

THE Mentor

News from the Maryland State Retirement and Pension System

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MARYLAND
STATE RETIREMENT
and PENSION SYSTEM



Board election underway

Voting ends June 19

MEMBERS OF THE EMPLOYEES' SYSTEMS HAVE THE OPPORTUNITY to select a new member of the Board of Trustees of the Maryland State Retirement and Pension System.

Voting instructions were mailed to nearly 160,000 eligible members and retirees the week of May 18. Votes must be cast no later than 4:30 pm EDT June 19.

Trustee candidates Linda Day and Sheila I. Hill collected the required nominations and will vie for the Board seat currently occupied by Trustee John W. Douglass, who is stepping down from the Board after 11 years of dedicated service.

Active members and retirees of the Correctional Officers' Retirement System, Employees' Retirement or Pension Systems, Judges' Retirement System, Legislative Pension Plan, Local Fire and Police System and Law Enforcement Officers' Pension System will receive ballots in the mail for this trustee election. Eligible voters who do not receive a ballot should contact the election administrator by email at support@sraelections.com or by

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House Bill 694 was among new pension legislation signed by Governor Lawrence J. Hogan, Jr., seated center, this spring. Gov. Hogan is pictured with Thomas V. Mike Miller, Jr., President of the Senate, seated left, and Michael E. Busch, Speaker of the House of Delegates, seated right. Bill sponsor District 27B Delegate Michael A. Jackson is pictured standing, third from left, with several supporters of the legislation. Photo courtesy of the Executive Office of the Governor.

Legislative update

SEVERAL BILLS of special interest to members of the Maryland State Retirement and Pension System were enacted during the 2015 session of the Maryland General Assembly. Each of the bills described here has been signed into law by Governor Lawrence J. Hogan, Jr.

Bills denoted with an asterisk were requested by the Board of Trustees of the Maryland State Retirement and Pension System.

Senate Bill 103: Judges' Retirement System – Membership, Accrual Rate of Interest, and Reemployment *

Synopsis: This legislation removes language in the Judges' Retirement System that limits the period of time when JRS members may withdraw their accumulated contributions to six months after leaving the JRS. This bill makes clarifying changes to the length of time regular interest shall accrue on a deferred non-vested JRS member's contributions after the individual is no longer an active member of the plan and provides the length of time a JRS member maintains membership in the JRS after leaving the JRS. These clarifying changes only

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apply to an individual who joins the JRS on or after July 1, 2012. This legislation also provides that a member of the JRS who is not able to vest in the System due to mandatory retirement now will receive a retirement benefit based on the years the member does serve, provided the member serves on the bench from the date of appointment through the date the member is required to retire.

Senate Bill 104: Correctional Officers' Retirement System – Membership *

Synopsis: This legislation allows Employees' Retirement System members to transfer back to the Correctional Officers' Retirement System under the provisions of Chapter 188 of 2014. This bill also removes the requirement that a member of CORS serve at least the final five years before retirement in a CORS-eligible position in order to qualify for a normal (20-year) service retirement under CORS.

House Bill 217: State Retirement and Pension System – Credit for Unused Sick Leave – Clarification *

Synopsis: This legislation clarifies that only unused sick leave that is available to the employee as sick leave during employment may be reported as sick leave by the employer to the Maryland State Retirement Agency.

House Bill 694: Law Enforcement Officers' Pension System – Division of Parole and Probation – Warrant Apprehension Unit Employees – Membership

Synopsis: This legislation requires that employees of the Warrant Apprehension Unit in the Department of

Public Safety and Correctional Services, who have the powers granted by statute to a peace officer or police officer, are members of the Law Enforcement Officers' Pension System as a condition of their employment. It also gives current WAU employees who have the powers of a peace officer or police officer six months to elect to transfer to LEOPS from the Employees' Pension System. Every WAU employee who elects to transfer to LEOPS must pay to LEOPS the member contribution rate in effect for each year the member is transferring service credit, plus 5% annual interest, reduced by the amount of the member's accumulated contributions transferred from the Employees' Pension System to LEOPS.

Senate Bill 364: Alternate Contributory Pension Selection – Return to Employment

Synopsis: This bill allows a member of the Teachers' Pension System or Employees' Pension System, who is reemployed with an employer that participates in Alternate Contributory Pension Selection, to resume participation in the ACPS if the member 1) became vested in the ACPS on or before June 30, 2011, 2) was separated from employment for more than four years without withdrawing member contributions or retiring and 3) returns to service by June 30, 2016.

