



## MARYLAND TEACHERS & STATE EMPLOYEES Supplemental Retirement Plans

### ANNUAL ELECTION FORM

#### State Match Contributions for Payments Made on Higher Education Student Loans

##### Background Information

Maryland House Bill 982 was signed into law on April 24, 2023 and amended Md. Code Ann., State Personnel and Pensions Article §32-205(a) to require the State of Maryland to make contributions to the applicable State supplemental retirement plan employer in an amount equal to the lesser of participating employees' payroll deferral/contributions or \$600 per fiscal year for State employees participating in the supplemental retirement plans included under §32-204 of that title. A participating employee who makes higher education student loan payments on the employee's own behalf may opt to, instead, receive a matching contribution of the lesser of \$600 or the amount of the higher education student loan payments per fiscal year (*Example, Fiscal Year 2024 begins on July 1, 2023; Fiscal Year 2025 begins on July 1, 2024.*).

**An individual may not receive a matching contribution for both higher education student loan payments and regular employee supplemental retirement plan deferrals/contributions. If an eligible employee receives matching contributions that exceed a total of \$600.00 per fiscal year because of dual enrollment in both options presented below, the employee MUST refund MSRP directly. MSRP will subsequently reimburse the employee's agency. Please use this form only when electing Option 2. No form is necessary for Option 1.**

**OPTION 1 (no form necessary):** The eligible employee deferrals/contributions shall be made as payrolls are paid (by payroll deduction or by a reduction in salary in accordance with the Internal Revenue Code and as provided by the applicable State supplemental retirement plan) to the applicable State supplemental retirement plan employer for State employees participating in qualifying supplemental retirement plans (see Eligibility Requirements section below). No further action by the employee is needed to receive this State match of up to \$600 per fiscal year.

**OPTION 2 (form is necessary):** If elected by the participating employee (via this form), the State will, instead, contribute to the applicable State supplemental retirement plan employer contribution fund, an amount equal to the lesser of the participating employee's higher education student loan payments (made by the employee on the employee's own behalf) or \$600.00 per current fiscal year. If the eligible employee makes this election, the eligible employee must: (1) make that annual election using this form each year and (2) provide documentation to the State of the amount the eligible employee has made toward the employee's own higher education student loan during the current fiscal year.

Acceptable documentation is required and may include receipts detailing payments, invoices showing that payment has been credited, and cancelled check copies. Documents will be reviewed for sufficiency and credibility upon receipt. **MSRP will begin submitting Higher Education Student Loan Payment Match contributions within 45 days of an approved election form request.**

## Eligibility Requirements

**Pursuant to Maryland State Personnel and Pensions Article § 32-101(a) and (b):**

***“Eligible employee”*** means a member of the Employees’ Pension System or the Employees’ Retirement System who is subject to Selection C (Combination Formula) as provided in § 22–221 of this article, other than:

- (i) an employee of a participating governmental unit or a former participating governmental unit that has withdrawn; or
- (ii) a member of the Employees’ Pension System who transferred from the Employees’ Retirement System after April 1, 1998.

***“Eligible employee”*** includes:

- (i) a member of the Employees’ Pension System who contributes to a State supplemental plan authorized by an employing institution as defined in § 30–101 of this article; or
- (ii) a member of the Employees’ Pension System who is an employee of the Northeast Maryland Waste Disposal Authority.

**Are you an eligible employee based on the eligibility requirements listed above?**

- **Yes** – Continue to the Participant Information section of this form.
- **No** – Stop here. You do not meet the eligibility requirements.



## Participant Information

Do you have an MSRP supplemental retirement plan account?

- Yes – What is your account number? (It is not your social security number) \_\_\_\_\_
- No – If you would like to enroll, click the following link: [Click blue to Enroll](#)

Do you have a TIAA or Fidelity supplemental retirement plan account?

- Yes – Please contact your HR benefits coordinator. Only employees participating in MSRP are eligible to use this form.

Name \_\_\_\_\_  
*Last First, MI Date*

Address:

\_\_\_\_\_  
*Street Address*

\_\_\_\_\_  
*Apartment/Unit #*

\_\_\_\_\_  
*City*

\_\_\_\_\_  
*State*

\_\_\_\_\_  
*ZIP Code*

Phone: \_\_\_\_\_ Email \_\_\_\_\_

Your Department/  
Agency Name: \_\_\_\_\_

Agency Code  
(ex. 26.12.00): \_\_\_\_\_

Your Agency's Human Resources representative's name and contact information (email address & phone number):

\_\_\_\_\_

## Fiscal Year of Election for the Higher Education Student Loan Payment Match Option

Fill in the blanks below to identify the fiscal year pertaining to this election request.

