

SUBJECT TO SUBSECTION (B) OF THIS SECTION, THIS TITLE APPLIES TO TRANSFERS FROM A STATE OR LOCAL RETIREMENT OR PENSION SYSTEM TO ANOTHER STATE OR LOCAL RETIREMENT OR PENSION SYSTEM ONLY IF:

(1) EACH SYSTEM IS OPERATED ON AN ACTUARIAL BASIS; AND

(2) UNDER EACH SYSTEM CONTRIBUTIONS THAT ARE COMPUTED TO BE SUFFICIENT TO PROVIDE THE RESERVES NEEDED TO COVER THE BENEFITS PAYABLE ON ACCOUNT OF THE SYSTEM'S MEMBERS ARE MADE DURING THE EMPLOYMENT OF MEMBERS.

(B) EXCEPTIONS.

THIS TITLE DOES NOT APPLY TO:

(1) A TRANSFER TO THE JUDGES' RETIREMENT SYSTEM OF THE STATE OF MARYLAND;

(2) A TRANSFER TO OR FROM THE LEGISLATIVE PENSION PLAN OF THE STATE OF MARYLAND EXCEPT TO THE EXTENT PROVIDED BY THE JOINT RESOLUTION SUBMITTED TO THE GENERAL ASSEMBLY BY THE GENERAL ASSEMBLY COMPENSATION COMMISSION UNDER ARTICLE III, § 15 OF THE MARYLAND CONSTITUTION;

(3) A TRANSFER FROM THE EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF MARYLAND TO THE EMPLOYEES' PENSION SYSTEM OF THE STATE OF MARYLAND UNDER § 22-212 OR § 22-213 OF THIS ARTICLE; OR

(4) A TRANSFER FROM THE TEACHERS' RETIREMENT SYSTEM OF THE STATE OF MARYLAND TO THE TEACHERS' PENSION SYSTEM OF THE STATE OF MARYLAND UNDER § 22-212 OR § 22-213 OF THIS ARTICLE.

REVISOR'S NOTE: This section is new language added to clarify that the provisions of this title apply only to transfers from or to certain types of State or local retirement or pension systems and do not apply to certain types of transfers specifically addressed elsewhere in this article or under the Joint Resolution submitted to the General Assembly by the General Assembly Compensation Commission under Article III, § 15 of the State Constitution.

Regarding the Judges' Retirement System of the State of Maryland, § 27-301 of this article, which sets forth the types of service for which a member of that system is entitled to credit, does not allow any credit for a transfer to the system.

The State Personnel and Pensions Article Review Committee notes, for the consideration of the General Assembly, that the limitation under subsection (a) of this section to systems "operated on an actuarial basis", under long-standing administrative interpretation, implies that the transfer provisions of this title do not apply to transfers to or from defined contribution retirement plans. For transfers to or from plans with a defined contribution element as well as a defined benefit element, it is not clear under the statute how the provisions of this subtitle apply.