

COMPENSATION DOES NOT INCLUDE A SALARY INCREASE IN THE LAST 3 YEARS OF EMPLOYMENT IF IT IS AN EXTRAORDINARY SALARY INCREASE ACCORDING TO REGULATIONS THAT THE BOARD OF TRUSTEES ADOPTS.

10-214.

(c) [If the earnable compensation earned in a year included in the period used to determine average final compensation exceeds that of the average of the previous 2 years' compensation by more than 20 percent, the amount in excess of 20 percent may not be included in the computation of average final compensation.] EXCEPT FOR A SALARY INCREASE BECAUSE OF A MEMBER'S PROMOTION, THE MEMBER'S AVERAGE FINAL COMPENSATION DOES NOT INCLUDE A SALARY INCREASE IN THE LAST 3 YEARS OF EMPLOYMENT IF IT IS AN EXTRAORDINARY SALARY INCREASE ACCORDING TO REGULATIONS THAT THE BOARD OF TRUSTEES ADOPTS.

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

**Article – State Personnel and Pensions**

20-205.

(e) [The Board of Trustees may not include in the computation of a member's average final compensation the earnable compensation in a year that exceeds 20% of the average of the member's earnable compensation for the previous 2 years.] EXCEPT FOR A SALARY INCREASE BECAUSE OF A MEMBER'S PROMOTION, THE MEMBER'S AVERAGE FINAL COMPENSATION DOES NOT INCLUDE A SALARY INCREASE IN THE LAST 3 YEARS OF EMPLOYMENT IF IT IS AN EXTRAORDINARY SALARY INCREASE ACCORDING TO REGULATIONS THAT THE BOARD OF TRUSTEES ADOPTS.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(1) This Act shall apply retroactively to retirees who retired with a disability *or service* retirement allowance on or after April 1, 1992, but that payments for these retirees shall be adjusted prospectively only; and

(2) This Act shall apply prospectively only for those who ~~retire with a service retirement allowance or~~ become entitled to receive a vested allowance.

SECTION 4. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take effect June 1, 1994 and shall remain in effect until October 1, 1994.

SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect October 1, 1994.

Approved May 26, 1994.