

SENATE BILL 668

K4

71r1838
CF HB 562

By: **Senators Pinsky, Britt, Currie, Muse, and Peters**

Introduced and read first time: February 2, 2007

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 30, 2007

CHAPTER _____

1 AN ACT concerning

2 **Teachers' Retirement System and Teachers' Pension ~~Systems~~ System -**
3 **Reemployment of Retirees**

4 FOR the purpose of ~~exempting, from a certain offset of a retirement allowance,~~
5 altering the total number of certain retirees of the Teachers' Retirement System
6 or Teachers' Pension System that certain school districts may rehire; altering
7 the criteria ~~that~~ for hiring certain retirees of the Teachers' Retirement System
8 or the Teachers' Pension System ~~are required to meet to be~~ who are exempt
9 from a certain offset of a retirement allowance; and generally relating to the
10 reemployment of retirees ~~of~~ in the Teachers' Retirement System or the
11 Teachers' Pension System.

12 BY repealing and reenacting, with amendments,
13 Article – State Personnel and Pensions
14 Section 22–406 and 23–407
15 Annotated Code of Maryland
16 (2004 Replacement Volume and 2006 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



Article – State Personnel and Pensions

22–406.

(a) In this section, “area of critical shortage” means an academic field identified by the State Department of Education in accordance with the provisions of § 18–703(g)(1) of the Education Article as having projected employment vacancies that substantially exceed projected qualified graduates.

(b) Except as provided in subsection (m) of this section, an individual who is receiving a service retirement allowance or vested allowance may accept employment with a participating employer on a permanent, temporary, or contractual basis, if:

(1) the individual immediately notifies the Board of Trustees of the individual’s intention to accept this employment; and

(2) the individual specifies the compensation to be received.

(c) (1) The Board of Trustees shall reduce the allowance of an individual who accepts employment as provided under subsection (b) of this section if:

(i) the individual’s current employer is a participating employer other than the State and is the same participating employer that employed the individual at the time of the individual’s last separation from employment with a participating employer before the individual commenced receiving a service retirement allowance or vested allowance;

(ii) the individual’s current employer is any unit of State government and the individual’s employer at the time of the individual’s last separation from employment with the State before the individual commenced receiving a service retirement allowance or vested allowance was also a unit of State government; or

(iii) the individual becomes reemployed within 12 months of receiving an early service retirement allowance under § 22–402 of this subtitle.

(2) The reduction required under paragraph (1) of this subsection shall equal:

(i) the amount by which the sum of the individual’s initial annual basic allowance and the individual’s annual compensation exceeds the average final compensation used to compute the basic allowance; or

1 (ii) for a retiree who retired under the Workforce Reduction Act
2 (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual
3 compensation and the retiree's annual basic allowance at the time of retirement,
4 including the incentive provided by the Workforce Reduction Act, exceeds the average
5 final compensation used to compute the basic allowance.

6 (3) A reduction of an early service retirement allowance under
7 paragraph (1)(iii) of this subsection shall be applied only until the individual has
8 received an allowance for 12 months.

9 (4) Except for an individual whose allowance is subject to a reduction
10 as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an
11 allowance under this subsection does not apply to:

12 (i) an individual who has been retired for 9 years, beginning on
13 January 1 after the date the individual retires;

14 (ii) an individual whose average final compensation was less
15 than \$10,000 and who is reemployed on a temporary or contractual basis;

16 (iii) an individual who is serving in an elected position as an
17 official of a participating governmental unit or as a constitutional officer for a county
18 that is a participating governmental unit;

19 (iv) a retiree of the Teachers' Retirement System:

20 1. who retired and was reemployed by a participating
21 employer other than the State on or before September 30, 1994; and

22 2. whose employment compensation does not derive, in
23 whole or in part, from State funds;

24 (v) a retiree of the Teachers' Retirement System who:

25 1. is or has been certified to teach in the State;

26 2. has verification of satisfactory or better performance
27 in the last assignment prior to retirement;

28 3. based on the retired teacher's qualifications, has been
29 appointed in accordance with § 4-103 of the Education Article; and

