

SENATE BILL 515

K4

71r2142

By: **Senator Kramer (Chair, Joint Committee on Pensions)**

Introduced and read first time: February 2, 2007

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Administration – Simplification**

3 FOR the purpose of allowing certain members of the State Retirement and Pension
4 System to purchase certain service credit within a certain period of time;
5 eliminating pro-rated payments of certain optional retirement allowances to
6 certain retirees; providing that certain appointed and elected officials are not
7 required to join the Employees' Pension System; clarifying that certain
8 members of the Correctional Officers' Retirement System are eligible to receive
9 a normal service retirement allowance and a deferred vested retirement
10 allowance; requiring certain participating governmental units to offset certain
11 workers' compensation benefits in a certain manner; repealing obsolete
12 language regarding a local retirement plan in Dorchester County; requiring
13 certain members of the Teachers' Retirement System or the Teachers' Pension
14 System to elect membership in the Optional Retirement Program within a
15 certain period of time; exempting from a certain offset of a retirement allowance
16 certain members in the Judges' Retirement System; making certain technical
17 and conforming changes; and generally relating to simplifying the
18 administration of the State Retirement and Pension System.

19 BY repealing and reenacting, with amendments,
20 Article – State Personnel and Pensions
21 Section 21–307, 21–403(e) and (f), 22–303.1, 23–201, 23–206, 23–304.1, 23–306,
22 24–304.1, 25–304.1, 25–401, 26–306, 26–306.1, 27–406, 28–306, 28–306.1,
23 29–118(a), and 29–302(c)
24 Annotated Code of Maryland
25 (2004 Replacement Volume and 2006 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to
2 Article – State Personnel and Pensions
3 Section 22–212.1 and 23–207
4 Annotated Code of Maryland
5 (2004 Replacement Volume and 2006 Supplement)

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

8 **Article – State Personnel and Pensions**

9 21–307.

10 (a) For a permanent employee of a board of supervisors of elections who is a
11 member of the Employees' Retirement System or the Employees' Pension System, the
12 county where the member is employed shall:

13 (1) pay to the Board of Trustees or the Central Payroll Bureau the
14 employer contributions otherwise required to be made by the State on behalf of the
15 member; and

16 (2) deduct from the compensation payable to the member and pay to
17 the Board of Trustees or the Central Payroll Bureau the required member
18 contributions.

19 (b) (1) For a master in chancery or a master in juvenile causes who is
20 eligible for benefits under the Judges' Retirement System, the county where the
21 master serves shall pay to the Judges' Retirement System a portion of the employer
22 contributions required to be paid on behalf of the master as determined under
23 paragraph (2) of this subsection.

24 (2) The amount payable by a county for a master under this subsection
25 is the product of multiplying:

26 (i) the sum of the accrued liability contribution rate and the
27 normal contribution rate; and

28 (ii) the difference between the master's current earnable
29 compensation and the earnable compensation of the master as of January 1, 1989.

30 (c) For a member or retiree who transferred to the Teachers' Retirement
31 System of the State of Maryland from the Employees' Retirement System of the City of

1 Baltimore, the local system shall pay any excess of the amount to which the member
2 or retiree would have been entitled under the provisions of the local system as they
3 existed as of July 1, 1971, over the amount that is provided under this Division II.

4 (d) For an additional employee or agent of the State Racing Commission who
5 is a member of the Employees' Pension System, the licensees of the State Racing
6 Commission shall pay the employer contributions otherwise required to be made by
7 the State on behalf of the member in the manner that the licensees pay the salary for
8 an additional employee or agent under the Maryland Horse Racing Act.

9 [(e) For an employee of Dorchester County who is a member of the
10 Employees' Pension System or the Employees' Retirement System, Dorchester County
11 shall pay the employer contributions otherwise required to be made by the State on
12 behalf of the member.]

13 [(f)] (E) (1) For a member of the State Police Retirement System, the
14 State shall pay the cost of special death benefits under § 29-204(a)(2)(i)2 of this
15 article, including the normal contribution rate and the accrued liability rate, up to the
16 current contribution rate for employers for federal old age, survivors, and disability
17 insurance.

18 (2) Except as provided in paragraph (3) of this subsection, the
19 members shall pay the cost of the special death benefits that exceeds the current rate
20 for federal old age, survivors, and disability insurance.

