



MARYLAND
STATE RETIREMENT
and PENSION SYSTEM

Introduction to Retirement and Pension Benefits



Purpose

Provide an overview of your Maryland State Retirement and Pension System Benefits.

- For specific information contact the State Retirement Agency.
- Provisions are set forth in the State Personnel and Pensions Article of the Annotated Code of Maryland and are subject to change by the Maryland State Legislature.

Overview

- Defined Benefit Plan vs. Defined Contribution Plan
- Retirement/Pension Plan Membership
- Service Credit
- Vested Retirement
- mySRPS
- State Retiree Health Benefits
- Resources

Defined Benefit Plan

- The **Maryland State Retirement and Pension System** is a 401(a) defined benefit pension plan: sra.maryland.gov
- The System is employer-sponsored, and participation is a **mandatory** condition of employment.
- Benefits defined by a formula using salary history and service credit.
- System is responsible for all investment risk and portfolio management.

Defined Contribution Plan

- The *Maryland Supplemental Retirement Plan (MSRP)* offers separate **optional** retirement savings plans: MarylandDC.com
- Participation is elective.
- Examples: 457(b), 403(b) or 401(k) plans offered through sponsors such as Nationwide.
- Participants assume all investment risk and responsibility for portfolio management but can seek professional financial advice.

Maryland State Retirement & Pension Systems

■ Pension Systems

(Reform, Alternate, Contributory, Non-Contributory)

- Employees'
- Teachers'
- Law Enforcement Officers' (LEOPS)

■ Retirement Systems

- Employees' (No new members as of 1/1/1980)
- Teachers' (No new members as of 1/1/1980)
- Correctional Officers' (CORS)
- Maryland State Police

Membership: Pension Systems

■ Eligibility Service

- Determines when you become **eligible** for a benefit
- 500 hours worked in a fiscal year = one year of eligibility service

■ Creditable Service

- Determines the **amount** of the benefit
- Based on hours worked and contributions made

Membership

Retirement Systems

- **Eligibility and Creditable service are one and the same**
 - Earned month by month as employee contributions are received
 - Determines eligibility for benefits and amount of the benefit

Retirement Eligibility Requirements

Age and/or eligibility service requirements to qualify for early or normal retirement differ depending on date of hire and the Pension or Retirement System of enrollment.

Retirement eligibility criteria is located in the *Benefit Handbooks* or *Pamphlets* on the Members section of our website: sra.maryland.gov



MEMBERS

Forms

Benefit Handbooks

Pamphlets

Vested Benefits

(Members enrolled prior to 7/1/2011)

- 5 years of eligibility service regardless of plan = Vested
 - Member retains accrued benefit as long as no withdrawal of contributions
- Benefit payable in future at the plan's normal or early retirement age (if applicable) with a reduced benefit

Vested Benefits

(Members enrolled on or after 7/1/2011)

- 10 years of eligibility service regardless of plan = Vested
 - Member retains accrued benefit as long as no withdrawal of contributions
- Benefit payable in future at the plan's normal or early retirement age (if applicable) with a reduced benefit

Commencement of Vested Benefit

Employees' and Teachers' Pension Systems (Enrolled prior to 7/1/2011)

- **Service Retirement (full benefit)**
 - Age 62
- **Early Retirement (reduced benefit)**
 - Age 55 with at least 15 years of eligibility service
 - Greatest reduction is 42%

Commencement of Vested Benefit

Employees' and Teachers' Pension Systems **(Enrolled on or after 7/1/2011)**

- **Service Retirement (full benefit)**
 - Age 65
- **Early Retirement (reduced benefit)**
 - Age 60 with at least 15 years of eligibility service
 - Greatest reduction is 30%

Commencement of Vested Benefit

- Law Enforcement Officers' Pension System (LEOPS): **Age 50**
- Employees' and Teachers' Retirement Systems (No new members as of 1/1/1980): **Age 60**
- Correctional Officers' Retirement System (CORS): **Age 55**
- Maryland State Police Retirement System: **Age 50**

mySRPS

Active and/or Vested State Retirement & Pension System Members

- View System and Plan
- View and Change Beneficiaries
- Asset Verification Letters
- Service Credit
- Earliest Retirement Date
- Fastest Estimates with Payment Options
- And More
- Register for Online Access:
<https://mysrps.sra.maryland.gov/login>

Maryland State Retiree Health Benefits

Eligible if State retiree receiving a monthly State retirement allowance and meet the following criteria:

(State employees hired prior to 7/1/11)

- Leave State service with at least 16 years of creditable service

(State employees hired on or after 7/1/11)

- Leave State service with at least 25 years of creditable service

Health benefits for retired Maryland State employees are administered by the **Department of Budget and Management (DBM), Employee Benefits Division**: 301 West Preston Street, Room 510, Baltimore, MD 21201

www.dbm.maryland.gov/benefits

410-767-4775 or 1-800-307-8283

ebd.mail@maryland.gov



Sources of Information



Telephone

410-625-5555 or
toll-free 1-800-492-5909



Mail/Office Visits

Maryland State Retirement Agency
120 East Baltimore St., 14th Fl.
Baltimore, MD 21202-6700



Internet Web Site

sra.maryland.gov

(contains useful videos, forms, and mySRPS)



E-Mail

sra@sra.state.md.us



Information

The Mentor newsletter