

# SENATE BILL 470

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By: **Senator Gladden**

Introduced and read first time: February 2, 2007

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Transit Authority Pension Plan – Transfer of Service Credit**

3 FOR the purpose of providing that certain individuals who were members of the  
4 Employees' Retirement System and the State Contributory Employees' Pension  
5 System may transfer certain service credit to the Maryland Transit Authority  
6 Pension Plan in a certain manner; providing for a refund of certain member  
7 contributions under certain circumstances; requiring the transfer of certain  
8 employer contributions to the accumulation fund of the Maryland Transit  
9 Authority Pension Plan; providing that certain transfers of credit between the  
10 Employees' Retirement and Pension Systems and the Maryland Transit  
11 Authority Pension Plan are not governed by certain provisions of law; defining a  
12 certain term; providing for the termination of this Act; and generally relating to  
13 the transfer of service credit to the Maryland Transit Authority Pension Plan.

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
15 MARYLAND, That:

16 (a) In this section, "State Contributory Employees' Pension System" means  
17 the part of the Employees' Pension System of the State of Maryland that provides a  
18 contributory pension benefit under Title 23, Subtitle 2, Part II of the State Personnel  
19 and Pensions Article.

20 (b) This section applies to any individual who:

21 (1) (i) on or after March 1, 1975, became a member of the  
22 Employees' Retirement System;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (ii) on or before June 30, 1978, ceased membership in the  
2 Employees' Retirement System; and

3 (iii) on or before June 30, 1979, received a refund of the  
4 individual's member contributions to the Employees' Retirement System;

5 (2) (i) on or after July 1, 1978, became a member of the Maryland  
6 Transit Authority Pension Plan; and

7 (ii) on or before December 31, 1997, ceased membership in the  
8 Maryland Transit Authority Pension Plan; and

9 (3) (i) on or after July 1, 1999, became a member of the State  
10 Contributory Employees' Pension System; and

11 (ii) on or before March 31, 2006, ceased membership in the  
12 State Contributory Employees' Pension System.

13 (c) An individual described in subsection (b) of this section may elect to  
14 transfer to the Maryland Transit Authority Pension Plan the years of creditable  
15 service the individual accrued in the Employees' Retirement System and the State  
16 Contributory Employees' Pension System.

17 (d) An individual described under subsection (b) of this section shall receive  
18 the difference between the member contributions at the rate provided for in the State  
19 Contributory Employees' Pension System and the Maryland Transit Authority  
20 Pension Plan, including interest on those contributions.

21 (e) For an individual described under subsection (b) of this section who  
22 transfers creditable service from the Employees' Retirement System and the State  
23 Contributory Employees' Pension System to the Maryland Transit Authority Pension  
24 Plan, the Board of Trustees of the State Retirement and Pension System shall transfer  
25 to the accumulation fund of the Maryland Transit Authority Pension Plan the  
26 employer contributions that were made to the Employees' Retirement System and the  
27 State Contributory Employees' Pension System on behalf of that individual who  
28 transferred, plus the interest earned on those contributions through the date of  
29 transfer.

30 (f) The transfer of creditable service from the Employees' Retirement System  
31 and the State Contributory Employees' Pension System to the Maryland Transit  
32 Authority Pension Plan, as provided under this Act, is not governed by Title 37 of the  
33 State Personnel and Pensions Article.

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 July 1, 2007. It shall remain effective for a period of 6 months and, at the end of  
3 December 31, 2007, with no further action required by the General Assembly, this Act  
4 shall be abrogated and of no further force and effect.