

(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.

37-203.1.

(A) (1) AN INDIVIDUAL MAY TRANSFER SERVICE CREDIT FROM A CONTRIBUTORY SYSTEM TO THE STATE CONTRIBUTORY EMPLOYEES' PENSION SYSTEM OR THE STATE CONTRIBUTORY TEACHERS' PENSION SYSTEM IF, WITHIN 1 YEAR AFTER BECOMING A MEMBER OF THE PENSION SYSTEM, THE INDIVIDUAL:

(I) COMPLETES A CLAIM FOR THE SERVICE CREDIT AND FILES IT WITH THE BOARD OF TRUSTEES OF THE STATE RETIREMENT AND PENSION SYSTEM ON A FORM THAT THE BOARD OF TRUSTEES PROVIDES; AND

(II) DEPOSITS IN THE ANNUITY SAVINGS FUND OF THE EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION SYSTEM MEMBER CONTRIBUTIONS AT THE RATE OF 2% OF THE INDIVIDUAL'S EARNABLE COMPENSATION WHILE A MEMBER OF THE CONTRIBUTORY SYSTEM AFTER JUNE 30, 1998, INCLUDING REGULAR INTEREST ON THE CONTRIBUTIONS AT THE RATE OF 5% PER YEAR COMPOUNDED ANNUALLY.

(2) THE CONTRIBUTORY SYSTEM SHALL REFUND THE INDIVIDUAL'S ACCUMULATED CONTRIBUTIONS IN EXCESS OF THE AMOUNT DETERMINED UNDER PARAGRAPH (1) OF THIS SUBSECTION ON REQUEST.

(B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, AN INDIVIDUAL MAY TRANSFER SERVICE CREDIT FROM A NONCONTRIBUTORY SYSTEM TO THE STATE CONTRIBUTORY EMPLOYEES' PENSION SYSTEM OR THE STATE CONTRIBUTORY TEACHERS' PENSION SYSTEM IF, WITHIN 1 YEAR AFTER BECOMING A MEMBER OF THE PENSION SYSTEM, THE INDIVIDUAL COMPLETES A CLAIM FOR THE SERVICE CREDIT AND FILES IT WITH THE BOARD OF TRUSTEES FOR THE STATE RETIREMENT AND PENSION SYSTEM ON A FORM THAT THE BOARD OF TRUSTEE PROVIDES.

(2) THE NONCONTRIBUTORY SYSTEM MAY NOT REFUND THE INDIVIDUAL'S ACCUMULATED CONTRIBUTIONS.

(3) (I) THIS PARAGRAPH APPLIES ONLY TO AN INDIVIDUAL WHO EARNED ANY PORTION OF THE TRANSFERRED SERVICE CREDIT IN A NONCONTRIBUTORY SYSTEM AFTER JUNE 30, 1998.

(II) ON RETIREMENT FROM THE STATE CONTRIBUTORY EMPLOYEES' PENSION SYSTEM OR THE STATE CONTRIBUTORY TEACHERS' PENSION