

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE

House Bill 1496 (Delegate DeBoy)
Appropriations

Pensions - Transfer of Service Credit - Baltimore County Employees

This pension bill authorizes an employee of Baltimore County to transfer service credit that was earned prior to 1990 into the Baltimore County pension system.

The bill is effective July 1, 2005 and terminates December 31, 2005.

Fiscal Summary

State Effect: None. The bill would not materially affect State government operations.

Local Effect: Local pension system liabilities will increase minimally to reflect increased service credit attributable to affected employees. The number of such employees is not readily available at this time.

Small Business Effect: None.

Analysis

Current Law: Title 37 of the State Personnel and Pensions Article provides for the transfer of credit from a State or local public pension system to another State or local public pension system. Individuals are permitted to transfer service credit within one year after joining the new pension system. Transfers may only occur if: (1) both the previous and new systems are operated on an actuarial basis; and (2) computations of the reserves needed to cover future benefit payments are made during the employment of the members.

Additional Information

Prior Introductions: A similar bill, HB 977 of 2004, did not receive a hearing in the Appropriations Committee.

Cross File: None.

Information Source(s): Milliman USA, Baltimore County, Maryland State Retirement Agency, Department of Legislative Services

Fiscal Note History: First Reader - March 21, 2005
mam/jr

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