

# SENATE BILL 376

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CF HB 480

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By: **Senator McFadden (Chair, Joint Committee on Pensions) and Senators Currie, Kasemeyer, Kramer, Munson, and Robey**  
Introduced and read first time: January 30, 2008  
Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Unused Sick Leave – Creditable**  
3 **Service**

4 FOR the purpose of prohibiting certain members of the State Retirement and Pension  
5 System from receiving creditable service for unused sick leave under certain  
6 circumstances; and generally relating to receiving creditable service in the State  
7 Retirement and Pension System for unused sick leave.

8 BY repealing and reenacting, with amendments,  
9 Article – State Personnel and Pensions  
10 Section 20–206  
11 Annotated Code of Maryland  
12 (2004 Replacement Volume and 2007 Supplement)

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

15 **Article – State Personnel and Pensions**

16 20–206.

17 (a) In this section, “unused sick leave” means sick leave credit that has not  
18 been used before retirement.

19 (b) This section does not apply to:

20 (1) the Judges’ Retirement System; or

21 (2) the Legislative Pension Plan.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 (c) **[A] EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, A**  
2 member is entitled to receive creditable service for unused sick leave if the member  
3 retires on or before 30 days after the member is separated from employment with a  
4 participating employer or a participating governmental unit that has withdrawn from  
5 one of the several systems under Title 31 of this article.

6 (d) (1) **[At] EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS**  
7 **SECTION, AT** retirement, a member is entitled to receive creditable service for unused  
8 sick leave, on verification of the unused sick leave to the Board of Trustees.

9 (2) (i) This subsection does not apply to the Local Fire and Police  
10 System or the Law Enforcement Officers' Pension System.

11 (ii) A member who separates from employment for reasons other  
12 than retirement on or before June 30, 1990, is entitled to receive creditable service for  
13 unused sick leave that is reported by the member's employer at the member's  
14 separation from employment if the member was entitled to a vested allowance at the  
15 time of separation.

16 **(E) A MEMBER MAY NOT RECEIVE CREDITABLE SERVICE FOR UNUSED**  
17 **SICK LEAVE IF THE MEMBER'S EMPLOYER HAS PROVIDED THE MEMBER WITH**  
18 **COMPENSATION FOR THE MEMBER'S UNUSED SICK LEAVE.**

19 **[(e)] (F)** (1) Subject to paragraph (3) of this subsection, for 22 days of  
20 unused sick leave a member is entitled to receive 1 month of creditable service.

21 (2) If fractional days totaling 11 or more result from the application of  
22 the formula described in paragraph (1) of this subsection, a member is entitled to  
23 receive 1 additional month of creditable service.

24 (3) For the purposes of this section:

25 (i) a member may not accumulate more than 15 days of sick  
26 leave per year;

27 (ii) unless sick leave credit is accepted and credited by the  
28 current participating employer, a member may not receive credit for unused sick leave  
29 granted by a former employer; and

30 (iii) if a participating employer provides a member with more  
31 than 15 days of sick leave per year, before crediting the member with additional sick  
32 leave for a year, the Board of Trustees shall reduce the member's accumulated sick  
33 leave by the lesser of:

34 1. the days of sick leave used by the member in that  
35 year; or

1                                   2.     the number of days of sick leave provided by the  
2 participating employer for the year, less 15.

3            **[(f)] (G)**     Credit for unused sick leave may not be used under this section:

4                           (1)     to determine years of eligibility service required for a benefit under  
5 this Division II; or

6                           (2)     to compute average final compensation.

7            **[(g)] (H)**     A State employee who came into the State system while retaining  
8 sick leave and annual leave benefits under a county system and who came under the  
9 provisions of Chapter 423 of the Acts of 1971 shall be entitled to the same full credit  
10 toward retirement as provided by this section.

11                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
12 July 1, 2008.