

SENATE BILL 378

K4
SB 639/09 – B&T

8lr2273

By: **Senators DeGrange, Astle, Currie, Edwards, Guzzone, Kasemeyer, King, Klausmeier, Lee, Madaleno, Manno, Mathias, McFadden, Peters, Ramirez, Rosapepe, and Serafini**

Introduced and read first time: January 25, 2018

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Military Service Credit – Eligibility**

3 FOR the purpose of repealing certain limitations and certain exceptions for certain
4 members of the State Retirement and Pension System receiving credit for certain
5 military service if the member receives military service credit in another retirement
6 system; and generally relating to members of the State Retirement and Pension
7 System receiving military service credit.

8 BY repealing and reenacting, with amendments,
9 Article – State Personnel and Pensions
10 Section 38–104
11 Annotated Code of Maryland
12 (2015 Replacement Volume and 2017 Supplement)

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

15 **Article – State Personnel and Pensions**

16 38–104.

17 (a) (1) **[This] EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION,**
18 **THIS** section applies to an individual who is:

19 (i) a member of a State system; or

20 (ii) a former member of a State system who is eligible to receive a
21 benefit under § 29–302 or § 29–303 of this article.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) This section does not apply to a retiree of a State system.

2 (b) Except as provided in subsection (c) of this section, an individual described in
3 subsection (a) of this section, who has not met the conditions set forth in § 38–103(a)(2)
4 through (4) of this subtitle, is entitled to receive service credit for military service only on
5 the attainment of 10 years of service credit earned through employment as a member of a
6 State system.

7 (c) (1) **THIS SUBSECTION APPLIES TO AN INDIVIDUAL WHO IS:**

8 **(I) A MEMBER OF THE:**

9 1. **EMPLOYEES' RETIREMENT SYSTEM;**

10 2. **EMPLOYEES' PENSION SYSTEM;**

11 3. **TEACHERS' RETIREMENT SYSTEM;**

12 4. **TEACHERS' PENSION SYSTEM;**

13 5. **JUDGES' RETIREMENT SYSTEM; OR**

14 6. **LEGISLATIVE PENSION PLAN; OR**

15 **(II) A FORMER MEMBER OF A STATE SYSTEM LISTED IN ITEM (I)**
16 **OF THIS PARAGRAPH WHO IS ELIGIBLE TO RECEIVE A BENEFIT UNDER § 29–302 OR**
17 **§ 29–303 OF THIS ARTICLE.**

18 (2) An individual described in [subsection (a) of this section] **PARAGRAPH**
19 **(1) OF THIS SUBSECTION** may not receive credit for that military service if the individual
20 receives credit for military service from another retirement system for which retirement
21 benefits have been or will be received by the individual.

22 **[(2)] (3)** Paragraph **[(1)] (2)** of this subsection does not apply to:

23 (i) credit for military service provided under:

24 1. the Social Security Act;

25 2. the National Railroad Retirement Act; or

26 3. Title 3 or Title 10, Chapter 1223, §§ 12731 through 12737
27 of the United States Code; or

1 (ii) disability payments from a pension or retirement system.

2 ~~[(3)]~~ (4) (i) Military service credit under this section may not exceed
3 5 years.

4 (ii) Subject to subparagraph (i) of this paragraph, a member of the
5 Maryland National Guard or of a reserve component of the armed forces of the United
6 States who has not been activated under Title 10 of the United States Code, shall receive
7 service credit at the rate of 4 months for each full year of service with the Maryland
8 National Guard or with a reserve component of the armed forces of the United States, not
9 to exceed a total of 36 months.

10 (d) (1) Except as provided in paragraph (2) of this subsection, the service credit
11 for military service that an individual receives under this section shall be applied to the
12 individual's retirement allowance using the accrual rate in effect at the time the individual
13 retires from a State system.

14 (2) If an individual applies for military service credit on or after July 1,
15 2011, the service credit for military service that the individual receives under this section
16 shall be applied to the individual's retirement allowance using the accrual rate in effect at
17 the time the individual submits an application for military service credit to the State
18 Retirement Agency.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
20 1, 2018.