

SENATE BILL 102

K4

5lr1370
CF HB 76

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

Introduced and read first time: January 26, 2015

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Accumulated Contributions of**
3 **Nonvested Former Members**

4 FOR the purpose of requiring certain accumulated contributions of certain nonvested
5 former members to be transferred into a certain fund; making conforming changes;
6 and generally relating to accumulated contributions of nonvested former members
7 of the State Retirement and Pension System.

8 BY repealing and reenacting, with amendments,
9 Article – State Personnel and Pensions
10 Section 21–303(a) and 21–311
11 Annotated Code of Maryland
12 (2009 Replacement Volume and 2014 Supplement)

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

15 **Article – State Personnel and Pensions**

16 21–303.

17 (a) The Board of Trustees shall credit to the accumulation fund of each State
18 system:

19 (1) all employer contributions to the State system;

20 (2) all interest, dividends, and other income derived from the assets of the
21 State system; and

22 (3) amounts transferred under § 21–311(c) **OR (D)** of this subtitle.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 21-311.

2 (a) The Board of Trustees shall credit to each member's individual account in the
3 annuity savings fund of the appropriate State system:

4 (1) the member contributions of the member as provided in this Division
5 II; and

6 (2) regular interest on the accumulated contributions of the member as
7 provided in this Division II.

8 (b) From the annuity savings fund of the appropriate system, the Board of
9 Trustees shall pay the accumulated contributions of a member that, as provided in this
10 Division II:

11 (1) are withdrawn by the member; or

12 (2) if a member dies, are paid to the member's estate or designated
13 beneficiary.

14 (c) When a member retires or a former member commences to receive a vested
15 allowance, the Board of Trustees shall transfer the member's or former member's
16 accumulated contributions from the annuity savings fund of the appropriate State system
17 to the accumulation fund of that system.

18 **(D) IF A FORMER MEMBER IS NOT ELIGIBLE TO RECEIVE A VESTED**
19 **ALLOWANCE UNDER TITLE 29, SUBTITLE 3 OF THIS ARTICLE, WHEN THE FORMER**
20 **MEMBER'S MEMBERSHIP ENDS, THE BOARD OF TRUSTEES SHALL TRANSFER THE**
21 **FORMER MEMBER'S ACCUMULATED CONTRIBUTIONS FROM THE ANNUITY SAVINGS**
22 **FUND OF THE APPROPRIATE STATE SYSTEM TO THE ACCUMULATION FUND OF THAT**
23 **SYSTEM.**

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
25 1, 2015.