Senate Bill 560: Employees' Pension System – Elected and Appointed Officials – Optional Membership

Synopsis: This bill provides that membership in the Employees' Pension System is optional for individuals who begin serving in certain positions on or after July 1, 2015.

The impacted group includes:

- an official who is elected or appointed for a fixed term, including an official who does not receive an annual salary;
- an employee of the Governor's office;
- an employee of the Senate or House of Delegates;
- a member of the Prince George's County Board of License Commissioners;
- an employee of Dorchester County who is not a member of the county's general pension and retirement programs; and
- an employee of a Participating Governmental Unit who is employed by the PGU before the effective date of participation and who remains an employee of the PGU through the effective date of participation, except as provided below.

Membership in EPS is not optional for an individual who was employed in any of these positions on or before June 30, 2015, that required the individual to be a member of EPS, while the individual remains in that position.

Senate Bill 639: Teachers' Retirement and Pension Systems – Reemployment of Retirees – Exemptions

Synopsis: This bill provides that up to five retirees, total, from the Teachers' Retirement and Pension Systems may be hired by each local school system and the Maryland School for the Deaf in any position, teaching at any school in the district, and not be subject to a reemployment earnings limitation.

Your pension plan provides valuable benefits if you become disabled

DISABILITY RETIREMENT BENEFITS PROVIDE VALUABLE PROTECTION for eligible members who are determined by the System to be permanently disabled and unable to perform their normal job duties under state pension law.

Two types of disability retirement

The Maryland State Retirement and Pension System provides benefits for two types of disability retirement, ordinary and accidental/special.

Ordinary disability covers any permanent mental or physical incapacitation for the further performance of the normal duties of your position.

Accidental or special disability generally covers an accident that occurred in the actual performance of work duties at a definite time and place without willful negligence. Accidental disability applicants must be totally and permanently incapacitated for the further performance of their normal duties as the natural and proximate result of the accident.

All disability claims will be evaluated for ordinary disability if the member has at least five years of eligibility service.

If an applicant/member does not apply for accidental or special disability, he or she may not later apply for accidental or special disability or submit a new claim based on an accident that took place prior to the date the claim is submitted.

Rules for LEOPS and State Police

To be eligible for accidental (special) disability retirement, a member of the Law Enforcement Officers' Pension System must be totally and permanently incapacitated for duty arising out of, and in the course of, the actual performance of duty without willful negligence by the member. The same standard applies for State Police; however, the term "special disability" is used instead of "accidental disability."

Participants in the Deferred Retirement Option Program are not eligible to file for ordinary disability retirement. They can, however, file for accidental or special

disability retirement if their incapacity arose out of, and in the course of, the actual performance of duty during their DROP participation.

Eligibility

To be eligible to apply for *ordinary disability* retirement, a member must have at least five years of eligibility service. There is no service requirement for members to apply for *accidental* or *special disability* retirement. Members who terminate employment and withdraw their employee contributions are not eligible for disability benefits. Retirees, also, are not eligible to apply.

Filing requirements

By signing and submitting a claim for disability, you certify that you are mentally or physically incapacitated for further performance of the normal duties of your job, and that this incapacity is likely to be permanent. Additionally, you are affirming that under the penalties of perjury, all information provided is true to the best of your knowledge and belief.

Members filing for disability must actively pursue their claim and comply with all requests by the Maryland State Retirement Agency.

Timely filing is essential

Submission of the required forms to the retirement agency is your responsibility. Information and documentation from your treating physician and employer (sections 2 and 3 of Form 20) must be properly completed and submitted to the retirement agency within 45 days of the date your claim is submitted. If you fail to meet this deadline, your disability claim will be terminated.

Members may file for disability benefits while on payroll or within a set period of time, depending on their system, after leaving payroll, as follows:

- Members of the Teachers' Retirement System may file up to five years after leaving payroll. A one-year filing extension may be available.
- Members of all other systems may file up to four years after leaving payroll. For these members,

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a two-year filing extension may be available (excludes Judges' and Legislative Plans.)

Applications for accidental disability retirement **must be filed within five years from the date of the accident.** This filing deadline for accidental disability does not apply to the State Police, Correctional Officers' or Law Enforcement Officers' systems.

When all documentation necessary to submit a disability claim has been received by the retirement agency, the applicant will be informed in writing that the medical evaluation of his or her claim has begun. Applicants will be notified promptly in writing of a claim decision as soon as it is rendered by the System's Board of Trustees.

Applying for disability retirement is a two-step process

A MEMBER SEEKING DISABILITY BENEFITS must 1) file a disability claim and, if approved, then 2) apply to actually retire.