21 (3) The State shall pay the full costs of each special death benefit
22 applicable to each member whose death arises out of or in the course of actual
23 performance of duty.

24 [(g)] (F) For an employee of the Maryland Environmental Service who is a
25 member of the Employees' Retirement System or the Pension System for Employees,
26 the Maryland Environmental Service shall pay to the Board of Trustees the employer
27 contributions otherwise required to be made by the State on behalf of the member.

28 [(h)] (G) For a court reporter for the Circuit Court for Charles County who
29 is a member of the Employees' Retirement System or the Employees' Pension System,
30 the County Commissioners of Charles County shall pay the employer contributions
31 otherwise required to be made by the State on behalf of the member.

32 [(i)] (H) (1) Except as provided in subsection [(j)] (I) of this section, the
33 University System of Maryland shall pay an annual accrued liability contribution
34 equal to an amount that is sufficient to liquidate over not more than 5 years, the

1 increase in the accrued liability by means of annual payments that increase each year
2 based on actuarial assumptions adopted by the Board of Trustees on the
3 recommendation of the actuary.

4 (2) The University System of Maryland:

5 (i) shall pay to the Board of Trustees the amount required
6 under this subsection on July 1 of each year until the increase in the accrued liability
7 is paid in full; and

8 (ii) may prepay all or a portion of the increase in the accrued
9 liability in accordance with a calculation approved by the Board of Trustees.

10 [(j)] (I) (1) The Medical System, as defined in § 13–301(k) of the
11 Education Article, shall pay an annual accrued liability contribution equal to an
12 amount that is sufficient to liquidate, over not more than 5 years, the increase in the
13 accrued liability determined under § 21–304(d)(2) of this subtitle that is attributable to
14 the retirement of Medical System university personnel, as defined in § 13–301(q) of
15 the Education Article, by means of annual payments that increase each year based on
16 actuarial assumptions adopted by the Board of Trustees on the recommendation of the
17 actuary.

18 (2) The Medical System:

19 (i) shall pay to the Board of Trustees the amount required
20 under this subsection on July 1 of each year until the increase in the accrued liability
21 is paid in full; and

22 (ii) may prepay all or a portion of the increase in the accrued
23 liability in accordance with a calculation approved by the Board of Trustees.

24 [(k)] (J) For each employee who is subject to the contributory pension
25 benefit under Title 23, Subtitle 2, Part II of this article, Frederick County shall pay
26 the additional liabilities that result from the contributory pension benefit according to
27 a schedule of amortization that is subject to the approval of the Board of Trustees.

28 [(l)] (K) For each employee of a participating governmental unit that
29 initially elects to provide its employees with the contributory pension benefit under
30 Title 23, Subtitle 2, Part II of this article between July 1, 2002 and December 31, 2002,
31 inclusive, the participating governmental unit shall pay the additional liabilities that
32 result from the contributory pension benefit according to any increase in the normal

1 cost percentage plus a schedule of amortization that is subject to the approval of the
2 Board of Trustees.

3 [(m)] (L) For each employee of the Maryland Transit Administration who is
4 a member of the Law Enforcement Officers' Pension System, the Maryland Transit
5 Administration shall pay to the Board of Trustees the employer contributions
6 otherwise required to be made by the State on behalf of the member.

7 21-403.

8 (e) (1) Subject to paragraph (2) of this subsection, under Option 5, when a
9 retiree dies, the Board of Trustees shall pay the retiree's reduced allowance to the
10 designated beneficiary for the designated beneficiary's life.

11 (2) If the designated beneficiary dies before the retiree, then:

12 (i) [from] **BEGINNING IN THE MONTH FOLLOWING** the date of
13 death of the designated beneficiary, the Board of Trustees shall pay the retiree the
14 basic allowance; or

15 (ii) 1. the retiree may designate a new beneficiary in
16 accordance with § 21-404 of this subtitle; and

17 2. the Board of Trustees shall pay the retiree an
18 allowance as provided in § 21-404(d)(2) of this subtitle.

19 (f) (1) Subject to paragraph (2) of this subsection, under Option 6, when a
20 retiree dies, the Board of Trustees shall pay 50% of the retiree's reduced allowance to
21 the designated beneficiary for the designated beneficiary's life.

