

CHAPTER 334

(Senate Bill 515)

AN ACT concerning

State Retirement and Pension System – Administration – Simplification

FOR the purpose of allowing certain members of the State Retirement and Pension System to purchase certain service credit within a certain period of time; eliminating pro-rated payments of certain optional retirement allowances to certain retirees; providing that certain appointed and elected officials are not required to join the Employees' Pension System; requiring that certain eligible governmental units are responsible for certain member contributions under certain circumstances; clarifying that certain members of the Correctional Officers' Retirement System are eligible to receive a normal service retirement allowance and a deferred vested retirement allowance; requiring certain participating governmental units to offset certain workers' compensation benefits in a certain manner; repealing obsolete language regarding a local retirement plan in Dorchester County; requiring certain eligible members of the Teachers' Retirement System or the Teachers' Pension System to elect membership in the Optional Retirement Program within a certain period of time; exempting from a certain offset of a retirement allowance certain members in the Judges' Retirement System; repealing certain provisions of the State Personnel and Pensions Article that set age restrictions for membership in the State Retirement and Pension System for certain individuals; providing that certain members of the Employees' Retirement System may receive a certain number of years of service credit for certain employment under certain circumstances; providing for the delayed effective date of a certain provision of this Act; providing for the application of a certain provision of this Act; providing for the termination of a certain provision of this Act; making certain technical and conforming changes; and generally relating to simplifying the administration of the State Retirement and Pension System.

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 21-307, 21-403(e) and (f), 22-303.1, 23-201, ~~23-204~~, ~~23-206~~, 23-304.1, 23-306, 24-304.1, 25-304.1, 25-401, 26-306, 26-306.1, 27-406, 28-306, 28-306.1, 29-118(a), ~~and 29-302(e)~~ 29-302(c), 30-302, 30-303, and 30-305

Annotated Code of Maryland

(2004 Replacement Volume and 2006 Supplement)

~~BY adding to~~

~~Article – State Personnel and Pensions~~

~~Section 22–212.1 and 23–207~~

~~Annotated Code of Maryland~~

~~(2004 Replacement Volume and 2006 Supplement)~~

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 6–306

Annotated Code of Maryland

(2004 Replacement Volume and 2006 Supplement)

(As enacted by Chapter 3 (S.B. 6) of the Acts of the General Assembly of 2007)

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

Article – State Personnel and Pensions

21–307.

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

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

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

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

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

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

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

(c) For a member or retiree who transferred to the Teachers' Retirement System of the State of Maryland from the Employees' Retirement System of the City of Baltimore, the local system shall pay any excess of the amount to which the member or retiree would have been entitled under the provisions of the local system as they existed as of July 1, 1971, over the amount that is provided under this Division II.

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

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

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

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

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

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

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

[(i)] (H) (1) Except as provided in subsection **[(j)] (I)** of this section, the University System of Maryland shall pay an annual accrued liability contribution equal to an amount that is sufficient to liquidate over not more than 5 years, the increase in the accrued liability by means of annual payments that increase each year based on actuarial assumptions adopted by the Board of Trustees on the recommendation of the actuary.

(2) The University System of Maryland:

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

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

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

(2) The Medical System:

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

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

[(k)] (J) For each employee who is subject to the contributory pension benefit under Title 23, Subtitle 2, Part II of this article, Frederick County shall pay

the additional liabilities that result from the contributory pension benefit according to a schedule of amortization that is subject to the approval of the Board of Trustees.

[(1)] (K) For each employee of a participating governmental unit that initially elects to provide its employees with the contributory pension benefit under Title 23, Subtitle 2, Part II of this article between July 1, 2002 and December 31, 2002, inclusive, the participating governmental unit shall pay the additional liabilities that result from the contributory pension benefit according to any increase in the normal cost percentage plus a schedule of amortization that is subject to the approval of the Board of Trustees.

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

21-403.

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

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

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

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

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

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

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

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

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

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

~~22-212.1.~~

~~(A) THIS SECTION APPLIES TO AN INDIVIDUAL WHO:~~

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

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

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

22-303.1.

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

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

23-201.

