

SENATE BILL 1012

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CF HB 1443

By: **Senator Stoltzfus**

Introduced and read first time: February 24, 2010

Assigned to: Rules

Re-referred to: Budget and Taxation, March 5, 2010

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: April 1, 2010

CHAPTER _____

1 AN ACT concerning

2 ~~Employees' Pension System - Eligibility Service Credit~~ State Retirement and
3 Health Benefits - Early Service Retirement Allowance and Health Insurance
4 Benefits - Eligibility

5 FOR the purpose of ~~requiring the Board of Trustees of the State Retirement and~~
6 ~~Pension System to apply certain overtime earned by certain individuals in~~
7 ~~certain employment during a certain period of time to the individual's eligibility~~
8 ~~service credit in the Employees' Pension System if the individual applies for a~~
9 ~~certain early service retirement allowance;~~ authorizing certain individuals to
10 purchase certain service credit in the Employees' Pension System; requiring
11 certain individuals who choose to purchase certain service credit, to pay to the
12 Board of Trustees of the State Retirement and Pension System a certain
13 amount for a certain service credit; requiring certain individuals to complete
14 certain claims and make certain payments to the Board of Trustees on or before
15 a certain date; providing that certain individuals may enroll and participate in
16 the health insurance benefit options established under the State Employee and
17 Retiree Health and Welfare Benefits Program under certain circumstances;
18 requiring certain individuals to complete a certain enrollment form and be
19 entitled to a certain subsidy; providing for the termination of this Act; and
20 generally relating to eligibility ~~service credit~~ for early service retirement
21 allowances ~~in the Employees' Pension System~~ and health insurance benefits
22 under the State Retirement and Pension System and the State Employee and
23 Retiree Health and Welfare Benefits Program.

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

3 (a) This section applies only to an individual who:

4 (1) on or after January 1, 1987, began employment with the Wicomico
5 County Health Department and became a member of the Employees' Pension System
6 under the State Retirement and Pension System;

7 (2) on or before July 1, 2001, ceased employment with the Wicomico
8 County Health Department and became a member of the Employees' Pension System
9 under the State Retirement and Pension System; and

10 (3) at the time the individual ceased employment with the Wicomico
11 County Health Department, the individual had more than 14 years and less than 15
12 years of eligibility service in the Employees' Pension System of the State Retirement
13 and Pension System.

14 ~~(b) If an individual applies for an early service retirement allowance under~~
15 ~~Section 23-402 of the State Personnel and Pensions Article, the Board of Trustees of~~
16 ~~the State Retirement and Pension System shall apply any overtime the individual~~
17 ~~earned while an employee of the Wicomico County Health Department to the~~
18 ~~individual's eligibility service credit in the Employees' Pension System of the State~~
19 ~~Retirement and Pension System.~~

20 (b) An individual described under subsection (a) of this section may elect to
21 purchase service credit in the Employees' Pension System under Title 23 of the State
22 Personnel and Pensions Article for the period of time the individual was employed by
23 the Wicomico County Health Department as a contractual employee that is necessary
24 to qualify for early retirement.

25 (c) An individual who elects to purchase service credit in the Employees'
26 Pension System under subsection (b) of this section shall pay to the Board of Trustees
27 of the State Retirement and Pension System an amount equal to one-half of the
28 annuity reserve and one-half of the pension reserve required to fund the additional
29 allowance.

30 (d) To purchase contractual service credit under subsection (b) of this section,
31 on or before December 31, 2010, an individual shall:

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

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

1 (e) Notwithstanding the provisions of § 2-508(b)(1) of the State Personnel
2 and Pensions Article, an individual described under subsection (a) of this section may
3 enroll and participate in the health insurance benefit options established under the
4 State Employee and Retiree Health and Welfare Benefits Program for so long as the
5 individual is receiving a retirement allowance from the State.

6 (f) To enroll and participate in the State Employee and Retiree Health and
7 Welfare Benefits Program under subsection (e) of this section, on or before December
8 31, 2010, an individual shall:

9 (1) complete an enrollment form and submit it to the Department of
10 Budget and Management; and

11 (2) be entitled to the State subsidy allowed a State employee for each
12 year of the retiree’s creditable service, as provided under § 2-508(c)(2) of the State
13 Personnel and Pensions Article.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 July 1, 2010. It shall remain effective for a period of 6 months and, at the end of
16 December 31, 2010, with no further action required by the General Assembly, this Act
17 shall be abrogated and of no further force and effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.