

# HOUSE BILL 1019

K4

(8lr1658)

## ENROLLED BILL

— Appropriations/Budget and Taxation —

Introduced by **Delegate B. Barnes (Chair, Joint Committee on Pensions)**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Alternate Contributory Pension Selection – Former Members – Member**  
3 **Contributions**

4 FOR the purpose of requiring that certain members of the Employees' Pension System or  
5 the Teachers' Pension System who are subject to the Reformed Contributory Pension  
6 Benefit earn a certain rate of interest on certain former member contributions in the  
7 Alternate Contributory Pension Selection of the Employees' Pension System or the  
8 Teachers' Pension System under certain circumstances; defining a certain term;  
9 providing for the application of this Act; and generally relating to interest earned on  
10 former member contributions in the Alternate Contributory Pension Selection of the  
11 Employees' Pension System or the Teachers' Pension System.

12 BY repealing and reenacting, with amendments,  
13 Article – State Personnel and Pensions  
14 Section 23–213

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#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics indicate opposite chamber/conference committee amendments.*



1 Annotated Code of Maryland  
2 (2015 Replacement Volume and 2017 Supplement)

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

5 **Article – State Personnel and Pensions**

6 23–213.

7 (a) Except as provided in subsection (b) of this section, regular interest is payable  
8 on member contributions at the rate of 5% per year compounded annually until retirement  
9 or withdrawal of contributions and interest.

10 (b) **[No] EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, NO**  
11 further interest shall be paid on member contributions after membership ends if the former  
12 member is not eligible to receive a vested allowance under Title 29, Subtitle 3 of this article.

13 (c) **(1) IN THIS SUBSECTION, “ACTIVE MEMBER” MEANS A MEMBER WHO**  
14 **IS NOT SEPARATED FROM EMPLOYMENT WITH THE STATE OR A PARTICIPATING**  
15 **EMPLOYER OF THE EMPLOYEES’ PENSION SYSTEM OR THE TEACHERS’ PENSION**  
16 **SYSTEM.**

17 **(2) THIS SUBSECTION APPLIES ONLY TO AN INDIVIDUAL WHO:**

18 **(I) IS A FORMER MEMBER OF THE ALTERNATE CONTRIBUTORY**  
19 **PENSION SELECTION;**

20 **(II) IS NOT ELIGIBLE TO RECEIVE A VESTED ALLOWANCE FROM**  
21 **THE ALTERNATE CONTRIBUTORY PENSION SELECTION UNDER TITLE 29, SUBTITLE**  
22 **3 OF THIS ARTICLE;**

23 **(III) HAS NOT WITHDRAWN THE INDIVIDUAL’S MEMBER**  
24 **CONTRIBUTIONS FROM THE ALTERNATE CONTRIBUTORY PENSION SELECTION;**  
25 **AND**

26 **(IV) IS AN ACTIVE MEMBER SUBJECT TO THE REFORMED**  
27 **CONTRIBUTORY PENSION BENEFIT.**

28 **(3) AN INDIVIDUAL DESCRIBED IN PARAGRAPH (2) OF THIS**  
29 **SUBSECTION SHALL RECEIVE REGULAR INTEREST AT THE RATE DESCRIBED UNDER**  
30 **SUBSECTION (A) OF THIS SECTION ON THE INDIVIDUAL’S MEMBER CONTRIBUTIONS**  
31 **IN THE ALTERNATE CONTRIBUTORY PENSION SELECTION WHILE THE INDIVIDUAL**  
32 **IS AN ACTIVE MEMBER SUBJECT TO THE REFORMED CONTRIBUTORY PENSION**  
33 **BENEFIT.**

1            SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to  
2 apply retroactively and shall be applied to and interpreted to provide payment of interest on  
3 an individual's contributions as a former member in the Alternate Contributory Pension  
4 Selection beginning on the date the individual became a member subject to the Reformed  
5 Contributory Pension Benefit if the individual is an active member on the effective date of  
6 this Act.

7            SECTION ~~2.~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 July 1, 2018.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.