22 (2) If the designated beneficiary dies before the retiree, then:

23 (i) [from] **BEGINNING IN THE MONTH FOLLOWING** the date of
24 death of the designated beneficiary, the Board of Trustees shall pay the retiree the
25 basic allowance; or

26 (ii) 1. the retiree may designate a new beneficiary in
27 accordance with § 21-404 of this subtitle; and

28 2. the Board of Trustees shall pay the retiree an
29 allowance as provided in § 21-404(d)(2) of this subtitle.

1 **22-212.1.**

2 (A) **THIS SECTION APPLIES TO AN INDIVIDUAL WHO:**

3 (1) **IS A MEMBER OF THE TEACHERS' RETIREMENT SYSTEM ON**
4 **JUNE 30, 2007; AND**

5 (2) **IS ELIGIBLE TO PARTICIPATE IN THE OPTIONAL RETIREMENT**
6 **PROGRAM UNDER TITLE 30 OF THIS ARTICLE.**

7 (B) **AN INDIVIDUAL DESCRIBED UNDER SUBSECTION (A) OF THIS**
8 **SECTION CONTINUES TO BE A MEMBER OF THE TEACHERS' RETIREMENT**
9 **SYSTEM UNLESS THE INDIVIDUAL ELECTS TO PARTICIPATE IN THE OPTIONAL**
10 **RETIREMENT PROGRAM UNDER TITLE 30 OF THIS ARTICLE ON OR BEFORE**
11 **JUNE 30, 2008.**

12 **22-303.1.**

13 (a) Except as provided in subsection (b) of this section, a member may not
14 purchase service credit under this title if the member is separated from employment.

15 (b) A member **WHO IS SEPARATED FROM EMPLOYMENT** may purchase
16 service credit under this title [if the member is on] **FOR** a leave of absence approved
17 by the Board of Trustees under regulations that apply to all members, **IF THE**
18 **MEMBER PURCHASES THE SERVICE CREDIT WITHIN 60 DAYS AFTER THE**
19 **EXPIRATION OF THE LEAVE OF ABSENCE.**

20 **23-201.**

21 (a) Except as provided in subsection (b) of this section, §§ 23-203 through
22 23-205 of this subtitle apply only to:

23 (1) a regular employee whose compensation is provided by State
24 appropriation or paid from State funds;

25 (2) an appointed or elected official of the State, including:

26 (i) a clerk of the circuit court;

27 (ii) a register of wills;

- 1 (iii) a State's Attorney; and
- 2 (iv) a sheriff;
- 3 (3) an employee or official of a participating governmental unit who is
4 eligible to participate under Title 31, Subtitle 1 of this article;
- 5 (4) an employee of the Office of the Sheriff of Baltimore City;
- 6 (5) an additional employee or agent of the State Racing Commission
7 authorized by § 11-207 of the Business Regulation Article;
- 8 (6) a permanent employee of the board of supervisors of elections of a
9 county;
- 10 (7) a full-time master in chancery or in juvenile causes who is
11 appointed on or after July 1, 1989, in any county by the circuit court for that county;
- 12 (8) an employee of the Maryland Environmental Service who is a
13 member of the Employees' Pension System on June 30, 1993, or transfers from the
14 Employees' Retirement System on or after July 1, 1993;
- 15 [(9) an employee of Dorchester County who is not a member of the
16 county's general pension and retirement program;]
- 17 [(10)] **(9)** a former Baltimore City jail employee who became an
18 employee of the Baltimore City Detention Center and a member of the Employees'
19 Pension System on July 1, 1991;
- 20 [(11)] **(10)** a nonfaculty employee of the Baltimore City Community
21 College who:
- 22 (i) is a member of the Employees' Pension System on October 1,
23 2002;
- 24 (ii) transfers from the Employees' Retirement System on or
25 after October 1, 2002;
- 26 (iii) transfers from the Teachers' Pension System in accordance
27 with § 23-202.1 of this subtitle; or

1 (iv) becomes an employee of the Baltimore City Community
2 College on or after October 1, 2002;

3 [(12)] (11) a court reporter for the Circuit Court for Charles County
4 who is a member of the Employees' Pension System on July 1, 1994, or transfers from
5 the Employees' Retirement System on or after July 1, 1994;

6 [(13)] (12) a staff employee of the University System of Maryland,
7 Morgan State University, or St. Mary's College who is:

8 (i) a member of the Employees' Pension System on January 1,
9 1998, or transfers from the Employees' Retirement System on or after January 1,
10 1998; or

11 (ii) a staff employee of the University System of Maryland,
12 Morgan State University, or St. Mary's College who becomes an employee on or after
13 January 1, 1998;

14 [(14)] (13) on or after the date that the Board of Education of Kent
15 County begins participation in the Employees' Pension System, a supportive service
16 employee of the Board of Education of Kent County;

17 [(15)] (14) an employee of the Town of Oakland on or after the date
18 that the Town of Oakland begins participation in the Employees' Pension System; and

19 [(16)] (15) an employee of the City of Frostburg on or after the date
20 that the City of Frostburg begins participation in the Employees' Pension System.