Step 1: File a disability claim

A member filing for ordinary or accidental/special disability benefits must properly complete and submit to the Maryland State Retirement Agency the following forms and materials:

- *Statement of Disability* (Form 20),
- pertinent medical records,
- current job description signed and dated by employer,
- *Preliminary Application for Disability Retirement* (Form 129),
- *Application for an Estimate of Disability Retirement Allowances* (Form 21A; Form 22 for State Police; Form 100 for LEOPS),
- leave/attendance records for the last two years and
- performance evaluations for the last two years.

Forms are available online at sra.maryland.gov or from your employer's personnel office.

If, during the application process, your employer places you on a med-

ical unpaid leave of absence, you also should file an *Application to be Placed on a Qualifying Approved Leave of Absence* (Form 46). This form preserves your death benefit while on medical unpaid leave.

Members applying for accidental or special disability also must submit the following:

- employer's first report of injury, forms submitted to Workers' Compensation and copies of awards,
 - medical evidence establishing the accident as the cause of the disability
- OR
- evidence that the disability arose out of, and in the course of, the performance of duty (Maryland State Police and LEOPS only).

Following a review by the System's medical board, the System's Board of Trustees takes final action on the claim and the applicant is notified. The filing process for ordinary disability can take up to six months. Accidental or special disability claims may take longer. Requests for reconsideration or the appeal process can extend the timeline by six to eight months or more.

IMPORTANT: A disability claim can only be opened upon receipt of a properly completed Form 20 and Form 129. If either of these documents is not received or is not properly completed, the claim will be rejected and all documents will be returned to the member. A disability application is considered submitted on the date it is received by the Maryland State Retirement Agency.

Step 2: If approved, apply to retire

If the claim is approved, the member will receive an estimate of his or her monthly disability retirement payment. To retire and begin collecting monthly benefits, the member must submit within 120 days the following:

- *Application for Service or Disability Retirement* (Form 13-23; Form 14-24 for State Police; Form 98-101 for LEOPS),
- *Electronic Fund Transfer (Direct Deposit) Sign-Up* (Form 85),
- *Reemployment After Retirement* (Form 127; Form 128 for State Police; Form 131 for LEOPS) and

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phone at 410-469-7527 or toll-free at 1-855-997-9270.

Candidate biographical statements submitted by Ms. Day and Ms. Hill follow:

Linda Day

A native of Baltimore, Maryland and a graduate of the University of Baltimore with a degree in Political Science, Linda Day's personal and professional life have been devoted to serving others. Linda Day is married to Daniel Day and they have two children. A Social Worker for the Maryland Department of Social Services for 25 years, Day was selected to participate in leadership courses designed to enhance her natural ability to direct and motivate others.

An active participant in church activities, Linda Day has been a member of Bethel AME Church in Baltimore for more than 25 years. At Bethel, she served as Choir Director, a member of the Church Leadership Committee, and a member of the Church's Organizing program.

Through her church activities, Linda Day became intimately acquainted with some of the city's leading politicians, all of whom are members of Bethel AME Church.

Linda Day is an ardent participant in community activities and believes that participation in the democratic process is an obligation of citizenship. As a result, she has been active in many political campaigns. She also has participated in "Get Out the Vote" efforts for candidates seeking city and statewide offices.

She has been an activist and leader in her community since the early eighties.

Linda Day is committed to supporting the citizens of the State of Maryland.

Sheila I. Hill

I will work to ensure that you have a strong voice in the decisions made on behalf of your pension plans while holding the system accountable to provide excellent service to Maryland employees and retirees. I

am an experienced employee advocate with common sense and integrity. I served as a trustee from 2004 until I retired in 2012. I provided leadership on the board by joining both the Investment and Administrative Committees, where I was involved with overseeing our plan's investment program and the day to day operations of the board. In my last three years I served as chair of the Corporate Governance Committee.

I look forward to using this experience to continue to work on behalf of state employees and my fellow retirees as the retiree trustee on the board.

I retired as a correctional officer of 25 years in 2012 from the Patuxent Institution in Jessup, Maryland. Retirement security is my primary focus. I will fight to protect Maryland's public defined benefit plan. With your support I promise to ensure the proper management of our retirement plan to protect our future benefits.

I humbly ask for your vote.

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- *Federal and Maryland State Tax Withholding Request (Form 766).*

If these forms are not submitted within 120 days of claim approval, the disability claim will be closed

and you will not be entitled to disability benefits.

IMPORTANT: Maryland personnel regulations provide that state employees approved for disability re-

tirement have 120 days to accept and file for retirement *or will be considered resigned by their employer.*

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