

SENATE BILL 8

P6

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(PRE-FILED)

By: **Senator Watson**

Requested: October 24, 2023

Introduced and read first time: January 10, 2024

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **State and Local Retirement and Pension Systems – Service Credit – Returned**
3 **Peace Corps Volunteers**

4 FOR the purpose of authorizing members of a State or local retirement and pension system
5 to receive certain service credit for volunteer service in the Peace Corps; and
6 generally relating to service credit in a State or local retirement or pension system
7 for Peace Corps volunteer service.

8 BY adding to

9 Article – State Personnel and Pensions

10 Section 38–301 through 38–305 to be under the new subtitle “Subtitle 3. Returned
11 Peace Corps Volunteer Service Credit”

12 Annotated Code of Maryland

13 (2015 Replacement Volume and 2023 Supplement)

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

16 **Article – State Personnel and Pensions**

17 **SUBTITLE 3. RETURNED PEACE CORPS VOLUNTEER SERVICE CREDIT.**

18 **38–301.**

19 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
20 INDICATED.

21 (B) “ACCUMULATED CONTRIBUTIONS”:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(1) WHEN USED IN RELATION TO A STATE SYSTEM, HAS THE MEANING**
2 **STATED IN § 20–101 OF THIS ARTICLE; AND**

3 **(2) WHEN USED IN RELATION TO A LOCAL RETIREMENT OR PENSION**
4 **SYSTEM, HAS THE MEANING MOST CLOSELY ANALOGOUS TO THE MEANING STATED**
5 **IN § 20–101 OF THIS ARTICLE WITHIN THE CONTEXT OF THE LOCAL RETIREMENT OR**
6 **PENSION SYSTEM.**

7 **(C) “MEMBER”:**

8 **(1) WHEN USED IN RELATION TO A STATE SYSTEM, HAS THE MEANING**
9 **STATED IN § 20–101 OF THIS ARTICLE; AND**

10 **(2) WHEN USED IN RELATION TO A LOCAL RETIREMENT OR PENSION**
11 **SYSTEM, HAS THE MEANING MOST CLOSELY ANALOGOUS TO THE MEANING STATED**
12 **IN § 20–101 OF THIS ARTICLE WITHIN THE CONTEXT OF THE LOCAL RETIREMENT OR**
13 **PENSION SYSTEM.**

14 **(D) (1) “PEACE CORPS VOLUNTEER SERVICE” MEANS TIME A RETURNED**
15 **PEACE CORPS VOLUNTEER SPENT TRAINING TO BE, OR VOLUNTEERING AS, A PEACE**
16 **CORPS VOLUNTEER OR PEACE CORPS RESPONSE VOLUNTEER.**

17 **(2) “PEACE CORPS VOLUNTEER SERVICE” DOES NOT INCLUDE TIME**
18 **SPENT TRAINING TO BE, VOLUNTEERING AS, WORKING AS, OR OTHERWISE BEING:**

19 **(I) AN EMPLOYEE OF THE PEACE CORPS;**

20 **(II) A FELLOW RECEIVING TUITION ASSISTANCE OR OTHER**
21 **ACADEMIC SUPPORT FROM THE PEACE CORPS; OR**

22 **(III) A RECRUITER FOR THE PEACE CORPS, INCLUDING A**
23 **CAMPUS AMBASSADOR.**

24 **(E) “REGULAR INTEREST”:**

25 **(1) WHEN USED IN RELATION TO A STATE SYSTEM, HAS THE MEANING**
26 **STATED IN § 20–101 OF THIS ARTICLE; AND**

27 **(2) WHEN USED IN RELATION TO A LOCAL RETIREMENT OR PENSION**
28 **SYSTEM, HAS THE MEANING MOST CLOSELY ANALOGOUS TO THE MEANING STATED**
29 **IN § 20–101 OF THIS ARTICLE WITHIN THE CONTEXT OF THE LOCAL RETIREMENT OR**
30 **PENSION SYSTEM.**

1 **(F) (1) “RETURNED PEACE CORPS VOLUNTEER” MEANS AN INDIVIDUAL**
2 **WHO HAS BEEN CERTIFIED BY THE DIRECTOR OF THE PEACE CORPS AS HAVING**
3 **SERVED SATISFACTORILY AS A PEACE CORPS VOLUNTEER.**

4 **(2) “RETURNED PEACE CORPS VOLUNTEER” INCLUDES AN**
5 **INDIVIDUAL WHO SERVED AS A PEACE CORPS VOLUNTEER FOR MORE THAN A YEAR**
6 **BEFORE DISCONTINUING SERVICE DUE TO MEDICAL HARDSHIP OR PERSONAL**
7 **HARDSHIP.**

8 **(3) “RETURNED PEACE CORPS VOLUNTEER” DOES NOT INCLUDE AN**
9 **INDIVIDUAL WHO WAS INVOLUNTARILY DISMISSED FROM THE PEACE CORPS.**