(Example, Fiscal Year 2024 begins on July 1, 2023; Fiscal Year 2025 begins on July 1, 2024.)

I elect to enroll in the Higher Education Student Loan Payment Match option for Fiscal  
Year \_\_\_\_\_ which begins on July 1, \_\_\_\_\_ **(You may update your election until May  
31st of the fiscal year prior to the fiscal year of your election of this option.)**

Are you submitting this form to renew a previous submission for the upcoming fiscal year?

YES NO

☐ ☐

By signing and submitting this form, you authorize MSRP to use the information included in this form to contribute an amount equal to the lesser of your higher education student loan payments made by you on your own behalf or \$600.00 for the fiscal year identified instead of the automatic deferral/contribution match. Your submission also signifies that you understand that this election will remain in place for the entire fiscal year identified and will expire at the end of the fiscal year that you have identified. **A new election form must be submitted for each fiscal year - renewal is not automatic from one fiscal year to the next.** As a reminder, **you have until May 31st each year to renew your election** by submitting a new form and indicating that it is a renewal.

*I certify that the responses provided in this document are true and complete to the best of my knowledge.*

## Certifications

Participant's Signature & Workday #: \_\_\_\_\_ Date: \_\_\_\_\_

Human Resources Representative: \_\_\_\_\_

*Printed Name & Title*

\_\_\_\_\_  
*Signature* Date: \_\_\_\_\_

By signing this form, I certify that this employee has met the eligibility requirements for the State Match program.

## Procedures

*Keep this page for your records*

1. After you complete this form, please print, sign, and forward it with your higher education student loan payment documentation **to your Human Resources representative for eligibility certification.**
2. Your Human Resources representative should:
  - ✓ Certify your eligibility by signing and dating this annual election option form.
  - ✓ Provide you with a copy of the form.
  - ✓ Forward the annual election option form with supporting higher education student loan payment documentation to MSRP via email to Ron Pringle at [ronalde.pringle@maryland.gov](mailto:ronalde.pringle@maryland.gov), or by mail to 6 St. Paul Street, Suite 200, Baltimore, MD 21202-1608, ATTN: Ron Pringle.
3. MSRP will remit the applicable match payment to your 401(a) Match Plan account and submit an invoice to your employing agency for reimbursement.
4. Please allow MSRP 30-45 days to process your request. If MSRP determines that you have received match contributions above \$600.00 for any fiscal year due to dual enrollment (deferral/contribution match and higher education student loan payment match), you **MUST** reimburse MSRP directly.
5. An approval/denial letter will be sent to participants via US Mail.

## Frequently Asked Questions

**Q: What is the Higher Education Student Loan Payment Match? (HESLPM)**

A: Eligible deferring/contributing employees who are paying their own higher education student loans may choose to apply for the HESLPM of up to \$600 per fiscal year. An eligible deferring/contributing employee may not receive both the dollar-for-dollar deferral/contribution Match and the HESLPM in the same Fiscal Year. For each fiscal year, eligible employees can make the election to utilize the HESLPM provision.

**Q: When will employees see the match contribution post their accounts?**

A: The HESLPM will occur as a lump sum payment in a 401(a) Match Plan after acceptable receipts detailing payments, invoices showing that payment has been credited, and approval of the Annual Election Form.

**Q: Who is eligible to apply for the HESLPM?**

A: Employees, full-time or part-time, who are members of the Employees' Pension System (with a few exceptions) and those who are members of the Employees' Retirement System subject to Selection C (Contribution Formula) are eligible to apply.

**Q: What other requirements are there to receive the HESLPM?**

A: In addition to eligibility requirements, employees who defer/contribute to the MSRP 457(b), 401(k), or 403(b) plans or State higher education employing institutions' 457(b), 401(k), or 403(b) plans (MSRP, TIAA, or Fidelity Investments) either by payroll deduction or reduction in salary will be eligible for the match up to \$600 per fiscal year as of July 1, 2023.

**Q: Do I need to contribute to a plan to be eligible for the HESLPM?**

A: Yes. An eligible employee must be making minimum deferrals/contributions of at least \$5 per pay (for MSRP) or to an approved vendor through payroll deduction. With each new fiscal year, the option for this HESLPM must be renewed and the minimum deferrals/contributions must continue.

