

**Department of Legislative Services**  
Maryland General Assembly  
2005 Session

**FISCAL AND POLICY NOTE**

House Bill 1371  
Appropriations

(Delegate Kelly)

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**Reemployment of Retirees - State Workers' Compensation Commission**

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This pension bill provides that a retiree of the Employees' Pension System (EPS) who is receiving a service retirement allowance from EPS on July 1, 2005 and was appointed as a member of the State Workers' Compensation Commission on or after January 1, 2004 may: (1) accrue service credit in the Judges' Retirement System (JRS) while serving as a member of the State Workers' Compensation Commission; (2) continue to receive a service retirement allowance from EPS; and (3) purchase service credit in JRS for the period from January 1, 2004 to July 1, 2005 (the period of time already served as a member of the State Workers' Compensation Commission).

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**Fiscal Summary**

**State Effect:** The bill would not materially affect State pension liabilities or contribution rates.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** A retiree of EPS who is receiving a service retirement allowance or vested allowance is prohibited from accruing creditable or eligibility service during a period of reemployment with a participating employer in the State Retirement and Pension System. A retiree, therefore, is not entitled to earn an additional pension benefit, including benefits from another State system such as JRS.

In addition to judges, a member of the Workers' Compensation Commission and a master in chancery or master in juvenile cases who was appointed by the circuit court of a county on or before June 30, 1989 and serves as a full-time master are included in JRS.

A member of JRS may purchase service credit in a single payment of 6% of the amount received in compensation for the time period, plus regular interest applied until the date of payment.

**State Fiscal Effect:** The State Retirement Agency advises that there is one individual who could be affected by the bill. This individual would be permitted to accrue service credit in JRS and purchase service in JRS for a retroactive period of one year while continuing to receive a service retirement allowance from EPS. In that the bill only affects one individual, it would not materially impact State pension liabilities or contribution rates.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 419 (Senator Miller) – Budget and Taxation.

**Information Source(s):** Milliman USA, Workers' Compensation Commission, Maryland State Retirement Agency, Department of Legislative Services

**Fiscal Note History:** First Reader - March 14, 2005  
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