10 **(G) “STATE OR LOCAL RETIREMENT OR PENSION SYSTEM” MEANS A**
11 **RETIREMENT OR PENSION SYSTEM OPERATED UNDER THE LAWS OF THE STATE OR**
12 **A POLITICAL SUBDIVISION OF THE STATE.**

13 **(H) “STATE SYSTEM” MEANS A RETIREMENT OR PENSION SYSTEM THAT IS**
14 **INCLUDED IN THE STATE RETIREMENT AND PENSION SYSTEM UNDER § 21–102 OF**
15 **THIS ARTICLE OTHER THAN THE LEGISLATIVE PENSION PLAN EXCEPT TO THE**
16 **EXTENT PROVIDED BY THE JOINT RESOLUTION SUBMITTED TO THE GENERAL**
17 **ASSEMBLY BY THE GENERAL ASSEMBLY COMPENSATION COMMISSION UNDER**
18 **ARTICLE III, § 15 OF THE MARYLAND CONSTITUTION.**

19 **38–302.**

20 **DURING A PERIOD THAT A MEMBER OF A STATE OR LOCAL RETIREMENT OR**
21 **PENSION SYSTEM IS ABSENT FROM EMPLOYMENT FOR PEACE CORPS VOLUNTEER**
22 **SERVICE, THE MEMBER OR THE MEMBER’S ESTATE, UNDER A STATE OR LOCAL**
23 **RETIREMENT OR PENSION SYSTEM, IS NOT ENTITLED TO:**

24 **(1) ORDINARY DISABILITY BENEFITS;**

25 **(2) ACCIDENTAL DISABILITY BENEFITS;**

26 **(3) DEATH BENEFITS;**

27 **(4) OPTIONAL ALLOWANCES; OR**

28 **(5) OTHER DISABILITY OR DEATH BENEFITS.**

29 **38–303.**

1 **(A) THIS SECTION APPLIES ONLY TO A MEMBER OF A STATE OR LOCAL**
2 **RETIREMENT OR PENSION SYSTEM WHO:**

3 **(1) DOES NOT WITHDRAW ANY OF THE MEMBER'S ACCUMULATED**
4 **CONTRIBUTIONS, UNLESS THE MEMBER REDEPOSITS THE SUM WITHDRAWN AS**
5 **PROVIDED UNDER SUBSECTION (B) OF THIS SECTION;**

6 **(2) WITHIN 1 YEAR AFTER THE MEMBER LEAVES PEACE CORPS**
7 **VOLUNTEER SERVICE, IS EMPLOYED BY THE STATE OR A POLITICAL SUBDIVISION**
8 **OF THE STATE;**

9 **(3) DOES NOT TAKE ANY EMPLOYMENT OTHER THAN THE**
10 **EMPLOYMENT DESCRIBED IN ITEM (2) OF THIS SUBSECTION, EXCEPT FOR**
11 **TEMPORARY EMPLOYMENT AFTER THE MEMBER:**

12 **(I) APPLIED FOR REEMPLOYMENT IN THE MEMBER'S FORMER**
13 **CLASSIFICATION OR POSITION IN THE STATE SERVICE; AND**

14 **(II) WAS REFUSED IMMEDIATE REEMPLOYMENT FOR CAUSES**
15 **BEYOND THE MEMBER'S CONTROL; AND**

16 **(4) APPLIES FOR SERVICE CREDIT WITH THE STATE OR LOCAL**
17 **RETIREMENT OR PENSION SYSTEM IN WHICH THE MEMBER HELD MEMBERSHIP**
18 **BEFORE THE MEMBER'S PEACE CORPS VOLUNTEER SERVICE BEGAN.**

19 **(B) IF A MEMBER OF A STATE OR LOCAL RETIREMENT OR PENSION SYSTEM**
20 **WHO IS ABSENT FROM EMPLOYMENT FOR PEACE CORPS VOLUNTEER SERVICE**
21 **WITHDRAWS ANY OF THE MEMBER'S ACCUMULATED CONTRIBUTIONS AND**
22 **REDEPOSITS THE SUM WITHDRAWN WITH REGULAR INTEREST INTO THE STATE OR**
23 **LOCAL RETIREMENT OR PENSION SYSTEM, THE MEMBER, IF OTHERWISE QUALIFIED,**
24 **IS ENTITLED TO THE BENEFITS UNDER THIS SECTION AS IF THE WITHDRAWAL HAD**
25 **NOT BEEN MADE.**

26 **(C) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE, A MEMBER OF A**
27 **STATE OR LOCAL RETIREMENT OR PENSION SYSTEM WHO IS ACTIVELY**
28 **REEMPLOYED UNDER SUBSECTION (A)(2) OF THIS SECTION RETAINS THE STATUS**
29 **AND RIGHTS AS A MEMBER DURING A PERIOD OF ABSENCE FROM EMPLOYMENT FOR**
30 **PEACE CORPS VOLUNTEER SERVICE.**

