

## Chapter 400

**(Senate Bill 139)**

AN ACT concerning

**State Police Retirement System and Law Enforcement Officers' Pension System  
– Deferred Retirement Option Program – Alterations**

FOR the purpose of increasing the maximum number of years of eligibility service that certain members of the State Police Retirement System or Law Enforcement Officers' Pension System may have to participate in the Deferred Retirement Option Program (DROP); increasing the number of years that certain members of the State Police Retirement System or Law Enforcement Officers' Pension System may participate in the DROP; authorizing certain individuals, subject to certain limitations and requirements, to elect to extend their participation in the DROP; and generally relating to certain members of the State Police Retirement System or Law Enforcement Officers' Pension System and the Deferred Retirement Option Program.

BY repealing and reenacting, without amendments,  
Article – State Personnel and Pensions  
Section 24–401.1(a), (b), and (e) and 26–401.1(a), (b), and (e)  
Annotated Code of Maryland  
(2015 Replacement Volume and 2022 Supplement)

BY repealing and reenacting, with amendments,  
Article – State Personnel and Pensions  
Section 24–401.1(c) and (d) and 26–401.1(c) and (d)  
Annotated Code of Maryland  
(2015 Replacement Volume and 2022 Supplement)

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

**Article – State Personnel and Pensions**

24–401.1.

- (a) (1) In this section the following words have the meanings indicated.
- (2) “DROP” means the Deferred Retirement Option Program established under this section.
- (3) “DROP member” means a member of the State Police Retirement System who:

(i) is eligible to participate in the DROP as provided in subsection (c) of this section; and

(ii) elects to participate in the DROP as provided in subsection (e) of this section.

(b) There is a DROP for eligible members of the State Police Retirement System.

(c) (1) (i) This paragraph applies to an individual who is a member of the State Police Retirement System on or before June 30, 2011.

(ii) Except for the Secretary of State Police, a member of the State Police Retirement System is eligible to participate in the DROP if the member:

1. has at least 22 and less than [30] 32 years of eligibility service; and

2. is less than 60 years old.

(iii) The Secretary of State Police is eligible to participate in the DROP if the Secretary has at least 22 years of eligibility service.

(2) (i) This paragraph applies to an individual who becomes a member of the State Police Retirement System on or after July 1, 2011.

(ii) Except for the Secretary of State Police, a member of the State Police Retirement System is eligible to participate in the DROP if the member:

1. has at least 25 years and less than [30] 32 years of eligibility service; and

2. is less than 60 years old.

(iii) The Secretary of State Police is eligible to participate in the DROP if the Secretary has at least 25 years of eligibility service.

(d) An eligible member may elect to participate in the DROP for a period not to exceed the lesser of:

(1) [5] 7 years;

(2) the difference between [30] 32 years and the member's eligibility service as of the date of the member's election to participate in the DROP and retire from the State Police Retirement System;

(3) the difference between age 60 and the member's age as of the date of

the member's election to participate in the DROP and retire from the State Police Retirement System; or

(4) a term selected by the member.

(e) (1) An eligible member who elects to participate in the DROP shall:

(i) complete and submit a written election form to the Board of Trustees, on the form that the Board of Trustees provides, stating:

1. the member's intention to participate in the DROP;

2. the date when the member desires to retire;

3. the period that the member desires to participate in the DROP, as provided in subsection (d) of this section;

4. the date when the member intends to terminate employment with the Maryland State Police in the form of a binding letter of resignation accepted by the Secretary of State Police or the Secretary's designee; and

5. any other information required by the Board of Trustees to implement the DROP; and

(ii) complete and submit a written retirement application form to the Board of Trustees, on the form that the Board of Trustees provides.

(2) An eligible member's election to participate in the DROP is irrevocable.

26-401.1.

(a) (1) In this section the following words have the meanings indicated.

(2) "DROP" means the Deferred Retirement Option Program established under this section.

(3) "DROP member" means a member of the Law Enforcement Officers' Pension System who:

(i) is eligible to participate in the DROP as provided in subsection (c) of this section; and

(ii) elects to participate in the DROP as provided in subsection (e) of this section.

(b) There is a DROP for eligible members of the Law Enforcement Officers'

## Pension System.

(c) (1) In this subsection, “creditable service” does not include credit for unused sick leave as provided in § 20–206 of this article.

(2) A member of the Law Enforcement Officers’ Pension System is eligible to participate in the DROP if the member has at least 25 and less than ~~[30]~~ **32** years of creditable service.

(d) (1) In this subsection, “creditable service” does not include credit for unused sick leave as provided in § 20–206 of this article.

(2) An eligible member may elect to participate in the DROP for a period not to exceed the lesser of:

(i) ~~[5]~~ **7** years;

(ii) the difference between ~~[30]~~ **32** years and the member’s creditable service as of the date of the member’s election to participate in the DROP and retire from the Law Enforcement Officers’ Pension System; or

(iii) a term selected by the member.

(e) (1) An eligible member who elects to participate in the DROP shall:

(i) complete and submit a written election form to the Board of Trustees, on the form that the Board of Trustees provides, stating:

1. the member’s intention to participate in the DROP;

2. the date when the member desires to retire;

3. the period that the member desires to participate in the DROP, as provided in subsection (d) of this section;

4. the date when the member intends to terminate employment with the State in the form of a binding letter of resignation accepted by the Secretary or the Secretary’s designee of the Department for which the member is employed; and

5. any other information required by the Board of Trustees to implement the DROP; and

(ii) complete and submit a written retirement application form to the Board of Trustees, on the form that the Board of Trustees provides.

- (2) An eligible member's election to participate in the DROP is irrevocable.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) Section 1 of this Act applies to any individual who began participation in the Deferred Retirement Option Program (DROP) under §§ 24–401.1 or 26–401.1 of the State Personnel and Pensions Article before July 1, 2023, and continues to participate in the DROP on or after July 1, 2023.

(b) (1) Except as provided in paragraph (2) of this subsection, an individual described in subsection (a) of this section may elect to extend participation in the DROP by the lesser of:

(i) the difference between 7 years and the number of years the individual elected to participate in the DROP at the time the individual joined the DROP; or

(ii) the difference between 32 years of eligibility service and the total amount of eligibility service the individual had accrued at the time the individual joined the DROP.

(2) An individual may not elect to extend participation in the DROP by a number of years that will result in the individual terminating the DROP at an age older than age 60.

(c) (1) An individual who elects to extend participation in the DROP shall do so on or before December 31, 2023, by completing a form provided by the Board of Trustees for the State Retirement and Pension System.

(2) The form submitted by the individual in paragraph (1) of this subsection shall include a signed acknowledgment by:

(i) for a member of the State Police Retirement System, the individual's Director of Human Resources within the Department of State Police that the individual's employment with the Department of State Police and participation in the DROP will be extended by the time period specified on that form; or

(ii) for a member of the Law Enforcement Officers' Pension System, the individual's Director of Human Resources or a comparable individual authorized to confirm the individual's employment with a unit listed in § 26–201(a) of the State Personnel and Pensions Article and participation in the DROP will be extended by the time period specified on that form.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2023.

**Approved by the Governor, May 3, 2023.**