1 (5) ~~[(i)]~~ An individual who is rehired under paragraph (4)(v) of this
 2 subsection shall be employed as a classroom teacher, substitute classroom teacher, or
 3 teacher mentor;

4 ~~(H)~~ in a public school that:

5 1. is not making adequate yearly progress or is a school
 6 in need of improvement as defined under the federal No Child Left Behind Act of 2001
 7 and as implemented by the State Department of Education;

8 2. ~~is~~ receiving funds under Title 1 of the federal No
 9 Child Left Behind Act of 2001~~;~~;

10 **3. HAS MORE THAN 50% OF THE STUDENTS**
 11 **ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE**
 12 **MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;**
 13 or

14 ~~3.~~ **4.** provides an alternative education program for
 15 adjudicated youths or students who have been expelled, suspended, or identified for
 16 suspension or expulsion from a public school~~;~~ ~~OR~~

17 (ii) ~~[~~An individual rehired at a school described under
 18 subparagraph (i) of this paragraph shall teach:~~]~~

19 1. ~~TEACHING~~ in an area of critical shortage;

20 2. ~~TEACHING~~ a special education class for students with
 21 special needs; or

22 3. ~~TEACHING~~ a class for students with limited English
 23 proficiency.

24 (6) An individual who is rehired under paragraph (4)(vi) of this
 25 subsection shall be employed as a principal at a public school that:

26 (i) is not making adequate yearly progress or is a school in need
 27 of improvement as defined under the federal No Child Left Behind Act of 2001 and as
 28 implemented by the State Department of Education;

1 (ii) ~~is~~ receiving funds under Title 1 of the federal No Child Left
2 Behind Act of 2001~~;~~;

3 **(III) HAS MORE THAN 50% OF THE STUDENTS ATTENDING**
4 **THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS**
5 **ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE; or**

6 ~~(iii)~~ **(IV)** provides an alternative education program for adjudicated
7 youths or students who have been expelled, suspended, or identified for suspension or
8 expulsion from a public school.

9 (7) An individual who is reemployed under paragraph (4)(v) or (vi) of
10 this subsection at a school described under paragraph (5) or (6) of this subsection may
11 not continue that reemployment after the school makes adequate yearly progress for 4
12 consecutive years.

13 (8) (i) Notwithstanding paragraph (5) of this subsection, each
14 superintendent of a local school system may rehire an additional number of
15 individuals described under paragraph (4)(v) of this subsection equal to the greater of:

16 1. ~~three~~ **FIVE**; or

17 2. ~~0.1%~~ **0.2%** of the total full-time equivalent
18 instructional teachers employed by that local school system, rounded up to the nearest
19 whole number not to exceed ~~10~~ **15**, as reported annually by the State Department of
20 Education.

21 (ii) At any one time, the total number of individuals rehired by a
22 superintendent of a local school system under this paragraph may not exceed the
23 number determined under subparagraph (i) of this paragraph.

24 ~~(iii)~~ An individual rehired under this paragraph:

25 1. **A.** shall be reemployed at a school specified in
26 paragraph (5)(i) of this subsection; and

27 ~~2.~~ **B.** may teach any subject or class or provide
28 educational services assigned by the individual's superintendent~~;~~ **OR**

29 **2. A. MAY BE REEMPLOYED AT ANY SCHOOL**
30 **ASSIGNED BY THE INDIVIDUAL'S SUPERINTENDENT; AND**

1 **B. SHALL TEACH A SUBJECT OR CLASS OR PROVIDE**
 2 **EDUCATIONAL SERVICES SPECIFIED IN PARAGRAPH (5)(II) OF THIS**
 3 **SUBSECTION.**

4 (9) (i) The superintendent of the local school system rehiring an
 5 individual under paragraph (4)(v) or (vi) of this subsection shall:

- 6 1. approve the rehiring of that individual; and
 7 2. determine the school where the individual is to be
 8 reemployed.

