

SENATE BILL 425

K4
HB 170/07 – APP

8lr2806
CF HB 175

By: **Senator Peters**
Introduced and read first time: January 31, 2008
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Military Service Credit – Eligibility**

3 FOR the purpose of reducing the number of years of creditable service that a member
4 of the State Retirement and Pension System is required to accrue in order to be
5 eligible to receive military service credit; and generally relating to the eligibility
6 requirements for receiving military service credit in the State Retirement and
7 Pension System.

8 BY repealing and reenacting, with amendments,
9 Article – State Personnel and Pensions
10 Section 38–104
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 38–104.

17 (a) (1) This section applies to an individual who is:

18 (i) a member of a State system; or

19 (ii) a former member of a State system who is eligible to receive
20 a benefit under § 29–302 or § 29–303 of this article.

21 (2) This section does not apply to a retiree of a State system.

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



1 (b) Except as provided in subsection (c) of this section, an individual
2 described in subsection (a) of this section, who has not met the conditions set forth in §
3 38–103(a)(2) through (4) of this subtitle, is entitled to receive service credit for military
4 service only on the attainment of [10] 5 years of creditable service.

5 (c) (1) An individual described under subsection (a) of this section may
6 not receive credit for that military service if the individual receives credit for military
7 service from another retirement system for which retirement benefits have been or
8 will be received by the individual.

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

10 (i) credit for military service provided under:

11 1. the Social Security Act;

12 2. the National Railroad Retirement Act; or

13 3. Title 3 or Title 10, Chapter 1223, §§ 12731 through
14 12737 of the United States Code; or

15 (ii) disability payments from a pension or retirement system.

16 (3) (i) Military service credit under this section may not exceed 5
17 years.

18 (ii) Subject to subparagraph (i) of this paragraph, a member of
19 the Maryland National Guard who has not been activated under Title 10 of the United
20 States Code, shall receive service credit at the rate of 4 months for each full year of
21 service with the Maryland National Guard, not to exceed a total of 36 months.

22 (d) The service credit for military service that an individual receives under
23 this section shall be applied to the individual's retirement allowance using the accrual
24 rate in effect at the time the individual retires from a State system.

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