

SENATE BILL 654

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CF 6lr3339

By: Senator Augustine

Introduced and read first time: February 6, 2026

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **State Police Retirement System – Mandatory Retirement Age – Alteration**

3 FOR the purpose of increasing the age at which certain members of the State Police
4 Retirement System are required to retire; increasing the age at which certain
5 retirees must end participation in the Deferred Retirement Option Program;
6 authorizing certain individuals, subject to certain limitations and requirements, to
7 elect to extend their participation in the Deferred Retirement Option Program; and
8 generally relating to the mandatory retirement age for certain members of the State
9 Police Retirement System and participation in the Deferred Retirement Option
10 Program.

11 BY repealing and reenacting, with amendments,
12 Article – State Personnel and Pensions
13 Section 24–401 and 24–401.1(c), (d), and (g)
14 Annotated Code of Maryland
15 (2024 Replacement Volume and 2025 Supplement)

16 BY repealing and reenacting, without amendments,
17 Article – State Personnel and Pensions
18 Section 24–401.1(a) and (b)
19 Annotated Code of Maryland
20 (2024 Replacement Volume and 2025 Supplement)

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

23 **Article – State Personnel and Pensions**

24 24–401.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) (1) (i) This paragraph applies to an individual who is a member on or
2 before June 30, 2011.

5 1. on or before the date of retirement, the member:

6 A. has at least 22 years of eligibility service; or

7 B. is at least 50 years old; and

11 (2) (i) This paragraph applies to an individual who becomes a member
12 on or after July 1, 2011.

15 1. on or before the date of retirement, the member:

16 A. has at least 25 years of eligibility service; or

17 B. is at least 50 years old; and

24 (2) Before approving the Secretary's order, the Board of Trustees shall give
25 the member at least 30 days' notice and an opportunity to be heard.

26 (c) Except for the Secretary of State Police, a member shall retire with a normal
27 service retirement allowance not later than the first day of the month after the member
28 becomes [60] 62 years old.

29 (d) (1) Except as provided in paragraphs (2) and (3) of this subsection, on
30 retirement under this section, a member is entitled to receive a normal service retirement
31 allowance that equals 2.55% of the member's average final compensation multiplied by each
32 year of the member's years of creditable service.

(2) A member's normal service retirement allowance may not exceed 71.4% of the member's average final compensation.

(3) Subject to paragraph (2) of this subsection, on retirement under this section, if a member's annuity is greater than the member's normal service retirement allowance calculated under paragraph (1) of this subsection, the member's normal service retirement allowance shall equal the member's annuity.

11 (1) for a retiree who has been retired not more than 5 years, \$1,200;

12 (2) for a retiree who has been retired more than 5 years but not more than
13 10 years, \$1,500;

14 (3) for a retiree who has been retired more than 10 years but not more than
15 15 years, \$1,800; and

16 (4) for a retiree who has been retired more than 15 years, \$2,100.

17 24-401.1.

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

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

21 (3) "DROP member" means a member of the State Police Retirement
22 System who:

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

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

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

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

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

1 1. has at least 22 and less than 32 years of employment in a
2 position eligible for membership in the State Police Retirement System; and

3 2. is less than [60] **62** years old.

4 (iii) The Secretary of State Police is eligible to participate in the
5 DROP if the Secretary has at least 22 years of employment in a position eligible for
6 membership in the State Police Retirement System.

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

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

11 1. has at least 25 years and less than 32 years of employment
12 in a position eligible for membership in the State Police Retirement System; and

13 2. is less than [60] **62** years old.

14 (iii) The Secretary of State Police is eligible to participate in the
15 DROP if the Secretary has at least 25 years of employment in a position eligible for
16 membership in the State Police Retirement System.

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

19 (1) 7 years;

20 (2) the difference between 32 years and the member's years of employment
21 in a position eligible for membership in the State Police Retirement System as of the date
22 of the member's election to participate in the DROP and retire from the State Police
23 Retirement System;

24 (3) the difference between age [60] **62** and the member's age as of the date
25 of the member's election to participate in the DROP and retire from the State Police
26 Retirement System; or

27 (4) a term selected by the member.

28 (g) Participation in the DROP ends if the DROP participant:

29 (1) separates from employment in accordance with the binding letter of
30 resignation submitted with the member's election form;

31 (2) except for the Secretary of State Police, attains age [60] **62**;

(3) dies;

(4) is terminated from employment by the Maryland State Police at any time before the date specified on the member's election form;

4 (5) shortens the time period for participation in the DROP by delivering to
5 the Maryland State Police and the Board of Trustees written notice of the intent of the
6 DROP member to terminate employment; or

(6) accepts a special disability retirement allowance as provided in subsection (k) of this section.

SECTION 2. AND BE IT FURTHER ENACTED, That:

10 (a) Section 1 of this Act applies to any individual who began participation in the
11 Deferred Retirement Option Program (DROP) under § 24-401.1 or § 26-401.1 of the State
12 Personnel and Pensions Article before June 1, 2026, and continues to participate in the
13 DROP on or after June 1, 2026.

17 (i) the difference between 7 years and the number of years the
18 individual elected to participate in the DROP at the time the individual joined the DROP;
19 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.

23 (2) An individual may not elect to extend participation in the DROP by a
24 number of years that will result in the individual terminating the DROP at an age older
25 than age 62.

26 (c) (1) An individual who elects to extend participation in the DROP shall do
27 so on or before:

28 (i) the end of the term of participation in the DROP originally
29 selected by the individual; or

30 (ii) December 31, 2026, by completing a form provided by the Board
31 of Trustees for the State Retirement and Pension System.

32 (2) The form submitted by the individual in paragraph (1) of this
33 subsection shall include a signed acknowledgment by the individual's Director of Human

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1 Resources within the Department of State Police that the individual's employment with the
2 Department of State Police and participation in the DROP will be extended by the time
3 period specified on that form.

4 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June
5 1, 2026.