

# SENATE BILL 567

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CF HB 772

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By: **Senator McFadden (Chair, Joint Committee on Pensions)**

Introduced and read first time: February 4, 2010

Assigned to: Budget and Taxation

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Committee Report: Favorable

Senate action: Adopted

Read second time: March 11, 2010

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **State Retirement and Pension System – Noncontributory Former Vested**  
3 **Members – Vested Retirement Allowance**

4 FOR the purpose of repealing certain provisions of the State Personnel and Pensions  
5 Article that permit certain former members of the State Retirement and  
6 Pension System to withdraw certain member contributions plus interest and  
7 receive a vested retirement allowance based only on certain employer  
8 contributions; and generally relating to vested retirement allowances for  
9 noncontributory former members of the State Retirement and Pension System.

10 BY repealing

11 Article – State Personnel and Pensions

12 Section 29–303(h)

13 Annotated Code of Maryland

14 (2009 Replacement Volume and 2009 Supplement)

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

17 **Article – State Personnel and Pensions**

18 29–303.

19 **[(h) (1)]** If a former member who elected a vested allowance requests the  
20 return of accumulated contributions before payment of the vested allowance begins,

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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 the Board of Trustees shall return the accumulated contributions to the former  
2 member.

3 (2) (i) Except as provided in subparagraphs (ii) and (iii) of this  
4 paragraph, when the former member is eligible to begin receiving a vested allowance,  
5 the former member shall receive a pension only.

6 (ii) When accumulated contributions are returned to a former  
7 member of the Law Enforcement Officers' Pension System who is subject to the Law  
8 Enforcement Officers' Modified Pension Benefit under Title 26, Subtitle 2, Part II of  
9 this article, the former member is not entitled to further benefits on account of the  
10 former member's previous membership unless the former member purchases the  
11 service credit under § 26-307.1 of this article.

12 (iii) When accumulated contributions are returned to a former  
13 member of the Employees' Pension System or Teachers' Pension System who is subject  
14 to the contributory pension benefit or the Alternate Contributory Pension Selection,  
15 the former member is not entitled to further benefits on account of the former  
16 member's previous membership unless the former member purchases the service  
17 credit under § 23-306.2 of this article.]

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 July 1, 2010.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.