

HOUSE BILL 223

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By: **Delegate Costa**

Introduced and read first time: January 28, 2009

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State or Local Retirement or Pension Systems – Military Service Credit**

3 FOR the purpose of increasing the amount of credit certain members of the State
4 Retirement and Pension System may receive for certain military credit;
5 providing that certain members of local retirement or pension systems receive
6 at least a certain amount of service credit for certain military service if the
7 members meet certain criteria established by the local retirement or pension
8 system; defining a certain term; providing for the application of this Act; and
9 generally relating to the receipt of military service credit in a State or local
10 retirement or pension system.

11 BY repealing and reenacting, with amendments,
12 Article – State Personnel and Pensions
13 Section 38–104
14 Annotated Code of Maryland
15 (2004 Replacement Volume and 2008 Supplement)

16 BY adding to
17 Article – State Personnel and Pensions
18 Section 38–104.1
19 Annotated Code of Maryland
20 (2004 Replacement Volume and 2008 Supplement)

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

23 **Article – State Personnel and Pensions**

24 38–104.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

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

5 (b) Except as provided in subsection (c) of this section, an individual
6 described in subsection (a) of this section, who has not met the conditions set forth in §
7 38–103(a)(2) through (4) of this subtitle, is entitled to receive service credit for military
8 service only on the attainment of 10 years of creditable service.

9 (c) (1) An individual described in subsection (a) of this section may not
10 receive credit for that military service if the individual receives credit for military
11 service from another retirement system for which retirement benefits have been or
12 will be received by the individual.

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

14 (i) credit for military service provided under:

15 1. the Social Security Act;

16 2. the National Railroad Retirement Act; or

17 3. Title 3 or Title 10, Chapter 1223, §§ 12731 through
18 12737 of the United States Code; or

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

20 (3) (i) Military service credit under this section may not exceed [5]
21 6 years.

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

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

29 **38–104.1.**

1 (A) IN THIS SECTION, “LOCAL RETIREMENT OR PENSION SYSTEM”
2 MEANS ANY RETIREMENT OR PENSION SYSTEM OPERATED UNDER THE LAWS OF
3 THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE.

4 (B) THIS SECTION APPLIES TO AN INDIVIDUAL WHO:

5 (1) IS A MEMBER OF A LOCAL RETIREMENT OR PENSION SYSTEM;
6 AND

7 (2) HAS EARNED MILITARY SERVICE BEFORE JOINING THE LOCAL
8 RETIREMENT OR PENSION SYSTEM.

9 (C) SUBJECT TO ANY CRITERIA A LOCAL RETIREMENT OR PENSION
10 SYSTEM ESTABLISHES FOR AN INDIVIDUAL DESCRIBED UNDER SUBSECTION (B)
11 OF THIS SECTION TO RECEIVE CREDIT FOR MILITARY SERVICE, AN INDIVIDUAL
12 SHALL BE ENTITLED TO EARN AT LEAST 6 YEARS OF MILITARY SERVICE CREDIT
13 IN THE LOCAL RETIREMENT OR PENSION SYSTEM IF THE MILITARY SERVICE
14 CREDIT WAS EARNED BEFORE JOINING THE LOCAL RETIREMENT OR PENSION
15 SYSTEM.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 July 1, 2009.