31 **(D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A MEMBER OF**
32 **A STATE OR LOCAL RETIREMENT OR PENSION SYSTEM SHALL RECEIVE SERVICE**
33 **CREDIT FOR A PERIOD OF ABSENCE FROM EMPLOYMENT WHILE IN PEACE CORPS**
34 **VOLUNTEER SERVICE IF:**

1 (I) THE EMPLOYMENT OF THE MEMBER UNDER SUBSECTION
2 (A)(2) OF THIS SECTION IS ACTIVE OR THE EMPLOYEE IS REINSTATED AS A REGULAR
3 EMPLOYEE ON A LEAVE OF ABSENCE; AND

4 (II) MEMBERSHIP IN A STATE OR LOCAL RETIREMENT OR
5 PENSION SYSTEM IS A REQUIREMENT OF EMPLOYMENT.

6 (2) FOR AN ABSENCE FOR PEACE CORPS VOLUNTEER SERVICE,
7 SERVICE CREDIT FOR THE PEACE CORPS VOLUNTEER SERVICE MAY NOT EXCEED 5
8 YEARS.

9 (E) A MEMBER OF A STATE OR LOCAL RETIREMENT OR PENSION SYSTEM
10 WHO RECEIVES SERVICE CREDIT FOR PEACE CORPS VOLUNTEER SERVICE UNDER
11 THIS SECTION MAY TRANSFER THE CREDIT TO ANOTHER STATE OR LOCAL
12 RETIREMENT OR PENSION SYSTEM.

13 (F) THE SERVICE CREDIT FOR PEACE CORPS VOLUNTEER SERVICE THAT A
14 MEMBER OF A STATE SYSTEM RECEIVES UNDER THIS SECTION SHALL BE APPLIED
15 TO THE INDIVIDUAL'S RETIREMENT ALLOWANCE USING THE ACCRUAL RATE AT THE
16 TIME THE INDIVIDUAL RETIRES FROM A STATE SYSTEM.

17 **38-304.**

18 (A) (1) 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
21 TO RECEIVE A BENEFIT UNDER § 29-302 OR § 29-303 OF THIS ARTICLE.

22 (2) THIS SECTION DOES NOT APPLY TO A RETIREE OF A STATE
23 SYSTEM.

24 (B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, AN
25 INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION WHO HAS NOT MET
26 THE CONDITIONS SET FORTH IN § 38-303(A)(2) THROUGH (4) OF THIS SUBTITLE IS
27 ENTITLED TO RECEIVE SERVICE CREDIT FOR PEACE CORPS VOLUNTEER SERVICE
28 ONLY ON THE ATTAINMENT OF 10 YEARS OF SERVICE CREDIT EARNED THROUGH
29 EMPLOYMENT AS A MEMBER OF A STATE SYSTEM.

30 (C) (1) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION
31 MAY NOT RECEIVE CREDIT FOR THAT PEACE CORPS VOLUNTEER SERVICE IF THE

1 INDIVIDUAL RECEIVES CREDIT FOR PEACE CORPS VOLUNTEER SERVICE FROM
2 ANOTHER RETIREMENT SYSTEM FOR WHICH RETIREMENT BENEFITS HAVE BEEN OR
3 WILL BE RECEIVED BY THE INDIVIDUAL.

4 (2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT APPLY TO:

5 (I) CREDIT FOR PEACE CORPS VOLUNTEER SERVICE
6 PROVIDED UNDER:

7 1. THE SOCIAL SECURITY ACT; OR

8 2. THE NATIONAL RAILROAD RETIREMENT ACT; OR

9 (II) DISABILITY PAYMENTS FROM A PENSION OR RETIREMENT
10 SYSTEM.

11 (3) PEACE CORPS VOLUNTEER SERVICE CREDIT UNDER THIS
12 SECTION MAY NOT EXCEED 5 YEARS.

13 (D) THE SERVICE CREDIT FOR PEACE CORPS VOLUNTEER SERVICE THAT
14 THE INDIVIDUAL RECEIVES UNDER THIS SECTION SHALL BE APPLIED TO THE
15 INDIVIDUAL'S RETIREMENT ALLOWANCE USING THE ACCRUAL RATE IN EFFECT AT
16 THE TIME THE INDIVIDUAL SUBMITS AN APPLICATION FOR PEACE CORPS
17 VOLUNTEER SERVICE CREDIT TO THE STATE RETIREMENT AGENCY.

18 38-305.

19 A GOVERNMENTAL UNIT AUTHORIZED TO ADMINISTER A STATE OR LOCAL
20 RETIREMENT OR PENSION SYSTEM MAY ADOPT REGULATIONS TO CARRY OUT THIS
21 SUBTITLE.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
23 1, 2024.