9 (ii) Within 30 days after rehiring an individual, the
 10 superintendent of a local school system shall complete and file with the Board of
 11 Trustees and the State Department of Education a form provided by the Board of
 12 Trustees that certifies that the individual rehired by the local school system under
 13 paragraph (4)(v) or (vi) of this subsection:

- 14 1. satisfied the criteria provided in paragraph (4)(v) or
 15 (vi) of this subsection; ~~AND~~
 16 2. ~~A~~ was reemployed at a school described under
 17 paragraph (5)(i) or (6) of this subsection; ~~and~~
 18 3. if rehired under paragraph (4)(v) of this subsection,
 19 was:

20 A. ~~B. WAS REEMPLOYED~~ teaching in an area specified in
 21 paragraph (5)(ii) of this subsection; or

22 ~~B. C.~~ ~~teaching in any class or subject or providing~~
 23 ~~educational services]~~ ~~WAS REEMPLOYED~~ as provided under paragraph (8) of this
 24 subsection.

25 (iii) 1. On or before April 1 of each year, the Board of
 26 Trustees and the State Department of Education shall jointly review any forms filed
 27 by a superintendent of a local school system under subparagraph (ii) of this paragraph
 28 during the previous calendar year.

29 2. If the Board of Trustees and the State Department of
 30 Education agree that a superintendent of a local school system has rehired an

1 individual that does not satisfy the criteria provided in paragraph (4)(v) or (vi) and (5),
2 (6), or (8) of this subsection:

3 A. on or before July 1 of the year of the finding, the
4 Board of Trustees shall notify the superintendent of the local school system of this
5 individual; and

6 B. the local school system shall reimburse the Board of
7 Trustees the amount equal to the reduction to the individual's retirement allowance
8 that would have been made in paragraph (2) of this subsection.

9 (iv) The local school system shall make the reimbursement on or
10 before December 31 of the year the local school system receives notice from the Board
11 of Trustees under subparagraph (iii)2A of this paragraph.

12 (10) On or before August 1 of each year, the local superintendent shall
13 report to the State Department of Education for the previous school year:

14 (i) the number of individuals rehired under paragraph (4)(v) or
15 (vi) or (8) of this subsection;

16 (ii) 1. the school and school system where each individual
17 was rehired; and

18 2. whether the school:

19 A. was not making adequate yearly progress or was a
20 school in need of improvement as defined under the federal No Child Left Behind Act
21 of 2001 and as implemented by the State Department of Education;

22 B. ~~was receiving funds under Title 1 of the federal No~~
23 ~~Child Left Behind Act of 2001~~;

24 **C. HAS MORE THAN 50% OF THE STUDENTS**
25 **ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE**
26 **MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;**
27 or

28 ~~C.~~ **D.** provided an alternative education program for
29 adjudicated youths or students who have been expelled, suspended, or identified for
30 suspension or expulsion from a public school;

- 1 (iii) the original date of rehire for each individual;
- 2 (iv) the subject matter taught by each individual; ~~and~~
- 3 (v) the annual salary of each individual; AND

4 **(VI) THE PERCENTAGE OF STUDENT POPULATION**
5 **COMPRISED OF CHILDREN IN POVERTY THAT IS REQUIRED TO BE PRESENT IN A**
6 **SCHOOL IN THAT SCHOOL SYSTEM IN ORDER FOR THAT SCHOOL TO QUALIFY AS**
7 **A TITLE 1 SCHOOL.**

8 (d) An individual who is rehired under this section may not be rehired within
9 45 days of the date the individual retired if:

10 (1) the individual's current employer is a participating employer other
11 than the State and is the same participating employer that employed the individual at
12 the time of the individual's last separation from employment with a participating
13 employer before the individual commenced receiving a service retirement allowance; or

14 (2) the individual's current employer is any unit of State government
15 and the individual's employer at the time of the individual's last separation from
16 employment with the State before the individual commenced receiving a service
17 retirement allowance was also a unit of State government.

18 (e) An individual who is receiving a service retirement allowance or a vested
19 allowance and who is reemployed by a participating employer may not receive
20 creditable service or eligibility service during the period of reemployment.

