

SENATE BILL 487

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SB 503/19 – B&T

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CF 0lr3177

By: **Senators Serafini, Bailey, Beidle, Carozza, Cassilly, Eckardt, Edwards, Gallion, Hershey, Hough, Jennings, Peters, Salling, Simonaire, and West**
Introduced and read first time: January 29, 2020
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Military Service Credit – Eligibility**

3 FOR the purpose of authorizing certain members of the State Retirement and Pension
4 System to receive credit for certain military service if the member receives military
5 service credit in another retirement system; and generally relating to members of
6 the State Retirement and Pension System receiving military service credit.

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 2019 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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 subsection (a) of this section, who has not met the conditions set forth in § 38–103(a)(2)
 2 through (4) of this subtitle, is entitled to receive service credit for military service only on
 3 the attainment of 10 years of service credit earned through employment as a member of a
 4 State system.

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

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

10 (i) credit for military service provided under:

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

15 (ii) disability payments from a pension or retirement system; **OR**

16 **(III) A MEMBER OR FORMER MEMBER OF:**

- 17 1. **THE CORRECTIONAL OFFICERS' RETIREMENT**
 18 **SYSTEM;**
- 19 2. **THE LAW ENFORCEMENT OFFICERS' PENSION**
 20 **SYSTEM; OR**
- 21 3. **THE STATE POLICE RETIREMENT SYSTEM.**

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

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

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

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

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
7 1, 2020.