

HOUSE BILL 872

K4

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By: **Delegates Schuh, Dwyer, and Kipke**
Introduced and read first time: February 12, 2009
Assigned to: Appropriations

Committee Report: Favorable
House action: Adopted
Read second time: March 24, 2009

CHAPTER _____

1 AN ACT concerning

2 **Employees' Pension System - Purchase of Service Credit - Washington**
3 **Suburban Transit Commission**

4 FOR the purpose of providing that certain members of the Employees' Pension System
5 may purchase certain service credit in the Employees' Pension System;
6 requiring certain members of the Employees' Pension System who choose to
7 purchase certain service credit, to pay to the Board of Trustees of the State
8 Retirement and Pension System a certain amount for that service credit;
9 authorizing certain members of the Employees' Pension System who choose to
10 purchase certain service credit to use certain funds towards the purchase;
11 requiring certain members of the Employees' Pension System to complete
12 certain claims and make certain purchases to the Board of Trustees on or before
13 a certain date; providing for the termination of this Act; and generally relating
14 to the purchase of service credit in the Employees' Pension System for
15 employment with the Washington Suburban Transit Commission.

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
17 MARYLAND, That:

18 (a) This section applies to an individual who:

19 (1) on or after March 1, 1999, was hired by the Washington Suburban
20 Transit Commission;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (2) upon commencing employment with the Washington Suburban
2 Transit Commission, was enrolled in the Montgomery County Government 401(a)
3 Retirement Plan;

4 (3) on or after September 1, 2005, but on or before February 1, 2006,
5 was employed by the Maryland Transit Administration and enrolled in the Employees'
6 Pension System under Title 23 of the State Personnel and Pensions Article; and

7 (4) upon enrolling in the Employees' Pension System did not withdraw
8 any funds deposited into the Montgomery County Government 401(a) Retirement Plan
9 that had been deposited by the individual or the Washington Suburban Transit
10 Commission on behalf of the individual.

11 (b) An individual described under subsection (a) of this section may elect to
12 purchase service credit in the Employees' Pension System under Title 23 of the State
13 Personnel and Pensions Article for the period of time the individual was employed by
14 the Washington Suburban Transit Commission and enrolled in the Montgomery
15 County Government 401(a) Retirement Plan.

16 (c) An individual who elects to purchase service credit in the Employees'
17 Pension System under subsection (b) of this section shall pay to the Board of Trustees
18 of the State Retirement and Pension System:

19 (1) the member contributions that would have been paid by a member
20 of the Employees' Pension System for the period of time the individual was employed
21 by the Washington Suburban Transit Commission, plus regular interest to the date of
22 payment; and

23 (2) the employer contributions that would have been paid by the State
24 to the Employees' Pension System for the period of time the individual was employed
25 by the Washington Suburban Transit Commission, plus 7.75% interest to the date of
26 payment.

27 (d) An individual who elects to purchase service credit in the Employees'
28 Pension System under subsection (b) of this section may use to purchase this service
29 credit any funds that have been deposited on behalf of the individual in the
30 individual's account with the Montgomery County Government 401(a) Retirement
31 Plan.

32 (e) To purchase service credit under subsection (b) of this section, on or
33 before December 31, 2009, an individual shall:

34 (1) complete a claim for the service credit and file it with the Board of
35 Trustees on a form that the Board of Trustees provides; and

36 (2) pay to the Board of Trustees an amount equal to the amount
37 determined under subsection (c) of this section.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2009. It shall remain effective for a period of 6 months and, at the end of
3 December 31, 2009, with no further action required by the General Assembly, this Act
4 shall be abrogated and of no further force and effect.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.