21 (f) The individual's compensation during the period of reemployment may
22 not be subject to the employer pickup provisions of § 21-303 of this article or any
23 reduction or deduction as a member contribution for pension or retirement purposes.

24 (g) The State Retirement Agency shall institute appropriate reporting
25 procedures with the affected payroll systems to ensure compliance with this section.

26 (h) (1) Immediately on the employment of any individual receiving a
27 service retirement allowance or a vested allowance, a participating employer shall
28 notify the State Retirement Agency of the type of employment and the anticipated
29 earnings of the individual.

30 (2) At least once each year, in a format specified by the State
31 Retirement Agency, each participating employer shall provide the State Retirement

1 Agency with a list of all employees included on any payroll of the employer, the Social
2 Security numbers of the employees, and their earnings for that year.

3 (i) The State Department of Education shall adopt regulations to carry out
4 this section.

5 (j) At the request of the State Retirement Agency:

6 (1) a participating employer shall certify to the State Retirement
7 Agency that it is not the same participating employer that employed an individual at
8 the time of the individual's last separation from employment before the individual
9 commenced receiving a service retirement allowance or a vested allowance; or

10 (2) a unit of State government shall certify to the State Retirement
11 Agency that the individual was not employed by any unit of State government at the
12 time of the individual's last separation from employment before the individual
13 commenced receiving a service retirement allowance or a vested allowance.

14 (k) The Department of Health and Mental Hygiene shall notify the State
15 Retirement Agency of any retirees who qualify under subsection (c)(4)(viii) of this
16 section.

17 (l) On or before September 1 of each year, the Secretary of Health and
18 Mental Hygiene shall submit a report in accordance with § 2-1246 of the State
19 Government Article to the Joint Committee on Pensions that provides:

20 (1) the number of rehired retirees under subsection (c)(4)(viii) of this
21 section;

22 (2) the annual salary of each rehired retiree at the time of retirement
23 and the current annual salary of each rehired retiree;

24 (3) the number of health care practitioners hired who are not retirees;
25 and

26 (4) the annual salary of each health care practitioner who is hired.

27 (m) An individual who is rehired under this section may not be rehired within
28 45 days of the date the individual retired if:

29 (1) the individual's current employer is a participating employer other
30 than the State and is the same participating employer that employed the individual at

1 the time of the individual's last separation from employment with a participating
2 employer before the individual commenced receiving a service retirement allowance; or

3 (2) the individual's current employer is any unit of State government
4 and the individual's employer at the time of the individual's last separation from
5 employment with the State before the individual commenced receiving a service
6 retirement allowance was also a unit of State government.

7 (n) On or before October 1 of each year, the State Superintendent of Schools
8 shall submit a report for the previous school year, to the Joint Committee on Pensions,
9 in accordance with § 2-1246 of the State Government Article, that provides:

10 (1) the number of rehired retirees under subsection (c)(4)(v) and (vi)
11 and (8) of this section;

12 (2) (i) the school and school system where each retiree was rehired;
13 and

14 (ii) whether the school:

15 1. was not making adequate yearly progress or was a
16 school in need of improvement as defined under the federal No Child Left Behind Act
17 of 2001 and as implemented by the State Department of Education;

18 2. ~~was~~ was receiving funds under Title 1 of the federal No
19 Child Left Behind Act of 2001~~;~~;

20 **3. HAS MORE THAN 50% OF THE STUDENTS**
21 **ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE**
22 **MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;**
23 or

24 ~~3.~~ **4.** provided an alternative education program for
25 adjudicated youths or students who have been expelled, suspended, or identified for
26 suspension or expulsion from a public school;

27 (3) a copy of the annual staffing report generated by the State
28 Superintendent of Schools in accordance with § 18-703(g)(1) of the Education Article
29 certifying areas of critical shortage for the previous school year as evidenced by
30 projected employment vacancies substantially exceeding projected qualified graduates;

31 (4) the subject matter that each rehired retiree was teaching;