**Q: Can I open a new plan to receive the HESLPM?**

A: Yes. Eligible employees must be enrolled in MSRP's 457(b), 401(k), or 403(b) plans or a State higher education employing institution's 457(b), 401(k), or 403(b) plans (MSRP, TIAA or Fidelity Investments) and be deferring/contributing to the plan after July 1, 2023, to be eligible for the HESLPM.

**Q: What is the correlation between the match and the HSLPM?**

A: Eligible employees who defer/contribute to MSRP's 457(b), 401(k), or 403(b) plans or State higher education employing institutions' 457(b), 401(k), or 403(b) plans (MSRP, TIAA or Fidelity Investments) and are paying toward their own higher education student loans, could opt, instead of the up-to-\$600 dollar-for-dollar deferral/contribution match, to have the State contribute the amount paid toward their own higher education student loans, up to \$600 each fiscal year. With each new fiscal year, the option for this HSLPM contribution must be renewed again.

**Q: What is the required plan deferral/contribution to receive the HESLPM?**

A: The eligible employee must be making the minimum contribution/deferral to qualify as a "participating employee." For the MSRP plans and for the University System of MD plans, the minimum contribution is \$5 biweekly.

**Q: Can I receive both the HESLPM and a dollar-for-dollar deferral/contribution match in the same fiscal year?**

A: No. Eligible deferring/contributing employees who are paying their own higher education student loans must choose whether to accept the deferral/contribution match of up to \$600 or to apply for the HESLPM of up to \$600 each fiscal year. An eligible employee may not receive both matches in the same fiscal year. Each fiscal year, eligible employees can make the election to utilize the HESLPM, in lieu of the deferral/contribution match.

## Frequently Asked Questions (continued)

**Q: What is required for the HESLPM?**

A: An eligible deferring/contributing employee must provide documentation of the amount the employee paid toward their own higher education student loan during the fiscal year, then the State will contribute the amount that was paid by the employee for their own higher education student loan to the employee's State supplemental retirement match plan, up to \$600.

**Q: Can the deferral/contribution match and a HESLPM occur in the same fiscal year, even if the combined amount does not exceed \$600?**

A: No, the eligible employee must decide each fiscal year whether to use the HESLPM. If the eligible employee does not meet the requirements for the HESLPM before the new fiscal year starts, the deferral/contribution match for that fiscal year will automatically be made for any deferrals/contributions to the eligible employee's State supplemental retirement plan up to the \$600 limit.

**Q: To qualify for the HESLPM, will student loan payments that are made on behalf of the employees' spouse or dependents count?**

A: No. It is only the eligible employee's own higher education student loan payments that qualify for this benefit. Parent Plus loans do not generally qualify.

**Q: Do I have to be making deferrals/contributions to a State supplemental retirement plan to receive the HESLPM?**

A: Yes. To receive the HESLPM, an eligible employee must also be making at least the minimum deferrals/contributions. The deferrals/contributions would be to either MSRP's 457(b), 401(k), or 403(b) plans or an employing institution's 457(b), 401(k), or 403(b) plans (MSRP, TIAA or Fidelity Investments).

**Q: What if the amount I paid on the higher education student loan is less than \$600?**

A: If the documented amount paid on the employee's own higher education student loan is less than \$600, then the HESLPM is limited to that amount for the fiscal year.

**Q: Can University System of Maryland employees receive the deferral/contribution match?**

A: Yes. A State higher education employing institution includes the University System of Maryland.

**Q: If I am a University System Employee and I contribute to TIAA or Fidelity Investments, may I qualify for the HESLPM?**

A: Yes. If you are a member of the Employees' Pension System (with a few exceptions) or the Employees' Retirement System subject to Selection C (Contribution Formula) who contributes to a MSRP 457(b), 401(k), or 403(b) plan or University System of Maryland 457(b), 401(k), or 403(b) plan (MSRP, TIAA, or Fidelity Investments), you may apply for the HESLPM.

**Q: Can the employee restart the deferral/contribution match after they have received their \$600.00 match from the HESLPM in the same fiscal year?**

A: No, this election is set for the fiscal year.

**Additional questions and/or concerns should be directed to:** [membersrvs.msrb@maryland.gov](mailto:membersrvs.msrb@maryland.gov)