
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

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 22, 2006

CHAPTER _____

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; requiring that certain increases to the retirement allowance of certain
10 retirees and beneficiaries be made before certain amounts are deducted; and
11 generally relating to benefits for retirees or beneficiaries of retirees of the State
12 Police Retirement System.

13 BY adding to
14 Article - State Personnel and Pensions
15 Section 24-401(f)
16 Annotated Code of Maryland
17 (2004 Replacement Volume and 2005 Supplement)

18 ~~BY repealing and reenacting, with amendments,~~

1 ~~Article - State Personnel and Pensions~~
 2 ~~Section 29-107 and 29-111~~
 3 ~~Annotated Code of Maryland~~
 4 ~~(2004 Replacement Volume and 2005 Supplement)~~

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

7 **Article - State Personnel and Pensions**

8 24-401.

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

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

12 2. HAD AT LEAST 270 MONTHS OF SERVICE CREDIT AT THE
 13 TIME OF RETIREMENT.

14 (II) A RETIREE DESCRIBED IN SUBPARAGRAPH (I) OF THIS
 15 PARAGRAPH WHOSE ANNUAL SERVICE RETIREMENT ALLOWANCE, INCLUDING ANY
 16 COST-OF-LIVING ADJUSTMENTS, AS OF JULY 1, 2006, IS LESS THAN ~~\$23,800~~ \$25,000
 17 SHALL RECEIVE A MINIMUM ANNUAL SERVICE RETIREMENT ALLOWANCE OF \$25,000
 18 AS OF JULY 1, 2006.

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

24 1. ~~\$1,200; OR~~

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

27 (2) (H) A BENEFICIARY OF A RETIREE DESCRIBED IN PARAGRAPH (1)(I)
 28 OF THIS SUBSECTION WHOSE RETIREMENT ALLOWANCE, INCLUDING ANY
 29 COST-OF-LIVING ADJUSTMENTS, AS OF JULY 1, 2006, IS LESS THAN ~~\$11,900~~ \$12,500
 30 SHALL RECEIVE A MINIMUM ANNUAL RETIREMENT ALLOWANCE OF \$12,500 AS OF
 31 JULY 1, 2006.

32 ~~(H) A BENEFICIARY OF A RETIREE DESCRIBED IN PARAGRAPH (1)(I)~~
 33 ~~OF THIS SUBSECTION WHOSE RETIREMENT ALLOWANCE, INCLUDING ANY~~
 34 ~~COST OF LIVING ADJUSTMENTS, AS OF JULY 1, 2006, IS EQUAL TO AT LEAST \$11,900~~
 35 ~~BUT NOT MORE THAN \$20,000 SHALL RECEIVE AN ANNUAL RETIREMENT ALLOWANCE~~
 36 ~~ADJUSTMENT AS OF JULY 1, 2006, EQUAL TO THE LESSER OF:~~

1 ~~1.~~ \$600; OR

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

4 (3) ANY INCREASE TO THE ANNUAL SERVICE RETIREMENT ALLOWANCE
5 OF A RETIREE OR BENEFICIARY THAT IS MADE UNDER THIS SUBSECTION, SHALL BE
6 MADE PRIOR TO ANY DEDUCTIONS TAKEN FROM THE RETIREMENT ALLOWANCE AS A
7 RESULT OF ANY LIEN AGAINST THE RETIREMENT ALLOWANCE.

8 ~~29-107.~~

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

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

12 (1) a normal service retirement allowance; or

13 (2) 35% of the member's average final compensation.

14 (C) (1) A RETIREE WHOSE ANNUAL ORDINARY DISABILITY RETIREMENT
15 ALLOWANCE, INCLUDING ANY COST OF LIVING ADJUSTMENTS, AS OF JULY 1, 2006,
16 IS LESS THAN \$40,000 SHALL RECEIVE AN ANNUAL ORDINARY DISABILITY
17 RETIREMENT ALLOWANCE ADJUSTMENT AS OF JULY 1, 2006, EQUAL TO THE LESSER
18 OF:

19 (I) \$1,200; OR

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

22 (2) A BENEFICIARY OF A RETIREE WHOSE RETIREMENT ALLOWANCE,
23 INCLUDING ANY COST OF LIVING ADJUSTMENTS, AS OF JULY 1, 2006, IS LESS THAN
24 \$20,000 SHALL RECEIVE AN ANNUAL RETIREMENT ALLOWANCE ADJUSTMENT AS OF
25 JULY 1, 2006, EQUAL TO THE LESSER OF:

26 (I) \$600; OR

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

29 ~~29-111.~~

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

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

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

4 (2) the medical board certifies that:

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

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

8 (iii) the member should be retired.

9 (e) Except as provided in subsection (d) of this section, a special disability
10 retirement allowance equals the lesser of:

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

12 (2) the sum of:

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

15 (ii) a pension equal to two thirds of the member's average final
16 compensation.

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

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

20 (i) a normal service retirement allowance; or

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

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

27 (I) \$1,200; OR

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

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

1 (+) \$600; OR

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

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