
By: **Senator Kasemeyer**

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CHAPTER _____

1 AN ACT concerning

2 **State Retirement and Pension System - Military Service - Members and**
3 **Former Members**

4 FOR the purpose of providing that members or certain former members of a State
5 system may apply for service credit in a State system for certain military
6 service; prohibiting certain retirees from applying for service credit in a State
7 system for certain military service; providing that the military service that
8 members or certain former members receive is applied toward their retirement
9 allowance using a certain accrual rate; and generally relating to members and
10 former members of a State system receiving service credit for certain military
11 service.

12 BY repealing and reenacting, with amendments,
13 Article - State Personnel and Pensions
14 Section 23-309(c) and 38-104
15 Annotated Code of Maryland
16 (2004 Replacement Volume and 2005 Supplement)

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

19 **Article - State Personnel and Pensions**

20 23-309.

21 (c) (1) This subsection applies only to a member who is:

1 (i) subject to the contributory pension benefit under Subtitle 2,
2 Part II of this title; and

3 (ii) entitled to eligibility service for military service credit granted
4 under Title 38 of this article.

5 (2) The Board of Trustees shall adjust a member's eligibility service for
6 military service credit granted under Title 38 of this article as provided in this
7 subsection.

8 [(3) (i) Except as provided in subparagraph (ii) of this paragraph, a
9 member's eligibility service for military service credit shall be treated as creditable
10 service on or after July 1, 1998.

11 (ii) The Board of Trustees shall treat a member's military service
12 credit as creditable service on or before June 30, 1998, if the member:

13 1. is entitled to credit for the military service under § 38-103
14 of this article on account of the member's absence from employment while in military
15 service on or before June 30, 1998; or

16 2. received credit for the military service under § 38-104 of
17 this article on or before June 30, 1998, as reflected in the records of the State
18 Retirement Agency.]

19 38-104.

20 (a) (1) THIS SECTION APPLIES TO AN INDIVIDUAL WHO IS:

21 (I) A MEMBER OF A STATE SYSTEM; OR

22 (II) A FORMER MEMBER OF A STATE SYSTEM WHO IS ELIGIBLE TO
23 RECEIVE A BENEFIT UNDER § 29-302 OR § 29-303 OF THIS ARTICLE.

24 (2) THIS SECTION DOES NOT APPLY TO A RETIREE OF A STATE SYSTEM.

25 (B) Except as provided in subsection [(b)] (C) of this section, [a member of a
26 State system] AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION, who
27 has not met the conditions set forth in § 38-103(a)(2) through (4) of this subtitle, is
28 entitled to receive service credit for military service only on the attainment of 10
29 years of creditable service.

30 [(b)] (C) (1) [A member of a State system] AN INDIVIDUAL DESCRIBED IN
31 SUBSECTION (A) OF THIS SECTION may not receive credit for that military service if
32 the [member] INDIVIDUAL receives credit for military service from another
33 retirement system for which retirement benefits have been or will be received by the
34 [member] INDIVIDUAL.

35 (2) Paragraph (1) of this subsection does not apply to:

36 (i) credit for military service provided under:

- 1 1. the Social Security Act;
- 2 2. the National Railroad Retirement Act; or
- 3 3. Title 3 or Title 10, Chapter 1223, §§ 12731 through 12737
- 4 of the United States Code; or
- 5 (ii) disability payments from a pension or retirement system.
- 6 (3) (i) Military service credit under this section may not exceed 5
- 7 years.
- 8 (ii) Subject to subparagraph (i) of this paragraph, a member of the
- 9 Maryland National Guard who has not been activated under Title 10 of the United
- 10 States Code, shall receive service credit at the rate of 4 months for each full year of
- 11 service with the Maryland National Guard, not to exceed a total of 36 months.

12 (D) THE SERVICE CREDIT FOR MILITARY SERVICE THAT AN INDIVIDUAL
13 RECEIVES UNDER THIS SECTION SHALL BE APPLIED TO THE INDIVIDUAL'S
14 RETIREMENT ALLOWANCE USING THE ACCRUAL RATE IN EFFECT AT THE TIME THE
15 INDIVIDUAL RETIRES FROM A STATE SYSTEM.

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