1 (5) the salary of each rehired retiree; ~~and~~

2 (6) the total number of years each retiree has been reemployed at the
3 school where the retiree was rehired for the previous school year; **AND**

4 **(7) THE PERCENTAGE OF STUDENT POPULATION COMPRISED OF**
5 **CHILDREN IN POVERTY THAT IS REQUIRED TO BE PRESENT IN A SCHOOL IN**
6 **THAT SCHOOL SYSTEM IN ORDER FOR THAT SCHOOL TO QUALIFY AS A TITLE 1**
7 **SCHOOL.**

8 (o) On or before October 1 of each year, the Board of Trustees shall submit a
9 report for the previous calendar year to the Joint Committee on Pensions, in
10 accordance with § 2–1246 of the State Government Article, that provides:

11 (1) the number of individuals in each local school system that the
12 Board of Trustees and the State Department of Education agree were rehired and did
13 not satisfy the criteria provided in subsection (c)(4)(v) or (vi) and (5), (6), or (8) of this
14 section; and

15 (2) any reimbursements a local school system made under subsection
16 (c)(9)(iii) of this section.

17 23–407.

18 (a) In this section, “area of critical shortage” means an academic field
19 identified by the State Department of Education in accordance with the provisions of §
20 18–703(g)(1) of the Education Article as having projected employment vacancies that
21 substantially exceed projected qualified graduates.

22 (b) Except as provided in subsection (m) of this section, an individual who is
23 receiving a service retirement allowance or a vested allowance may accept
24 employment with a participating employer on a permanent, temporary, or contractual
25 basis, if:

26 (1) the individual immediately notifies the Board of Trustees of the
27 individual’s intention to accept this employment; and

28 (2) the individual specifies the compensation to be received.

29 (c) (1) The Board of Trustees shall reduce the allowance of an individual
30 who accepts employment as provided under subsection (b) of this section if:

1 (i) the individual's current employer is a participating employer
2 other than the State and is the same participating employer that employed the
3 individual at the time of the individual's last separation from employment with a
4 participating employer before the individual commenced receiving a service retirement
5 allowance or vested allowance;

6 (ii) the individual's current employer is any unit of State
7 government and the individual's employer at the time of the individual's last
8 separation from employment with the State before the individual commenced
9 receiving a service retirement allowance or vested allowance was also a unit of State
10 government; or

11 (iii) the individual becomes reemployed within 12 months of
12 receiving an early service retirement allowance or an early vested allowance computed
13 under § 23-402 of this subtitle.

14 (2) The reduction required under paragraph (1) of this subsection shall
15 equal:

16 (i) the amount by which the sum of the individual's initial
17 annual basic allowance and the individual's annual compensation exceeds the average
18 final compensation used to compute the basic allowance; or

19 (ii) for a retiree who retired under the Workforce Reduction Act
20 (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual
21 compensation and the retiree's annual basic allowance at the time of retirement,
22 including the incentive provided by the Workforce Reduction Act, exceeds the average
23 final compensation used to compute the basic allowance.

24 (3) A reduction of an early service retirement allowance or an early
25 vested allowance under paragraph (1)(iii) of this subsection shall be applied only until
26 the individual has received an allowance for 12 months.

27 (4) Except for an individual whose allowance is subject to a reduction
28 as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an
29 allowance under this subsection does not apply to:

30 (i) an individual whose average final compensation was less
31 than \$10,000 and who is reemployed on a temporary or contractual basis;

1 (ii) an individual who is serving in an elected position as an
2 official of a participating governmental unit or as a constitutional officer for a county
3 that is a participating governmental unit;

4 (iii) an individual who has been retired for 9 years, beginning on
5 January 1 after the date the individual retires;

6 (iv) a retiree of the Teachers' Pension System who:

7 1. is or has been certified to teach in the State;

8 2. has verification of satisfactory or better performance
9 in the last assignment prior to retirement;

10 3. based on the retired teacher's qualifications, has been
11 appointed in accordance with § 4-103 of the Education Article; and

12 4. receives verification of satisfactory or better
13 performance each year the teacher is employed under paragraph (5) of this subsection;

