



STATE RETIREMENT AGENCY
120 East Baltimore Street
Baltimore, MD 21202-6700

MARYLAND
STATE RETIREMENT
and PENSION SYSTEM

410-625-5555 • 1-800-492-5909
TTY Users: call via Maryland Relay
sra.maryland.gov

Testimony in Support of Senate Bill 457
State Retirement and Pension System - Transfers Between Systems - Workgroup
Senate Budget and Tax Committee
February 13, 2025
9:00 A.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 Senate Bill 457, State Retirement and Pension System - Transfers Between Systems - Workgroup. Senate Bill 457 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. Senate Bill 457 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 Budget and Tax Committee for this legislation and would request a favorable report on Senate Bill 457.

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