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

- (1) a regular employee whose compensation is provided by State appropriation or paid from State funds;
- (2) an appointed or elected official of the State, including:
 - (i) a clerk of the circuit court;
 - (ii) a register of wills;
 - (iii) a State's Attorney; and
 - (iv) a sheriff;
- (3) an employee or official of a participating governmental unit who is eligible to participate under Title 31, Subtitle 1 of this article;
- (4) an employee of the Office of the Sheriff of Baltimore City;
- (5) an additional employee or agent of the State Racing Commission authorized by § 11–207 of the Business Regulation Article;
- (6) a permanent employee of the board of supervisors of elections of a county;
- (7) a full-time master in chancery or in juvenile causes who is appointed on or after July 1, 1989, in any county by the circuit court for that county;
- (8) an employee of the Maryland Environmental Service who is a member of the Employees' Pension System on June 30, 1993, or transfers from the Employees' Retirement System on or after July 1, 1993;
- [(9) an employee of Dorchester County who is not a member of the county's general pension and retirement program;]
- [(10)] **(9)** a former Baltimore City jail employee who became an employee of the Baltimore City Detention Center and a member of the Employees' Pension System on July 1, 1991;
- [(11)] **(10)** a nonfaculty employee of the Baltimore City Community College who:

(i) is a member of the Employees' Pension System on October 1, 2002;

(ii) transfers from the Employees' Retirement System on or after October 1, 2002;

(iii) transfers from the Teachers' Pension System in accordance with § 23-202.1 of this subtitle; or

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

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

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

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

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

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

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

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

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

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

- (2) a contractual, emergency, or temporary extra employee;
- (3) an individual who is employed under a federal public service employment program;
- (4) an assessor who is a member of a retirement or pension system operated by a political subdivision of the State;
- (5) an employee of a local board of elections who chooses to stay in a local merit system under § 2–207 of the Election Law Article;
- (6) a nonclerical or nonprofessional employee of the Baltimore City Community College who:
 - (i) was an employee of the New Community College of Baltimore during the 1989–1990 academic year;
 - (ii) was employed by the New Community College of Baltimore on or before December 31, 1990, as a “Class A” member of the Baltimore City Retirement Plan; and
 - (iii) elected to remain a member of the Baltimore City Retirement Plan;
- (7) an employee who is not a member of a State system and who accepts a position for which the budgeted hours per fiscal year are less than 500 hours in the first fiscal year of employment; [or]
- (8) an employee of the Domestic Relations Division of the Anne Arundel County Circuit Court who:
 - (i) was transferred on or after July 1, 2002, into the State Personnel Management System as an employee of the Child Support Enforcement Administration of the Maryland Department of Human Resources;
 - (ii) elected, under § 2–510 of the Courts Article, to remain as a participant in the Anne Arundel County Retirement and Pension System; and
 - (iii) remains as an employee of the Child Support Enforcement Administration of the Maryland Department of Human Resources or an attorney employed to represent the Child Support Enforcement Administration; [or]

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

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

~~23-206.~~

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

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

- ~~(i) a clerk;~~
- ~~(ii) a helping teacher;~~
- ~~(iii) a principal;~~
- ~~(iv) a superintendent;~~
- ~~(v) a supervisor; or~~
- ~~(vi) a teacher;~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~23-207.~~

~~(A) THIS SECTION APPLIES TO AN INDIVIDUAL WHO:~~

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

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

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

23-304.1.

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

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

23-306.

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

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

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

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

24-304.1.

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

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

25-304.1.

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

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

25-401.

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

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

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

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

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

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

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

(V) in a combination of these positions; and

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

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

26-306.

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

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

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

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

26-306.1.

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

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

27-406.

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

- (1) is temporarily assigned to sit in a court of this State under the authority of Article IV, § 3A of the Maryland Constitution; or
- (2) is reemployed as a member of the faculty of a community college in the State.

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

- (1) the retiree's intention to accept the employment; and
- (2) the compensation that the retiree will receive.

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

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

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

28-306.

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

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

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

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

28-306.1.

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

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

29-118.

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

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

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

2. a retiree of the Employees' Pension System or the Employees' Retirement System who receives a disability retirement benefit as a former employee of a county board of education[,] OR the Board of School

Commissioners of Baltimore City, [or a participating governmental unit] or a designated beneficiary of that retiree.

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

29-302.

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

(1) normal retirement age for members of:

(i) the Employees' Retirement System;

(ii) the State Police Retirement System; and

(iii) the Teachers' Retirement System;

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

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

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

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

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

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – State Personnel and Pensions

6-306.

[(a)] Any individual 70 years old or older is eligible for appointment to any nontemporary position in the State Personnel Management System for which the individual qualifies, and the appointment is subject to the provisions of the State Personnel and Pensions Article.