14 (v) a retiree of the Teachers' Pension System who:

15 1. A. was employed as a principal within 5 years of
16 retirement; or

17 B. was employed as a principal not more than 10 years
18 before retirement and was employed in a position supervising principals in the
19 retiree's last assignment prior to retirement;

20 2. has verification of satisfactory performance for each
21 year as a principal and, if applicable, in a position supervising principals prior to
22 retirement;

23 3. based on the retiree's qualifications, has been hired as
24 a principal; and

25 4. receives verification of satisfactory performance each
26 year the retiree is employed as a principal under paragraph (6) of this subsection; or

27 (vi) a retiree of the Employees' Pension System who is
28 reemployed on a contractual basis for not more than 4 years by the Department of
29 Health and Mental Hygiene as a health care practitioner, as defined in § 1-301 of the
30 Health Occupations Article in:

- 1 1. a State residential center as defined in § 7–101 of the
2 Health – General Article;
- 3 2. a chronic disease center subject to Title 19, Subtitle 5
4 of the Health – General Article;
- 5 3. a State facility as defined in § 10–101 of the Health –
6 General Article; or
- 7 4. a local health department subject to Title 3, Subtitle 2
8 of the Health – General Article.

9 (5) ~~[(i)]~~ An individual who is rehired under paragraph (4)(iv) of this
10 subsection shall be employed as a classroom teacher, substitute classroom teacher, or
11 teacher mentor;

12 ~~(i)~~ in a public school that:

13 1. is not making adequate yearly progress or is a school
14 in need of improvement as defined under the federal No Child Left Behind Act of 2001
15 and as implemented by the State Department of Education;

16 2. ~~is~~ receiving funds under Title 1 of the federal No
17 Child Left Behind Act of 2001~~;~~;

18 **3. HAS MORE THAN 50% OF THE STUDENTS**
19 **ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE**
20 **MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;**
21 or

22 ~~3.~~ **4.** provides an alternative education program for
23 adjudicated youths or students who have been expelled, suspended, or identified for
24 suspension or expulsion from a public school~~;~~~~;~~~~OR~~

25 (ii) ~~[(i)]~~ An individual rehired at a school described under
26 subparagraph (i) of this paragraph shall teach~~;~~;

27 1. ~~TEACHING~~ in an area of critical shortage;

1 (ii) At any one time, the total number of individuals rehired by a
 2 superintendent of a local school system under this paragraph may not exceed the
 3 number determined under subparagraph (i) of this paragraph.

4 ~~[(iii)~~ An individual rehired under this paragraph:

5 1. A. shall be reemployed at a school specified in
 6 paragraph (5)(i) of this subsection; and

7 ~~2. B.~~ may teach any subject or class or provide educational
 8 services assigned by the individual's superintendent; ~~and~~ OR

9 2. A. MAY BE REEMPLOYED AT ANY SCHOOL
 10 ASSIGNED BY THE INDIVIDUAL'S SUPERINTENDENT; AND

11 B. SHALL TEACH A SUBJECT OR CLASS OR PROVIDE
 12 EDUCATIONAL SERVICES SPECIFIED IN PARAGRAPH (5)(II) OF THIS
 13 SUBSECTION.

14 (9) (i) The superintendent of the local school system rehiring an
 15 individual under paragraph (4)(iv) or (v) of this subsection shall:

- 16 1. approve the rehiring of that individual; and
 17 2. determine the school where the individual is to be
 18 reemployed.

19 (ii) Within 30 days after rehiring an individual, the
 20 superintendent of a local school system shall complete and file with the Board of
 21 Trustees and the State Department of Education a form provided by the Board of
 22 Trustees that certifies that the individual rehired by the local school system under
 23 paragraph (4)(v) or (vi) of this subsection:

24 1. satisfied the criteria provided in paragraph (4)(iv) or
 25 (v) of this subsection;

26 2. ~~A.~~ was reemployed at a school described under
 27 paragraph (5)(i) or (6) of this subsection; ~~and~~

28 3. if rehired under paragraph (4)(iv) of this subsection,
 29 was:

1 A. ~~B. WAS REEMPLOYED~~ teaching in an area specified in
2 paragraph (5)(ii) of this subsection; or

3 ~~B. C.~~ ~~teaching in any class or subject or providing~~
4 educational services] ~~WAS REEMPLOYED~~ as provided under paragraph (8) of this
5 subsection.

