

(1) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, AFTER AN INDIVIDUAL TRANSFERS SERVICE CREDIT TO A NEW SYSTEM UNDER THIS TITLE, THE INDIVIDUAL:

(I) SHALL PAY THE RATE OF CONTRIBUTION APPLICABLE TO A MEMBER OF THE NEW SYSTEM; AND

(II) IS ELIGIBLE FOR A PENSION AND ANNUITY AS PROVIDED UNDER THE NEW SYSTEM, DETERMINED BY TAKING INTO ACCOUNT THE TRANSFERRED SERVICE CREDIT.

(2) EXCEPT AS PROVIDED IN § 37-204 OF THIS SUBTITLE, IF AN INDIVIDUAL TRANSFERS FROM A NONCONTRIBUTORY SYSTEM TO A CONTRIBUTORY SYSTEM, ON RETIREMENT THE INDIVIDUAL'S RETIREMENT ALLOWANCE SHALL BE REDUCED BY THE ACTUARIAL EQUIVALENT OF THE ACCUMULATED CONTRIBUTIONS THAT WOULD HAVE BEEN DEDUCTED IF THE INDIVIDUAL HAD EARNED THE TRANSFERRED SERVICE CREDIT UNDER THE NEW SYSTEM, INCLUDING INTEREST ON THOSE CONTRIBUTIONS.

(3) IF AN INDIVIDUAL RETIRES WITHIN 5 YEARS AFTER TRANSFERRING INTO A NEW SYSTEM, THE BENEFITS PAYABLE WITH RESPECT TO THE TRANSFERRED SERVICE CREDIT MAY NOT BE GREATER THAN THE BENEFITS THAT WOULD HAVE BEEN PAYABLE BY THE PREVIOUS SYSTEM WITH RESPECT TO THAT SERVICE IF THE INDIVIDUAL HAD REMAINED IN THE PREVIOUS SYSTEM.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 73B, §§ 1-401(b) through (e) and (f)(4), 1-402(b), and 1-405.

This section consolidates provisions formerly repeated for transfers from and to different kinds of State and local retirement and pension systems.

In subsection (a)(1) of this section, the reference to a requirement that a claim for the transfer of service credit be made "within 1 year after becoming a member of the new system" is made expressly applicable to a transfer from one contributory system to another contributory system. The applicability of this requirement was implicit under the second sentence of former Art. 73B, § 1-401(b), which required the individual's accumulated contributions in the previous system to be deposited in the new system within 1 year.

Also in subsection (a)(1) of this section, the former cut-off date "July 1, 1991" is deleted as obsolete.

In subsection (b) of this section, the references to a system "operated on actuarial basis" are deleted as unnecessary in light of § 37-201.

Also in subsection (b) of this section, the limitation in the first sentence of former Art. 73B, § 1-401(c) to transfers on or after "January 1, 1980" is deleted as obsolete.