[(b)] Any individual who is first appointed to a nontemporary position governed by the State Personnel Management System at the age of 70 or older is not eligible for membership in the pension systems of the State.]

30-302.

(A) An election to participate in the program shall be made [as provided in this subtitle] **BY AN ELIGIBLE EMPLOYEE WITHIN 1 YEAR OF FIRST BECOMING AN ELIGIBLE EMPLOYEE OF AN EMPLOYING INSTITUTION.**

(B) **AN ELIGIBLE EMPLOYEE'S ELECTION TO PARTICIPATE IN THE PROGRAM IS ~~IRREVOCABLE~~ A ONE-TIME IRREVOCABLE ELECTION.**

30-303.

(a) An eligible employee shall elect to:

(1) join a pension **OR RETIREMENT** system in accordance with the provisions of this Division II applicable to that system; or

(2) participate in the program.

(b) An eligible employee shall:

(1) make an election under this section in writing; and

(2) file the election with the Board of Trustees and the employing institution **WITHIN 1 YEAR OF FIRST BECOMING AN ELIGIBLE EMPLOYEE OF AN EMPLOYING INSTITUTION.**

(c) **AN ELIGIBLE EMPLOYEE MAY NOT PARTICIPATE IN THE PROGRAM IF BOTH THE BOARD OF TRUSTEES AND THE EMPLOYING INSTITUTION HAVE NOT RECEIVED THE ELIGIBLE EMPLOYEE'S WRITTEN ELECTION REQUIRED**

UNDER SUBSECTION (B) OF THIS SECTION, WITHIN 1 YEAR OF ~~THE ELIGIBLE EMPLOYEE ACCEPTING EMPLOYMENT~~ FIRST BECOMING AN ELIGIBLE EMPLOYEE WITH AN EMPLOYING INSTITUTION.

(D) The effective date of the election shall be the first day of the month after the election.

30-305.

(a) This section applies only to a State employee who becomes eligible to elect participation in the program if the employee is appointed, promoted, transferred, or reclassified to a [professional staff] position AS AN ELIGIBLE EMPLOYEE.

(b) A State employee described in subsection (a) of this section may elect to participate in the program.

(c) An eligible employee shall:

(1) make an election under this section in writing; and

(2) file the election with the Board of Trustees and the employing institution WITHIN 1 YEAR OF FIRST BECOMING AN ELIGIBLE EMPLOYEE OF AN EMPLOYING INSTITUTION.

(D) AN ELIGIBLE EMPLOYEE MAY NOT PARTICIPATE IN THE PROGRAM IF BOTH THE BOARD OF TRUSTEES AND THE EMPLOYING INSTITUTION HAVE NOT RECEIVED THE ELIGIBLE EMPLOYEE'S WRITTEN ELECTION REQUIRED UNDER SUBSECTION (C) OF THIS SECTION, WITHIN 1 YEAR OF ~~THE ELIGIBLE EMPLOYEE ACCEPTING EMPLOYMENT~~ FIRST BECOMING AN ELIGIBLE EMPLOYEE WITH AN EMPLOYING INSTITUTION.

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article – State Personnel and Pensions

23-204.

(a) (1) This subsection applies to an individual who on June 30, 2004, receives an annual salary and who is:

- (i) an elected or appointed official;
- (ii) an employee of the Governor's office;
- (iii) an employee of the Senate or House of Delegates;
- (iv) a member of the Prince George's County Board of License Commissioners; or
- (v) an employee of Dorchester County who is not a member of the county's general pension and retirement program.

(2) Membership in the Employees' Pension System is optional for an individual under paragraph (1) of this subsection while the individual remains employed in the position the individual held on June 30, 2004.

(3) (1) IN LIEU OF MEMBERSHIP IN ANY OTHER RETIREMENT OR PENSION SYSTEM OPERATED UNDER THE LAWS OF THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE, AN INDIVIDUAL UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION MAY ELECT TO JOIN THE EMPLOYEES' PENSION SYSTEM WITHIN 1 YEAR OF EMPLOYMENT OR JULY 1, 2008, WHICHEVER IS LATER.

