

HOUSE BILL 430

K4

9lr1664

By: **Delegate Cox**

Introduced and read first time: January 31, 2019

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Military Service Credit**

3 FOR the purpose of altering a certain exemption to a certain prohibition on receiving credit
4 in the State Retirement and Pension System for certain military service; and
5 generally relating to military service credit in the State Retirement and Pension
6 System.

7 BY repealing and reenacting, with amendments,
8 Article – State Personnel and Pensions
9 Section 38–104
10 Annotated Code of Maryland
11 (2015 Replacement Volume and 2018 Supplement)

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

14 **Article – State Personnel and Pensions**

15 38–104.

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

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

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

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

21 (b) Except as provided in subsection (c) of this section, an individual described in
22 subsection (a) of this section, who has not met the conditions set forth in § 38–103(a)(2)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 through (4) of this subtitle, is entitled to receive service credit for military service only on
2 the attainment of 10 years of service credit earned through employment as a member of a
3 State system.

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

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

9 (i) credit for military service provided under:

- 10 1. the Social Security Act;
- 11 2. the National Railroad Retirement Act; or
- 12 3. Title 3 or Title 10[, Chapter 1223, §§ 12731 through
13 12737] of the United States Code; or

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

15 (3) (i) Military service credit under this section may not exceed 5 years.

16 (ii) Subject to subparagraph (i) of this paragraph, a member of the
17 Maryland National Guard or of a reserve component of the armed forces of the United
18 States who has not been activated under Title 10 of the United States Code, shall receive
19 service credit at the rate of 4 months for each full year of service with the Maryland
20 National Guard or with a reserve component of the armed forces of the United States, not
21 to exceed a total of 36 months.

22 (d) (1) Except as provided in paragraph (2) of this subsection, the service credit
23 for military service that an individual receives under this section shall be applied to the
24 individual's retirement allowance using the accrual rate in effect at the time the individual
25 retires from a State system.

26 (2) If an individual applies for military service credit on or after July 1,
27 2011, the service credit for military service that the individual receives under this section
28 shall be applied to the individual's retirement allowance using the accrual rate in effect at
29 the time the individual submits an application for military service credit to the State
30 Retirement Agency.

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
32 1, 2019.