
By: **Delegates James, Cadden, Anderson, Aumann, Barkley, Benson, Bohanan, Bozman, Bromwell, Bronrott, Cane, Cardin, G. Clagett, Conroy, DeBoy, Donoghue, Doory, Edwards, Frank, Frush, Gaines, Glassman, Griffith, Haynes, Hubbard, Jameson, Jones, Kaiser, Kelley, Kelly, King, Kohl, Kullen, Lawton, Lee, Madaleno, Malone, McHale, McIntosh, Menes, Minnick, Moe, Oaks, Paige, Parrott, Patterson, Proctor, Ross, Rudolph, Stern, V. Turner, Vallario, Vaughn, Weir, Wood, and Zirkin**

Introduced and read first time: February 8, 2006
Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Police Retirement System - Retirees and Beneficiaries of Retirees -**
3 **Benefits**

4 FOR the purpose of setting a minimum service retirement allowance for certain
5 retirees and beneficiaries of retirees of the State Police Retirement System who
6 retire by a certain date; increasing the service retirement allowance, ordinary
7 disability retirement allowance, and special disability retirement allowance of
8 certain retirees and beneficiaries of retirees of the State Police Retirement
9 System; and generally relating to benefits for retirees or beneficiaries of retirees
10 of the State Police Retirement System.

11 BY adding to
12 Article - State Personnel and Pensions
13 Section 24-401(f)
14 Annotated Code of Maryland
15 (2004 Replacement Volume and 2005 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article - State Personnel and Pensions
18 Section 29-107 and 29-111
19 Annotated Code of Maryland
20 (2004 Replacement Volume and 2005 Supplement)

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

Article - State Personnel and Pensions

2 24-401.

3 (F) (1) (I) THIS PARAGRAPH APPLIES ONLY TO A RETIREE WHO:

4 1. RETIRED ON OR BEFORE JUNE 30, 1999, WITH A SERVICE
5 RETIREMENT ALLOWANCE; AND

6 2. HAD AT LEAST 270 MONTHS OF SERVICE CREDIT AT THE
7 TIME OF RETIREMENT.

8 (II) A RETIREE DESCRIBED IN SUBPARAGRAPH (I) OF THIS
9 PARAGRAPH WHOSE ANNUAL SERVICE RETIREMENT ALLOWANCE, INCLUDING ANY
10 COST-OF-LIVING ADJUSTMENTS, AS OF JULY 1, 2006, IS LESS THAN \$23,800 SHALL
11 RECEIVE A MINIMUM ANNUAL SERVICE RETIREMENT ALLOWANCE OF \$25,000 AS OF
12 JULY 1, 2006.

13 (III) A RETIREE DESCRIBED IN SUBPARAGRAPH (I) OF THIS
14 PARAGRAPH WHOSE ANNUAL SERVICE RETIREMENT ALLOWANCE, INCLUDING ANY
15 COST-OF-LIVING ADJUSTMENTS, AS OF JULY 1, 2006, IS EQUAL TO AT LEAST \$23,800
16 BUT NOT MORE THAN \$40,000 SHALL RECEIVE AN ANNUAL SERVICE RETIREMENT
17 ADJUSTMENT AS OF JULY 1, 2006, EQUAL TO THE LESSER OF:

18 1. \$1,200; OR

19 2. THE DIFFERENCE BETWEEN \$40,000 AND THE RETIREE'S
20 ANNUAL SERVICE RETIREMENT ALLOWANCE AS OF JULY 1, 2006.

21 (2) (I) A BENEFICIARY OF A RETIREE DESCRIBED IN PARAGRAPH (1)(I)
22 OF THIS SUBSECTION WHOSE RETIREMENT ALLOWANCE, INCLUDING ANY
23 COST-OF-LIVING ADJUSTMENTS, AS OF JULY 1, 2006, IS LESS THAN \$11,900 SHALL
24 RECEIVE A MINIMUM ANNUAL RETIREMENT ALLOWANCE OF \$12,500 AS OF JULY 1,
25 2006.

26 (II) A BENEFICIARY OF A RETIREE DESCRIBED IN PARAGRAPH (1)(I)
27 OF THIS SUBSECTION WHOSE RETIREMENT ALLOWANCE, INCLUDING ANY
28 COST-OF-LIVING ADJUSTMENTS, AS OF JULY 1, 2006, IS EQUAL TO AT LEAST \$11,900
29 BUT NOT MORE THAN \$20,000 SHALL RECEIVE AN ANNUAL RETIREMENT ALLOWANCE
30 ADJUSTMENT AS OF JULY 1, 2006, EQUAL TO THE LESSER OF:

31 1. \$600; OR

32 2. THE DIFFERENCE BETWEEN \$20,000 AND THE
33 BENEFICIARY'S ANNUAL RETIREMENT ALLOWANCE AS OF JULY 1, 2006.

