CATHI FORBES

Legislative District 43B **Baltimore County**

Appropriations Committee

Subcommittees Capital Budget

Education and Economic Development

Chair, Oversight Committee on Pensions



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The Maryland House of Delegates Annapolis, Maryland 21401

Testimony in Support of HB 1034

State Retirement and Pension System – Alterations and Clarifications Testimony of Delegate Cathi Forbes **Appropriations** March 11, 2025

What this bill does

This is a clarifying bill that is to correct an unintended consequence of 2020 legislation regarding the State Police Retirement System (SPRS) Deferred Retirement Option Program (DROP) and other date changes.

Why this is necessary

HB588/CH265 passed during the 2020 legislative session allowed that members of the State Police Retirement System would no longer make member contributions to the system after 28 years of service credit is earned, as they have reached their maximum benefit at that time. The legislation proposed today clarifies that previous legislation to indicate that the SPRS will use "years of employment in a position eligible for membership in the system," as opposed to "years of eligibility service" to determine DROP eligibility.

The way the current law is written, a member could potentially work indefinitely after accruing 28 years of service, if they have not reached the mandatory retirement age of 60, and still be guaranteed four additional years of DROP participation since their service credit is capped at 28 years.

Why you should vote for this bill

This clarifies the intent of the 2020 legislation and eliminates a possible unintended consequence.

I ask for a favorable report. Thank you.