

Benefits Handbook

Teachers' Pension System

Reformed Contributory Pension Benefit

For members enrolled on or after July 1, 2011



MARYLAND
STATE RETIREMENT
and PENSION SYSTEM

Benefits Handbook

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For members enrolled on or after July 1, 2011

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Does this Handbook Apply to Me?

This benefits handbook is written specifically for members and retirees of the Teachers' Pension System who are subject to the Reformed Contributory Pension Benefit. Please review the following information to determine if you are a member of this system.

Within the Teachers' Pension System there are four separate and distinct components:

1. The Non-Contributory Pension Benefit: Relevant only to members who were employed on or after January 1, 1980, and separated from employment before July 1, 1998.
2. The Contributory Pension Benefit: Relevant only to members who were employed as of July 1, 1998 but separated from employment before June 30, 2006.
3. The Alternate Contributory Pension Selection: Generally relevant only to members who were employed on or after June 30, 2006, and were initially employed before July 1, 2011.¹
4. **The Reformed Contributory Pension Benefit: Generally relevant only to members who either (a) were not employed before July 1, 2011, or (b) were employed before July 1, 2011, did not vest, and became employed on or after July 1, 2011 after being separated from employment for more than four years.¹**

The benefits provided by each of these separate components are different.

If you are unsure which component of the Teachers' Pension System applies to you, you can find out by:

- 1) Reviewing your most recent Personal Statement of Benefits. Your component is listed on the top of page two.
- 2) Reviewing your account in mySRPS. Your system is listed at the top of your Home page.
- 3) Contacting the Retirement Agency.

¹ A member who was subject to the Alternate Contributory Pension Selection, and resumes membership in the Teachers' Pension System on or after July 1, 2011 after a period of separation from employment, remains subject to the Alternate Contributory Pension Selection if the member:

- (a) Was vested prior to July 1, 2011;
- (b) Was separated from employment for four years or less; or
- (c) Was separated from employment for military service that meets the requirements of the federal Uniformed Services Employment and Reemployment Rights Act (known as "USERRA").

Otherwise, an individual who resumes membership in the Teachers' Pension System on or after July 1, 2011 after a period of separation from employment is subject to the Reformed Contributory Pension Benefit.

Message from the Board of Trustees

This booklet provides detailed information on the features and benefits of your retirement plan. Even though, as a member of the Teachers' Pension System who is subject to the Reformed Contributory Pension Benefit, you are probably somewhat familiar with your benefits, this book explains them in everyday language. Major topics addressed are:

- Who is eligible for membership
- When membership ends
- How your benefits are funded
- How you earn service credit
- What benefits are provided
- What the eligibility requirements for the different benefits are
- How to calculate benefit income
- How to file for benefits
- What you need to know after retiring
- Where to get help with your retirement questions

The benefits described in this book are valuable to you and your family — not only when you retire, but now, while you work. We encourage you to use this booklet throughout your career and to contact the Maryland State Retirement Agency if you need assistance. Please note, however, that this booklet provides only a summary of the features and benefits of your pension plan. Pension provisions summarized in this document are set forth in the State Personnel and Pensions Article of the Annotated Code of Maryland and Title 22 of the Code of Maryland Regulations. If there are any questions of interpretation, the provisions of the State Personnel and Pensions Article and regulations will control to resolve them.

Throughout your career it's wise to take an active interest in your retirement plan. That's why the Retirement Agency offers a number of resources to keep you informed of benefit matters affecting you now and in the future. You may access your account online by using the mySRPS secure access participant portal. Please see our website at sra.maryland.gov for more information. The Retirement Agency creates an annual Personal Statement of Benefits for you each fall, and publishes newsletters, *The Mentor* for members and *Retiree News & Notes* for retirees. You may also reach a retirement benefits specialist at 410-625-5555 or toll-free at 1-800-492-5909 with any questions you have.

You should also be aware of other benefits, such as health insurance, which may continue through your employer after you retire. Contact your personnel office for more information.

Each of you has our very best wishes for a successful career.

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April 2021 This booklet provides a summary of the features and benefits of your pension plan as of the publication date. Pension provisions outlined in this document are set forth in the State Personnel and Pensions Article of the Annotated Code of Maryland and Title 22 of the Code of Maryland Regulations. If there are any questions of interpretation, the provisions of the State Personnel and Pensions Article and regulations will control to resolve them.

Note: Certain member information for elected and appointed officials is exempt from the confidentiality rule. Also, if asked, the Retirement Agency may state whether an individual is receiving a pension or not.

Conflicts

Division II of the State Personnel and Pensions Article of the Annotated Code of Maryland and Title 22 of the Code of Maryland Regulations control in resolving questions regarding the policies and benefits of the SRPS.

If a conflict occurs, a member may ask for a hearing before the Board of Trustees. To request a hearing, mail a written request to the executive director of the Maryland State Retirement Agency. A member unsatisfied with a final decision of the Board of Trustees or the executive director may appeal the decision as provided by law. Contact a retirement benefits specialist for additional information on the appeal process.

Glossary of Terms

Accumulated Contributions	The balance of member contributions and regular interest earned on those member contributions.
Actuary	An expert who analyzes risks and computes rates according to probabilities which are based on known experience.
Average Final Compensation (AFC)	Average earnable compensation that is computed in accordance with state law. For members subject to the Reformed Contributory Pension Benefit, AFC is the average earnable compensation during their five highest consecutive earning years.
Basic Allowance	Maximum benefit payable to a retiree based on the member's total creditable service and average final compensation.
Beneficiary	Individual(s) named by a member or retiree to receive benefits in the event of the member's or retiree's death.
Contingent Beneficiary	Individual(s) named to receive benefits in the event that there are no primary beneficiaries who survive the member/retiree.
Cost-of-Living Adjustment (COLA)	Annual adjustment of state pension benefit based on changes to the Consumer Price Index and capped as provided by state law.
Earnable Compensation	A member's annual salary rate payable for working the normal time in the member's position.
Eligibility Service	The service credit of a member that is recognized for determining eligibility for a benefit.
Fiscal Year	The annual period beginning July 1 and ending June 30.
Medical Board	A panel of three doctors (and up to three alternates), appointed by the SRPS Board of Trustees, who review, investigate and make preliminary determinations on claims for disability retirement.
Normal Retirement Age	65 years of age.
Participating Employer	Public employer that employs individuals who are eligible for membership in a State retirement or pension system.
Primary Beneficiary	This is your first choice for the individual(s) who you designate to receive death benefits in the event of your death.
Qualifying Leave of Absence	An employer-approved, SRPS-authorized absence from work without pay, granted for the following specific purposes:

personal illness, birth or legal adoption of a child, temporary employment with another governmental employer, and study.

Retirement Coordinator

An employee, usually a personnel officer of a participating employer, who is trained to assist members with basic retirement matters such as the completion of SRPS forms.

SRA

State Retirement Agency. The state agency that administers the State Retirement and Pension System.

SRPS

Maryland State Retirement and Pension System