

10-214. AVERAGE FINAL COMPENSATION.

(A) (1) FOR THE PURPOSE OF CALCULATING BENEFITS UNDER THIS TITLE, THE AVERAGE FINAL COMPENSATION FOR A MEMBER SHALL EQUAL THE AVERAGE ANNUAL EARNABLE COMPENSATION OF THE MEMBER, ADJUSTED AS PROVIDED IN THIS SECTION, DURING ANY 3 CONSECUTIVE YEARS THAT PROVIDE THE HIGHEST AVERAGE EARNABLE COMPENSATION.

(2) IF THE PERIOD USED TO DETERMINE AVERAGE FINAL COMPENSATION IS THE PERIOD THAT IMMEDIATELY PRECEDES THE DATE OF RETIREMENT OR OTHER TERMINATION OF SERVICE, ANY MONTH OR MONTHS, NOT IN EXCESS OF 12, THAT OTHERWISE WOULD BE INCLUDED IN COMPUTING AVERAGE FINAL COMPENSATION BUT DURING WHICH THE MEMBER WAS ON AUTHORIZED LEAVE OF ABSENCE AT PARTIAL PAY OR WITHOUT PAY MAY NOT BE INCLUDED IN THE COMPUTATION OF AVERAGE FINAL COMPENSATION, AND THE MONTH OR AN EQUAL NUMBER OF MONTHS IMMEDIATELY PRECEDING THIS PERIOD SHALL BE SUBSTITUTED INSTEAD.

(B) IF A MEMBER HAS COMPLETED LESS THAN THE NORMAL HOURS OF SERVICE FOR THE MEMBER'S POSITION, THEN THE MEMBER'S EARNABLE COMPENSATION SHALL BE ADJUSTED TO A FULL-TIME BASIS FOR ANY PERIOD INCLUDED IN THE COMPUTATION OF AVERAGE FINAL COMPENSATION. THE NORMAL HOURS OF SERVICE USED UNDER THIS SUBSECTION SHALL BE EQUAL TO THE NORMAL HOURS OF SERVICE FOR THE SAME PERIOD OF TIME USED TO ADJUST ELIGIBILITY SERVICE FOR THE MEMBER UNDER § 10-213 OF THIS SUBTITLE.

(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.

COMMITTEE NOTE: This section is new language derived from the revised provision concerning average final compensation for the Pension System for Employees under § 4-303 of this article.

The addition of this section is based on an administrative interpretation of former § 157D(k) that the provision of the Pension System for Employees on average final compensation applies to this pension system.

This section is identical to § 4-303 except for a cross-reference in subsection (b) of this section.