21 (b) Sections 23-203 through 23-205 of this subtitle do not apply to:

22 (1) an individual who is or is entitled to be a member of any State
23 system other than the Employees' Pension System;

24 (2) a contractual, emergency, or temporary extra employee;

25 (3) an individual who is employed under a federal public service
26 employment program;

27 (4) an assessor who is a member of a retirement or pension system
28 operated by a political subdivision of the State;

1 (5) an employee of a local board of elections who chooses to stay in a
2 local merit system under § 2–207 of the Election Law Article;

3 (6) a nonclerical or nonprofessional employee of the Baltimore City
4 Community College who:

5 (i) was an employee of the New Community College of
6 Baltimore during the 1989–1990 academic year;

7 (ii) was employed by the New Community College of Baltimore
8 on or before December 31, 1990, as a “Class A” member of the Baltimore City
9 Retirement Plan; and

10 (iii) elected to remain a member of the Baltimore City
11 Retirement Plan;

12 (7) an employee who is not a member of a State system and who
13 accepts a position for which the budgeted hours per fiscal year are less than 500 hours
14 in the first fiscal year of employment; [or]

15 (8) an employee of the Domestic Relations Division of the Anne
16 Arundel County Circuit Court who:

17 (i) was transferred on or after July 1, 2002, into the State
18 Personnel Management System as an employee of the Child Support Enforcement
19 Administration of the Maryland Department of Human Resources;

20 (ii) elected, under § 2–510 of the Courts Article, to remain as a
21 participant in the Anne Arundel County Retirement and Pension System; and

22 (iii) remains as an employee of the Child Support Enforcement
23 Administration of the Maryland Department of Human Resources or an attorney
24 employed to represent the Child Support Enforcement Administration; [or]

25 (9) a nonfaculty employee of the Baltimore City Community College
26 who is eligible to participate and elects to participate in an optional retirement
27 program under Title 30 of this article; **OR**

28 **(10) AN APPOINTED OR ELECTED OFFICIAL WHO ON OR AFTER**
29 **JULY 1, 2007, IS A MEMBER OF ANY OTHER STATE OR LOCAL RETIREMENT OR**
30 **PENSION SYSTEM AS DEFINED UNDER TITLE 37 OF THIS ARTICLE.**

1 23–206.

2 (a) Except as provided in subsection (b) of this section, §§ 23–208 through
3 23–210 of this subtitle apply only to:

4 (1) an employee of a day school in the State under the authority and
5 supervision of a county board of education or the Baltimore City Board of School
6 Commissioners, employed as:

7 (i) a clerk;

8 (ii) a helping teacher;

9 (iii) a principal;

10 (iv) a superintendent;

11 (v) a supervisor; or

12 (vi) a teacher;

13 (2) a faculty employee of an educational institution supported by and
14 under the control of the State;

15 (3) a librarian or clerical employee of a library that is established or
16 operates under the Education Article;

17 (4) a professional or clerical employee of a community college that is
18 established or operates under the Education Article;

19 (5) a staff employee of the University System of Maryland, Morgan
20 State University, or St. Mary's College who is a member of the Teachers' Pension
21 System as of January 1, 1998, or who transfers from the Teachers' Retirement System
22 on or after January 1, 1998; or

23 (6) a nonfaculty employee of the Baltimore City Community College
24 who:

25 (i) is a member of the Teachers' Pension System as of October
26 1, 2002 and does not transfer to the Employees' Pension System in accordance with §
27 23–202.1 of this subtitle; or

1 (ii) transfers from the Teachers' Retirement System on or after
2 October 1, 2002.

