

# SENATE BILL 812

P6

5lr2841

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By: **Senators Bailey and Jackson**

Introduced and read first time: January 28, 2025

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Law Enforcement Officers' Pension System and State Police Retirement**  
3 **System – Line-of-Duty Catastrophic Injury Disability**

4 FOR the purpose of requiring a certain line-of-duty disability allowance to be paid to a  
5 member of the Law Enforcement Officers' Pension System or the State Police  
6 Retirement System who is found to be disabled and unable to engage in any  
7 substantial gainful activity; and generally relating to line-of-duty disability  
8 allowances provided in the State Retirement and Pension System.

9 BY repealing and reenacting, with amendments,  
10 Article – State Personnel and Pensions  
11 Section 29–109(c), 29–110, and 29–111  
12 Annotated Code of Maryland  
13 (2024 Replacement Volume and 2024 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
15 That the Laws of Maryland read as follows:

16 **Article – State Personnel and Pensions**

17 29–109.

18 (c) The Board of Trustees shall grant an accidental disability retirement  
19 allowance to a member of the Law Enforcement Officers' Pension System if:

20 (1) the member is totally and permanently incapacitated for duty arising  
21 out of or in the course of the actual performance of duty without willful negligence by the  
22 member; and

23 (2) the medical board certifies that:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) 1. the member is totally incapacitated, either mentally or  
2 physically, for the further performance of duty; OR

3 2. THE MEMBER IS DISABLED, AS DEFINED UNDER §  
4 72(M)(7) OF THE INTERNAL REVENUE CODE;

5 (ii) the incapacity is likely to be permanent; and

6 (iii) the member should be retired.

7 29–110.

8 (a) This section does not apply to the State Police Retirement System.

9 (b) Except as provided in [subsection (c)] SUBSECTIONS (C) AND (E) of this  
10 section, an accidental disability retirement allowance equals the lesser of:

11 (1) the member's average final compensation; or

12 (2) the sum of:

13 (i) an annuity that is the actuarial equivalent of the member's  
14 accumulated contributions at retirement; and

15 (ii) a pension equal to two-thirds of the member's average final  
16 compensation.

17 (c) (1) This subsection applies to a member of a State system other than the  
18 Law Enforcement Officers' Pension System who is at least normal retirement age.

19 (2) An accidental disability retirement allowance equals the greater of:

20 (i) a normal service retirement allowance; or

21 (ii) an accidental disability retirement allowance computed in  
22 accordance with subsection (b) of this section.

23 (d) (1) This subsection applies only to a member of the Employees' Pension  
24 System who:

25 (i) is promoted within the Department of Corrections to a position  
26 that no longer is eligible for membership in the Correctional Officers' Retirement System  
27 as provided in § 25–201 of this article;

1                   (ii) elects not to transfer the years of creditable service the individual  
2 accrued in the Correctional Officers' Retirement System to the Employees' Pension System;  
3 and

4                   (iii) is eligible to receive a vested allowance from the Correctional  
5 Officers' Retirement System.

6                   (2) A member may receive an accidental disability retirement allowance  
7 under this section if the member:

8                   (i) does not elect to receive a vested allowance from the Correctional  
9 Officers' Retirement System; and

10                   (ii) transfers the member's accumulated contributions in the  
11 Correctional Officers' Retirement System to the Employees' Pension System.

12                   **(E) (1) THIS SUBSECTION APPLIES ONLY TO A MEMBER OF THE LAW**  
13 **ENFORCEMENT OFFICERS' PENSION SYSTEM.**

14                   **(2) THIS SUBSECTION APPLIES TO A MEMBER WHO THE MEDICAL**  
15 **BOARD CERTIFIES IS DISABLED, AS DEFINED UNDER § 72(M)(7) OF THE INTERNAL**  
16 **REVENUE CODE, UNDER § 29-109(C) OF THIS SUBTITLE.**

17                   **(3) AN ACCIDENTAL DISABILITY RETIREMENT ALLOWANCE FOR AN**  
18 **INDIVIDUAL CERTIFIED AS DISABLED UNDER PARAGRAPH (2) OF THIS SUBSECTION**  
19 **EQUALS THE SUM OF:**

20                   **(I) AN ANNUITY THAT IS THE ACTUARIAL EQUIVALENT OF THE**  
21 **MEMBER'S ACCUMULATED CONTRIBUTIONS AT RETIREMENT; AND**

22                   **(II) A PENSION EQUAL TO 100% OF THE MEMBER'S AVERAGE**  
23 **FINAL COMPENSATION.**

24                   **(4) IF A BENEFIT IS PAID TO AN INDIVIDUAL UNDER THIS**  
25 **SUBSECTION, A BENEFIT UNDER SUBSECTION (B) OF THIS SECTION MAY NOT BE PAID**  
26 **TO THE INDIVIDUAL.**

27 29-111.

28                   (a) This section applies to the State Police Retirement System.

29                   (b) Except as provided in § 24-401.1(k) of this article, the Board of Trustees shall  
30 grant a special disability retirement allowance to a member if:

1 (1) the member is totally and permanently incapacitated for duty arising  
 2 out of or in the course of the actual performance of duty without willful negligence by the  
 3 member; and

4 (2) the medical board certifies that:

5 (i) 1. the member is totally incapacitated, either mentally or  
 6 physically, for the further performance of duty; **OR**

7 **2. THE MEMBER IS DISABLED, AS DEFINED UNDER §**  
 8 **72(M)(7) OF THE INTERNAL REVENUE CODE;**

9 (ii) the incapacity is likely to be permanent; and

10 (iii) the member should be retired.

11 (c) Except as provided in [subsection (d)] **SUBSECTIONS (D) AND (E)** of this  
 12 section, a special disability retirement allowance equals the lesser of:

13 (1) the member's average final compensation; or

14 (2) the sum of:

15 (i) an annuity that is the actuarial equivalent of the member's  
 16 accumulated contributions at retirement; and

17 (ii) a pension equal to two-thirds of the member's average final  
 18 compensation.

19 (d) (1) This subsection applies to a member who is at least normal retirement  
 20 age.

21 (2) A special disability retirement allowance equals the greater of:

22 (i) a normal service retirement allowance; or

23 (ii) a special disability retirement allowance computed in accordance  
 24 with subsection (c) of this section.

25 **(E) (1) THIS SUBSECTION APPLIES TO A MEMBER WHO THE MEDICAL**  
 26 **BOARD CERTIFIES IS DISABLED, AS DEFINED UNDER § 72(M)(7) OF THE INTERNAL**  
 27 **REVENUE CODE, UNDER SUBSECTION (B) OF THIS SECTION.**

28 **(2) A SPECIAL DISABILITY RETIREMENT ALLOWANCE FOR AN**  
 29 **INDIVIDUAL CERTIFIED AS DISABLED UNDER PARAGRAPH (1) OF THIS SUBSECTION**  
 30 **EQUALS THE SUM OF:**

1                   **(I) AN ANNUITY THAT IS THE ACTUARIAL EQUIVALENT OF THE**  
2 **MEMBER'S ACCUMULATED CONTRIBUTIONS AT RETIREMENT; AND**

3                   **(II) A PENSION EQUAL TO 100% OF THE MEMBER'S AVERAGE**  
4 **FINAL COMPENSATION.**

5                   **(3) IF A BENEFIT IS PAID TO AN INDIVIDUAL UNDER THIS**  
6 **SUBSECTION, A BENEFIT UNDER SUBSECTION (C) OR (D) OF THIS SECTION MAY NOT**  
7 **BE PAID TO THE INDIVIDUAL.**

8                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
9 1, 2025.