34 29-107.

35 (a) This section applies only to members of the State Police Retirement
36 System.

1 (b) An ordinary disability retirement allowance equals the greater of:

2 (1) a normal service retirement allowance; or

3 (2) 35% of the member's average final compensation.

4 (C) (1) A RETIREE WHOSE ANNUAL ORDINARY DISABILITY RETIREMENT
5 ALLOWANCE, INCLUDING ANY COST-OF-LIVING ADJUSTMENTS, AS OF JULY 1, 2006,
6 IS LESS THAN \$40,000 SHALL RECEIVE AN ANNUAL ORDINARY DISABILITY
7 RETIREMENT ALLOWANCE ADJUSTMENT AS OF JULY 1, 2006, EQUAL TO THE LESSER
8 OF:

9 (I) \$1,200; OR

10 (II) THE DIFFERENCE BETWEEN \$40,000 AND THE RETIREE'S
11 ANNUAL ORDINARY DISABILITY RETIREMENT ALLOWANCE AS OF JULY 1, 2006.

12 (2) A BENEFICIARY OF A RETIREE WHOSE RETIREMENT ALLOWANCE,
13 INCLUDING ANY COST-OF-LIVING ADJUSTMENTS, AS OF JULY 1, 2006, IS LESS THAN
14 \$20,000 SHALL RECEIVE AN ANNUAL RETIREMENT ALLOWANCE ADJUSTMENT AS OF
15 JULY 1, 2006, EQUAL TO THE LESSER OF:

16 (I) \$600; OR

17 (II) THE DIFFERENCE BETWEEN \$20,000 AND THE BENEFICIARY'S
18 ANNUAL RETIREMENT ALLOWANCE AS OF JULY 1, 2006.

19 29-111.

20 (a) This section applies to the State Police Retirement System.

21 (b) The Board of Trustees shall grant a special disability retirement allowance
22 to a member if:

23 (1) the member is totally and permanently incapacitated for duty arising
24 out of or in the course of the actual performance of duty without willful negligence by
25 the member; and

26 (2) the medical board certifies that:

27 (i) the member is totally incapacitated, either mentally or
28 physically, for the further performance of duty;

29 (ii) the incapacity is likely to be permanent; and

30 (iii) the member should be retired.

31 (c) Except as provided in subsection (d) of this section, a special disability
32 retirement allowance equals the lesser of:

33 (1) the member's average final compensation; or

1 (2) the sum of:

2 (i) an annuity that is the actuarial equivalent of the member's
3 accumulated contributions at retirement; and

4 (ii) a pension equal to two-thirds of the member's average final
5 compensation.

6 (d) (1) This subsection applies to a member who is at least normal
7 retirement age.

8 (2) A special disability retirement allowance equals the greater of:

9 (i) a normal service retirement allowance; or

10 (ii) a special disability retirement allowance computed in
11 accordance with subsection (c) of this section.

12 (E) (1) A RETIREE WHOSE ANNUAL SPECIAL DISABILITY RETIREMENT
13 ALLOWANCE, INCLUDING ANY COST-OF-LIVING ADJUSTMENTS, AS OF JULY 1, 2006,
14 IS LESS THAN \$40,000 SHALL RECEIVE AN ANNUAL SPECIAL DISABILITY RETIREMENT
15 ALLOWANCE ADJUSTMENT AS OF JULY 1, 2006, EQUAL TO THE LESSER OF:

16 (I) \$1,200; OR

17 (II) THE DIFFERENCE BETWEEN \$40,000 AND THE RETIREE'S
18 ANNUAL SPECIAL DISABILITY RETIREMENT ALLOWANCE AS OF JULY 1, 2006.

19 (2) A BENEFICIARY OF A RETIREE DESCRIBED IN PARAGRAPH (1)(I) OF
20 THIS SUBSECTION WHOSE RETIREMENT ALLOWANCE, INCLUDING ANY
21 COST-OF-LIVING ADJUSTMENTS, AS OF JULY 1, 2006, IS LESS THAN \$20,000 SHALL
22 RECEIVE AN ANNUAL RETIREMENT ALLOWANCE ADJUSTMENT AS OF JULY 1, 2006,
23 EQUAL TO THE LESSER OF:

24 (I) \$600; OR

25 (II) THE DIFFERENCE BETWEEN \$20,000 AND THE BENEFICIARY'S
26 ANNUAL RETIREMENT ALLOWANCE AS OF JULY 1, 2006.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
28 July 1, 2006.