3 (b) [Sections] **EXCEPT AS PROVIDED IN § 23-207 OF THIS SUBTITLE, §§**
4 **23-208 and 23-209 of this subtitle do not apply to:**

5 (1) an individual who has elected to participate in an optional
6 retirement program under Title 30 of this article **WITHIN 1 YEAR OF BECOMING A**
7 **MEMBER OF THE TEACHERS' PENSION SYSTEM;**

8 (2) an individual who is employed under a federal public service
9 employment program;

10 (3) a professional or clerical employee of the Department of Public
11 Libraries of Montgomery County who is participating in the Employees' Retirement
12 System of Montgomery County;

13 (4) a staff employee of the University System of Maryland, Morgan
14 State University, or St. Mary's College who becomes employed on or after January 1,
15 1998 in a position as a staff employee of the educational institution that was eligible
16 for membership in the Teachers' Retirement System or Teachers' Pension System
17 under Chapter 6, § 8, paragraphs 1(a) and 2(a) of the Acts of 1994;

18 (5) an employee who is not a member of a State system and who
19 accepts a position for which the budgeted hours per fiscal year are less than 500 hours
20 in the first fiscal year of employment; or

21 (6) a nonfaculty employee of the Baltimore City Community College
22 who becomes employed on or after October 1, 2002, or who transfers to the Employees'
23 Pension System in accordance with § 23-202.1 of this subtitle.

24 **23-207.**

25 (A) **THIS SECTION APPLIES TO AN INDIVIDUAL WHO:**

26 (1) **IS A MEMBER OF THE TEACHERS' PENSION SYSTEM ON JUNE**
27 **30, 2007; AND**

28 (2) **IS ELIGIBLE TO PARTICIPATE IN THE OPTIONAL RETIREMENT**
29 **PROGRAM UNDER TITLE 30 OF THIS ARTICLE.**

1 **(B) AN INDIVIDUAL DESCRIBED UNDER SUBSECTION (A) OF THIS**
2 **SECTION CONTINUES TO BE A MEMBER OF THE TEACHERS' PENSION SYSTEM**
3 **UNLESS THE INDIVIDUAL ELECTS TO PARTICIPATE IN THE OPTIONAL**
4 **RETIREMENT PROGRAM UNDER TITLE 30 OF THIS ARTICLE ON OR BEFORE**
5 **JUNE 30, 2008.**

6 23-304.1.

7 (a) Except as provided in subsection (b) of this section, a member may not
8 purchase service credit under this title if the member is separated from employment.

9 (b) A member **WHO IS SEPARATED FROM EMPLOYMENT** may purchase
10 service credit under this title [if the member is on] **FOR** a leave of absence approved
11 by the Board of Trustees under regulations that apply to all members, **IF THE**
12 **MEMBER PURCHASES THE SERVICE CREDIT WITHIN 60 DAYS AFTER THE**
13 **EXPIRATION OF THE LEAVE OF ABSENCE.**

14 23-306.

15 **(A)** A member is entitled to eligibility service during a leave of absence if the
16 leave of absence:

17 (1) is approved by the Board of Trustees under regulations that apply
18 to all members similarly situated; and

19 (2) is not otherwise recognized as eligibility service under this subtitle.

20 **(B) TO RECEIVE SERVICE CREDIT FOR A LEAVE OF ABSENCE**
21 **DESCRIBED UNDER SUBSECTION (A) OF THIS SECTION, A MEMBER SHALL PAY**
22 **THE MEMBER CONTRIBUTIONS WITH REGULAR INTEREST, IF ANY, AS**
23 **DETERMINED BY THE BOARD OF TRUSTEES UNDER REGULATIONS THAT APPLY**
24 **TO ALL MEMBERS SIMILARLY SITUATED.**

25 24-304.1.

26 (a) Except as provided in subsection (b) of this section, a member may not
27 purchase service credit under this title if the member is separated from employment.

28 (b) A member **WHO IS SEPARATED FROM EMPLOYMENT** may purchase
29 service credit under this title [if the member is on] **FOR** a leave of absence approved
30 by the Board of Trustees under regulations that apply to all members, **IF THE**

1 **MEMBER PURCHASES THE SERVICE CREDIT WITHIN 60 DAYS AFTER THE**
2 **EXPIRATION OF THE LEAVE OF ABSENCE.**

3 25-304.1.

4 (a) Except as provided in subsection (b) of this section, a member may not
5 purchase service credit under this title if the member is separated from employment.

