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MARYLAND STATE RETIREMENT and PENSION SYSTEM

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Testimony in Support of House Bill 584 State Retirement and Pension System - Transfers Between Systems - Workgroup **House Appropriations Committee** March 11, 2025 1:00 P.M.

Anne Gawthrop Director of Legislative Affairs State Retirement Agency

The Board of Trustees for the State Retirement and Pension System wishes to express its support for House Bill 584, State Retirement and Pension System - Transfers Between Systems - Workgroup. House Bill 584 is legislation sponsored by the Joint Committee on Pensions at the request of the Board.

Title 37 of the State Personnel and Pensions Article governs the transfer of service from any State or local retirement or pension system to another State or local retirement or pension system. Because of this, it is the only pension related title in this Article that applies to the State, all 23 counties, and Baltimore City.

Provisions within Title 37 include those that address the types of service credit that may be transferred from one system to another, the member contributions and interest that must accompany these transfers, and the time frame under which these transfers must be made. Over the years, the State Retirement Agency (Agency) has noticed that there are many inconsistencies, duplicative provisions, and ambiguities throughout this title. House Bill 584 establishes a workgroup to review these issues. The workgroup consists of representatives from the Agency, Baltimore City, Baltimore County, and Howard County pension systems, American Federation of State, County, and Municipal Employees (AFSCME), and Department of Legislative Services. The Agency will provide the staff for this workgroup and submit recommended changes to Title 37 to the Joint Committee on Pensions during the fall 2025.

We appreciate being given this opportunity to express our support to the Appropriations Committee for this legislation and would request a favorable report on House Bill 584.