(II) AN INDIVIDUAL UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION WHO ELECTS TO JOIN THE EMPLOYEES' PENSION SYSTEM UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, MAY TRANSFER FROM A STATE OR LOCAL RETIREMENT OR PENSION SYSTEM TO THE EMPLOYEES' PENSION SYSTEM IN ACCORDANCE WITH TITLE 37 OF THIS ARTICLE, ANY SERVICE CREDIT EARNED WHILE SERVING IN THAT POSITION.

(b) (1) (i) Except as provided in paragraph (2) of this subsection, this subsection applies only to the employees of a participating governmental unit who:

1. are employed by the participating governmental unit on June 30, 2004; and

2. were employed by the participating governmental unit on the effective date of participation in the State systems.

(ii) Except as provided in paragraph (2) of this subsection, membership in the Employees' Pension System is optional for an individual under

subparagraph (i) of this paragraph until the individual ceases employment with the participating governmental unit that was employing the individual on June 30, 2004.

(2) Membership in the Employees' Pension System is not optional for individuals who are:

(i) supportive service employees of the Board of Education of Kent County;

(ii) employees of the Town of Oakland; or

(iii) employees of the City of Frostburg.

(c) (1) Subject to paragraph (2) of this subsection, membership in the Employees' Pension System is optional for an individual described in § 23-201(a)(2)(iv) of this subtitle who is elected or appointed as the Baltimore City Sheriff.

(2) An individual who is elected or appointed as the Baltimore City Sheriff and who does not elect to join the Employees' Pension System is a member of the Law Enforcement Officers' Pension System under Title 26 of this article as a condition of employment.

(3) To elect to be a member of the Employees' Pension System under this subsection, an individual shall file a written application with the State Retirement Agency.

(4) An individual who does not elect membership within 6 months of the date the individual begins serving as the Baltimore City Sheriff shall become a member of the Law Enforcement Officers' Pension System.

(D) (1) THIS SUBSECTION APPLIES TO AN INDIVIDUAL DESCRIBED IN § 23-201(A)(2)(IV) OF THIS SUBTITLE WHO ELECTS MEMBERSHIP IN THE EMPLOYEES' PENSION SYSTEM UNDER THIS SECTION.

(2) AN INDIVIDUAL DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION MAY ELECT MEMBERSHIP IN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM IF THE COUNTY EMPLOYING THE INDIVIDUAL ELECTS TO BECOME AN ELIGIBLE GOVERNMENTAL UNIT IN THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM IN ACCORDANCE WITH § 31-2A-02 THROUGH § 31-2A-05 OF THIS ARTICLE.

(3) IF AN INDIVIDUAL TRANSFERS TO THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM UNDER THIS SUBSECTION, THE ELIGIBLE GOVERNMENTAL UNIT IS RESPONSIBLE FOR ALL EMPLOYER CONTRIBUTIONS REQUIRED FOR THE INDIVIDUAL UNDER § 21-306.1 OF THIS ARTICLE.

SECTION 4. AND BE IT FURTHER ENACTED, That:

(a) (1) A member of the Employees' Retirement System who, on or before March 1, 1975, has been employed by the General Assembly as a desk officer on a full-time or part-time basis may receive up to 5 years of service credit for which the member is not otherwise entitled.

(2) Any service credit that a member of the Employees' Retirement System receives under paragraph (1) of this subsection shall be for the period of time that the member:

(i) was employed as a desk officer or in any other position as a full-time or part-time permanent, temporary, or contractual State employee; and

(ii) was not a member of the Employees' Retirement System.

(3) Except as provided in subsection (b) of this section, for service credit granted under this Act, a year or part of a year of employment equals 1 year of service credit.

(b) A member may receive service credit under subsection (a) of this section only for the period of time the member was employed, if the member receives service credit from the Employees' Retirement System for any employment during the same year as the service credit under subsection (a) of this section is accrued.

SECTION ~~3~~ 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect October 1, 2007.

SECTION 6. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall be construed to apply retroactively and shall be applied to and interpreted to affect any individual who on or after July 1, 2006, was serving as an elected or appointed official and was eligible for optional membership in the Employees' Pension System under § 23-204 of the State Personnel and Pensions Article.

SECTION ~~2~~ ~~4~~ 7. AND BE IT FURTHER ENACTED, That, except as provided in Section ~~3~~ 5 of this Act and subject to Section 6 of this Act, this Act shall take effect July 1, 2007. Section 4 of this Act shall remain effective for a period of 6 months and, at

the end of December 31, 2007, with no further action required by the General Assembly, Section 4 of this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 8, 2007.