6 (b) A member **WHO IS SEPARATED FROM EMPLOYMENT** may purchase
7 service credit under this title [if the member is on] **FOR** a leave of absence approved
8 by the Board of Trustees under regulations that apply to all members, **IF THE**
9 **MEMBER PURCHASES THE SERVICE CREDIT WITHIN 60 DAYS AFTER THE**
10 **EXPIRATION OF THE LEAVE OF ABSENCE.**

11 25-401.

12 (a) A member may retire with a normal service retirement allowance if:

13 (1) on or before the date of retirement, the member has at least 20
14 years of eligibility service;

15 (2) for at least 5 years immediately before retirement, the member
16 was:

17 (I) a security attendant at Clifton T. Perkins Hospital
18 Center[.];

19 (II) a correctional officer in any of the first six job
20 classifications[, or];

21 (III) **A DETENTION CENTER OFFICER EMPLOYED BY A**
22 **PARTICIPATING GOVERNMENTAL UNIT THAT HAS ELECTED TO PARTICIPATE IN**
23 **THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM;**

24 (IV) **AN INDIVIDUAL SERVING AS A CORRECTIONAL DIETARY,**
25 **MAINTENANCE, OR SUPPLY OFFICER; OR**

26 (V) in a combination of these positions; and

27 (3) the member completes and submits a written application to the
28 Board of Trustees stating the date when the member desires to retire.

1 (b) On retirement under this section, a member is entitled to receive a
2 normal service retirement allowance that equals one fifty-fifth of the member's
3 average final compensation multiplied by the number of years of creditable service.

4 26-306.

5 (A) A member is entitled to eligibility service during a leave of absence if the
6 leave of absence:

7 (1) is approved by the Board of Trustees under regulations that apply
8 to all members similarly situated; and

9 (2) is not otherwise recognized as eligibility service under this subtitle.

10 (B) **TO RECEIVE SERVICE CREDIT FOR A LEAVE OF ABSENCE**
11 **DESCRIBED UNDER SUBSECTION (A) OF THIS SECTION, A MEMBER SHALL PAY**
12 **THE MEMBER CONTRIBUTIONS WITH REGULAR INTEREST, IF ANY, AS**
13 **DETERMINED BY THE BOARD OF TRUSTEES UNDER REGULATIONS THAT APPLY**
14 **TO ALL MEMBERS SIMILARLY SITUATED.**

15 26-306.1.

16 (a) Except as provided in subsection (b) of this section, a member may not
17 purchase service credit under this title if the member is separated from employment.

18 (b) A member **WHO IS SEPARATED FROM EMPLOYMENT** may purchase
19 service credit under this title [if the member is on] **FOR** a leave of absence approved
20 by the Board of Trustees under regulations that apply to all members, **IF THE**
21 **MEMBER PURCHASES THE SERVICE CREDIT WITHIN 60 DAYS AFTER THE**
22 **EXPIRATION OF THE LEAVE OF ABSENCE.**

23 27-406.

24 (a) This section does not apply to a retiree who:

25 (1) is temporarily assigned to sit in a court of this State under the
26 authority of Article IV, § 3A of the Maryland Constitution; or

27 (2) is reemployed as a member of the faculty of a community college in
28 the State.

1 (b) [Subject to subsection (c) of this section, a] **A** retiree may accept
2 employment in which all or part of the compensation for the employment comes from
3 municipal, county, or State funds, if the retiree immediately notifies the Board of
4 Trustees of:

5 (1) the retiree's intention to accept the employment; and

6 (2) the compensation that the retiree will receive.

7 (c) (1) The Board of Trustees shall reduce [a retiree's retirement
8 allowance by] **THE RETIREMENT ALLOWANCE OF A RETIREE WHO ACCEPTS**
9 **EMPLOYMENT AS PROVIDED UNDER SUBSECTION (B) OF THIS SECTION IF THE**
10 **RETIREE'S CURRENT EMPLOYER IS ANY UNIT OF STATE GOVERNMENT AND THE**
11 **RETIREE'S EMPLOYER AT THE TIME OF THE RETIREE'S LAST SEPARATION FROM**
12 **EMPLOYMENT WITH THE STATE BEFORE THE RETIREE COMMENCED RECEIVING**
13 **A SERVICE RETIREMENT ALLOWANCE WAS ALSO A UNIT OF STATE**
14 **GOVERNMENT.**

15 **(2) THE REDUCTION REQUIRED UNDER PARAGRAPH (1) OF THIS**
16 **SUBSECTION SHALL EQUAL** the amount that the sum of the retiree's annual
17 retirement allowance and the retiree's annual compensation exceeds the amount of the
18 compensation on which the retirement allowance is based.

