIGIBLE GOVERNMENTAL UNIT ELECTS TO PARTICIPATE IN THE
33 EMPLOYEES' PENSION SYSTEM.

1 31-2A-03.1.

2 THE EFFECTIVE DATE FOR AN ELIGIBLE GOVERNMENTAL UNIT IS JULY 1 OF
3 THE YEAR THE ELIGIBLE GOVERNMENTAL UNIT ELECTS TO PARTICIPATE IN THE
4 LAW ENFORCEMENT OFFICERS' PENSION SYSTEM.

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

7 **Article - State Personnel and Pensions**

8 22-304.

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

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

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

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

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

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

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

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

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

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

29 (v) by the Maryland Tuberculosis Association during which the
30 member operated radiologic equipment under the supervision of the Maryland Health
31 Department or its successors;

32 (vi)] by the State or a participating governmental unit on a
33 temporary or emergency basis;

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

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

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

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

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

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

16 (2) For service credit purchased under:

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

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

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

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

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

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

28 [(4)] (2) as a member of the State Police Retirement System for which
29 the member was not vested in that State system;

30 [(5)] (3) when membership was mandatory but for which member
31 contributions were not made;

32 [(6)] (4) when the member was on an employer-approved leave of
33 absence not exceeding 2 years that has qualified for purchase under regulations
34 adopted by the Board of Trustees; or

1 [(7)] (5) as a member of the Employees' Retirement System or the
2 Teachers' Retirement System for which the member had withdrawn the member's
3 accumulated contributions after a prior termination of membership.

4 23-307.

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

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

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

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

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

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

20 (i) the State;

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

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

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

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

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

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

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

30 24-305.

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

1 (1) periods of employment from July 1, 1970, through June 30, 1972,
2 both inclusive, during which the member elected to delay enrollment in the State
3 Police Retirement System and for which the member is not otherwise entitled to
4 service credit; and

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

8 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act
9 shall take effect January 1, 2006.

10 SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in
11 Section 3 of this Act, this Act shall take effect July 1, 2005.