6 (iii) 1. On or before April 1 of each year, the Board of
7 Trustees and the State Department of Education shall jointly review any forms filed
8 by a superintendent of a local school system under subparagraph (ii) of this
9 paragraph.

10 2. If the Board of Trustees and the State Department of
11 Education agree that a superintendent of a local school system has rehired an
12 individual that does not satisfy the criteria provided in paragraph (4)(iv) or (v) and (5),
13 (6), or (8) of this subsection:

14 A. on or before July 1 of the year of the finding, the
15 Board of Trustees shall notify the superintendent of the local school system of this
16 individual; and

17 B. the local school system shall reimburse the Board of
18 Trustees the amount equal to the reduction to the individual's retirement allowance
19 that would have been made in paragraph (2) of this subsection.

20 (iv) The local school system shall make the reimbursement on or
21 before December 31 of the year the local school system receives notice from the Board
22 of Trustees under subparagraph (iii)2A of this paragraph.

23 (10) On or before August 1 of each year, the local superintendent shall
24 report to the State Department of Education for the previous school year:

25 (i) the number of individuals rehired under paragraph (4)(iv) or
26 (v) or (8) of this subsection;

27 (ii) 1. the school and school system where each individual
28 was rehired; and

29 2. whether the school:

1 A. was not making adequate yearly progress or was a
2 school in need of improvement as defined under the federal No Child Left Behind Act
3 of 2001 and as implemented by the State Department of Education;

4 B. ~~was~~ receiving funds under Title 1 of the federal No
5 Child Left Behind Act of 2001~~;~~;

6 **C. HAS MORE THAN 50% OF THE STUDENTS**
7 **ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE**
8 **MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;**
9 or

10 ~~C.~~ **D.** provided an alternative education program for
11 adjudicated youths or students who have been expelled, suspended, or identified for
12 suspension or expulsion from a public school;

13 (iii) the original date of rehire for each individual;

14 (iv) the subject matter taught by each individual; ~~and~~

15 (v) the annual salary of each individual; **AND**

16 **(VI) THE PERCENTAGE OF STUDENT POPULATION**
17 **COMPRISED OF CHILDREN IN POVERTY THAT IS REQUIRED TO BE PRESENT IN A**
18 **SCHOOL IN THAT SCHOOL SYSTEM IN ORDER FOR THAT SCHOOL TO QUALIFY AS**
19 **A TITLE 1 SCHOOL.**

20 (d) An individual who is rehired under this section may not be rehired within
21 45 days of the date the individual retired if:

22 (1) the individual's current employer is a participating employer other
23 than the State and is the same participating employer that employed the individual at
24 the time of the individual's last separation from employment with a participating
25 employer before the individual commenced receiving a service retirement allowance; or

26 (2) the individual's current employer is any unit of State government
27 and the individual's employer at the time of the individual's last separation from
28 employment with the State before the individual commenced receiving a service
29 retirement allowance was also a unit of State government.

1 (e) An individual who is receiving a service retirement allowance or a vested
2 allowance and who is reemployed by a participating employer may not receive
3 creditable service or eligibility service during the period of reemployment.

4 (f) The individual's compensation during the period of reemployment may
5 not be subject to the employer pickup provisions of § 21-303 of this article or any
6 reduction or deduction as a member contribution for pension or retirement purposes.

7 (g) The State Retirement Agency shall institute appropriate reporting
8 procedures with the affected payroll systems to ensure compliance with this section.

9 (h) (1) Immediately on the employment of any individual receiving a
10 service retirement allowance or a vested allowance, a participating employer shall
11 notify the State Retirement Agency of the type of employment and the anticipated
12 earnings of the individual.