19 **[(2)] (D)** If a retiree accepts employment as allowed by subsection (a)
20 of this section and is subsequently awarded retirement benefits because of that
21 employment, the Board of Trustees shall reduce the retiree's benefits under this
22 subtitle by the amount of the retirement benefits resulting from the subsequent
23 employment **IF THE RETIREE'S CURRENT EMPLOYER IS ANY UNIT OF STATE**
24 **GOVERNMENT AND THE RETIREE'S EMPLOYER AT THE TIME OF THE RETIREE'S**
25 **LAST SEPARATION FROM EMPLOYMENT WITH THE STATE BEFORE THE RETIREE**
26 **COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE WAS ALSO A**
27 **UNIT OF STATE GOVERNMENT.**

28 28-306.

29 **(A)** A member is entitled to eligibility service during a leave of absence if the
30 leave of absence:

31 (1) is approved by the Board of Trustees under regulations that apply
32 to all members similarly situated; and

1 (2) is not otherwise recognized as eligibility service under this subtitle.

2 (B) TO RECEIVE SERVICE CREDIT FOR A LEAVE OF ABSENCE
3 DESCRIBED UNDER SUBSECTION (A) OF THIS SECTION, A MEMBER SHALL PAY
4 THE MEMBER CONTRIBUTIONS WITH REGULAR INTEREST, IF ANY, AS
5 DETERMINED BY THE BOARD OF TRUSTEES UNDER REGULATIONS THAT APPLY
6 TO ALL MEMBERS SIMILARLY SITUATED.

7 28–306.1.

8 (a) Except as provided in subsection (b) of this section, a member may not
9 purchase service credit under this title if the member is separated from employment.

10 (b) A member WHO IS SEPARATED FROM EMPLOYMENT may purchase
11 service credit under this title [if the member is on] FOR a leave of absence approved
12 by the Board of Trustees under regulations that apply to all members, IF THE
13 MEMBER PURCHASES THE SERVICE CREDIT WITHIN 60 DAYS AFTER THE
14 EXPIRATION OF THE LEAVE OF ABSENCE.

15 29–118.

16 (a) (1) Except as otherwise provided in this subsection, this section
17 applies to a retiree and any designated beneficiary.

18 (2) (i) This section does not apply to:

19 1. A RETIREE OF A PARTICIPATING GOVERNMENTAL
20 UNIT, OR A DESIGNATED BENEFICIARY OF THAT RETIREE; OR

21 2. a retiree of the Employees' Pension System or the
22 Employees' Retirement System who receives a disability retirement benefit as a
23 former employee of a county board of education[,] OR the Board of School
24 Commissioners of Baltimore City, [or a participating governmental unit] or a
25 designated beneficiary of that retiree.

26 (ii) A retiree [of the Employees' Pension System or the
27 Employees' Retirement System who receives a disability benefit as a former employee
28 of a county board of education, the Board of School Commissioners of Baltimore City,
29 or a participating governmental unit] DESCRIBED IN SUBPARAGRAPH (I) OF THIS
30 PARAGRAPH, or a designated beneficiary of that retiree is subject to § 9–610 of the
31 Labor and Employment Article.

1 29-302.

2 (c) A vested allowance is a deferred allowance starting at:

3 (1) normal retirement age for members of:

4 (i) the Employees' Retirement System;

5 (ii) the State Police Retirement System; and

6 (iii) the Teachers' Retirement System;

7 (2) age 55 for a member of the Correctional Officers' Retirement
8 System who is:

9 (I) a correctional officer in the first six job classifications; [or]

10 (II) **A DETENTION CENTER OFFICER EMPLOYED BY A**
11 **PARTICIPATING GOVERNMENTAL UNIT WHO HAS ELECTED TO PARTICIPATE IN**
12 **THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM; OR**

13 (III) **AN INDIVIDUAL SERVING AS A CORRECTIONAL DIETARY,**
14 **MAINTENANCE, OR SUPPLY OFFICER; OR**

15 (3) age 60 for a member of the Correctional Officers' Retirement
16 System who is a maximum security attendant at the Clifton T. Perkins Hospital
17 Center.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 July 1, 2007.