

Sincerely,
Harry Hughes
Governor

House Bill No. 338

AN ACT concerning

Pensions - Recovery of Benefit Overpayments

FOR the purpose of authorizing clarifying the authority of the Board of Trustees for Maryland State Retirement and Pension Systems to recover certain benefit payments and overpayments; authorizing the Board of Trustees to recover the payments or overpayments by certain methods under certain circumstances; requiring the executive director for administration of the Maryland State Retirement Agency to make certain determinations and to give certain notice under certain circumstances; and generally relating to the recovery of certain improperly paid or overpaid State retirement or pension benefits.

BY adding to

Article 73B - Pensions
Section 159(17)
Annotated Code of Maryland
(1983 Replacement Volume and 1985 Supplement)

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

Article 73B - Pensions

159.

(17) (A) THE BOARD OF TRUSTEES MAY RECOVER THE AMOUNT OF ANY IMPROPER BENEFIT PAYMENT MADE BY MISTAKE OR OF ANY BENEFIT OVERPAYMENT.

(B) IF, AFTER DUE NOTICE, THE PERSON OR ESTATE IN RECEIPT OF THE IMPROPER PAYMENT OR OVERPAYMENT FAILS TO REPAY THE MONEY OWED, THE BOARD OF TRUSTEES MAY:

(I) INSTITUTE A CIVIL ACTION TO RECOVER THE AMOUNT OF THE IMPROPER PAYMENT MADE BY MISTAKE OR THE OVERPAYMENT AND TO RECOVER THE COSTS OF BRINGING THE ACTION; OR

(II) IF THE PERSON IS RECEIVING A MONTHLY ALLOWANCE FROM A SYSTEM, ADJUST FUTURE PAYMENTS OF THAT ALLOWANCE TO ACCOUNT FOR THE AMOUNT OWED.