

CHAPTER 139

(House Bill 311)

AN ACT concerning

Employees' State Retirement and Pension System – Transfer of Service Credit

FOR the purpose of providing that certain members of the State Retirement and Pension System may request the Executive Director of the State Retirement Agency to take a certain action with regard to certain claims; authorizing the Executive Director of the State Retirement Agency to accept or deny certain requests by certain members; requiring the Board of Trustees of the State Retirement and Pension System to review certain claims that have been denied by the Executive Director of the State Retirement Agency; authorizing the Board of Trustees to overturn certain denials made by the Executive Director of the State Retirement Agency; requiring the Board of Trustees to submit certain reports to the Joint Committee on Pensions on or before a certain date; requiring the Board of Trustees to adopt certain regulations; providing that certain members of the Employees' Pension System may transfer certain service credit from the State Contributory Employees' Pension System in a certain manner; requiring that certain members of the Employees' Pension System who transfer certain service credit from the State Contributory Employees' Pension System complete and file certain forms with the Board of Trustees of the State Retirement and Pension System by a certain date; defining a certain term; providing for the termination of certain provisions of this Act; and generally relating to the transfer of service credit for members of the ~~Employees' Pension System~~ State Retirement and Pension System.

BY adding to

Article – State Personnel and Pensions
Section 37-203.2
Annotated Code of Maryland
(2004 Replacement Volume and 2006 Supplement)

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

Article – State Personnel and Pensions

37-203.2.

(A) THIS SUBSECTION APPLIES TO AN INDIVIDUAL WHO:

(1) HAS ACCRUED SERVICE CREDIT IN A STATE OR LOCAL RETIREMENT OR PENSION SYSTEM;

(2) HAS ACCEPTED NEW EMPLOYMENT IN A POSITION REQUIRING MEMBERSHIP IN ONE OF THE SEVERAL SYSTEMS; AND

(3) DID NOT MAKE A CLAIM UNDER § 37-203 OR § 37-203.1 OF THIS SUBTITLE TO TRANSFER THE PREVIOUS SERVICE CREDIT WITHIN 1 YEAR OF TRANSFERRING INTO ONE OF THE SEVERAL SYSTEMS.

(B) (1) AN INDIVIDUAL DESCRIBED UNDER SUBSECTION (A) OF THIS SECTION MAY REQUEST THE EXECUTIVE DIRECTOR TO ACCEPT THE INDIVIDUAL'S CLAIM TO TRANSFER SERVICE CREDIT ACCRUED IN THE PREVIOUS SYSTEM.

(2) IF THE EXECUTIVE DIRECTOR DENIES A REQUEST FOR A WAIVER, THE DENIAL SHALL BE PRESENTED TO THE BOARD OF TRUSTEES FOR REVIEW.

(3) THE BOARD OF TRUSTEES MAY OVERTURN THE EXECUTIVE DIRECTOR'S DECISION UNDER PARAGRAPH (1) OF THIS SUBSECTION.

(C) ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE BOARD OF TRUSTEES SHALL SUBMIT A REPORT TO THE JOINT COMMITTEE ON PENSIONS IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THAT PROVIDES:

(1) THE NUMBER OF REQUESTS MADE BY INDIVIDUALS TO THE EXECUTIVE DIRECTOR REQUESTING A WAIVER OF THE 1-YEAR REQUIREMENT TO CLAIM TRANSFERRED SERVICE CREDIT;

(2) THE NUMBER OF REQUESTS GRANTED AND DENIED BY THE EXECUTIVE DIRECTOR; AND

(3) THE NUMBER OF REQUESTS GRANTED BY THE BOARD OF TRUSTEES FOLLOWING A DENIAL BY THE EXECUTIVE DIRECTOR.

(D) THE BOARD OF TRUSTEES SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That:

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

(b) This section applies to an individual who:

(1) on or before June 30, 2007, was employed by the Office of the Public Defender and was a member of the State Contributory Employees' Pension System;

(2) on or after July 1, 2007, is employed by the State's Attorney's Office for a county that:

(i) is a participant in the Employees' Pension System as a participating governmental unit; and

(ii) did not elect to participate in the contributory pension benefit under § 23-218 of the State Personnel and Pensions Article; and

(3) has been a member of the Employees' Pension System for more than 1 year.

(c) (1) An individual described in subsection (b) of this section may elect to transfer to the Employees' Pension System the years of creditable service the individual accrued in the State Contributory Employees' Pension System prior to joining the Employees' Pension System.

(2) An individual who elects to transfer creditable service in paragraph (1) of this subsection shall transfer the creditable service in accordance with Title 37 of the State Personnel and Pensions Article.

(d) To transfer service credit under subsection (c) of this section, an individual shall complete a claim to transfer the service credit on a form provided by the Board of Trustees for the State Retirement and Pension System and file it with the Board of Trustees on or before December 31, 2007.

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

Approved by the Governor, April 24, 2007.