13 (2) At least once each year, in a format specified by the State
14 Retirement Agency, each participating employer shall provide the State Retirement
15 Agency with a list of all employees included on any payroll of the employer, the Social
16 Security numbers of the employees, and their earnings for that year.

17 (i) The State Department of Education shall adopt regulations to carry out
18 this section.

19 (j) At the request of the State Retirement Agency:

20 (1) a participating employer shall certify to the State Retirement
21 Agency that it is not the same participating employer that employed an individual at
22 the time of the individual's last separation from employment before the individual
23 commenced receiving a service retirement allowance or a vested allowance; or

24 (2) a unit of State government shall certify to the State Retirement
25 Agency that the individual was not employed by any unit of State government at the
26 time of the individual's last separation from employment before the individual
27 commenced receiving a service retirement allowance or a vested allowance.

28 (k) The Department of Health and Mental Hygiene shall notify the State
29 Retirement Agency of any retirees who qualify under subsection (c)(4)(vi) of this
30 section.

31 (l) On or before September 1 of each year, the Secretary of Health and
32 Mental Hygiene shall submit a report in accordance with § 2-1246 of the State
33 Government Article to the Joint Committee on Pensions that provides:

1 (1) the number of rehired retirees under subsection (c)(4)(vi) of this
2 section;

3 (2) the annual salary of each rehired retiree at the time of retirement
4 and the current annual salary of each rehired retiree;

5 (3) the number of health care practitioners hired who are not retirees;
6 and

7 (4) the annual salary of each health care practitioner who is hired.

8 (m) An individual who is rehired under this section may not be rehired within
9 45 days of the date the individual retired if:

10 (1) the individual's current employer is a participating employer other
11 than the State and is the same participating employer that employed the individual at
12 the time of the individual's last separation from employment with a participating
13 employer before the individual commenced receiving a service retirement allowance; or

14 (2) the individual's current employer is any unit of State government
15 and the individual's employer at the time of the individual's last separation from
16 employment with the State before the individual commenced receiving a service
17 retirement allowance was also a unit of State government.

18 (n) On or before October 1 of each year, the State Superintendent of Schools
19 shall submit a report for the previous school year, to the Joint Committee on Pensions,
20 in accordance with § 2-1246 of the State Government Article, that provides:

21 (1) the number of rehired retirees under subsection (c)(4)(iv) and (v)
22 and (8) of this section;

23 (2) (i) the school and school system where each retiree was rehired;
24 and

25 (ii) whether the school:

26 1. was not making adequate yearly progress or was a
27 school in need of improvement as defined under the federal No Child Left Behind Act
28 of 2001 and as implemented by the State Department of Education;

1 2. ~~¶~~was receiving funds under Title 1 of the federal No
2 Child Left Behind Act of 2001~~¶~~;

3 **3. HAS MORE THAN 50% OF THE STUDENTS**
4 **ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE**
5 **MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;**
6 or

7 ~~3.~~ **4.** provided an alternative education program for
8 adjudicated youths or students who have been expelled, suspended, or identified for
9 suspension or expulsion from a public school;

10 (3) a copy of the annual staffing report generated by the State
11 Superintendent of Schools in accordance with § 18-703(g)(1) of the Education Article
12 certifying areas of critical shortage for the previous school year as evidenced by
13 projected employment vacancies substantially exceeding projected qualified graduates;

14 (4) the subject matter that each rehired retiree was teaching;

15 (5) the salary of each rehired retiree; ~~and~~

16 (6) the total number of years each retiree has been reemployed at the
17 school where the retiree was rehired for the previous school year; **AND**

18 **(7) THE PERCENTAGE OF STUDENT POPULATION COMPRISED OF**
19 **CHILDREN IN POVERTY THAT IS REQUIRED TO BE PRESENT IN A SCHOOL IN**
20 **THAT SCHOOL SYSTEM IN ORDER FOR THAT SCHOOL TO QUALIFY AS A TITLE 1**
21 **SCHOOL.**

22 (o) On or before October 1 of each year, the Board of Trustees shall submit a
23 report for the previous calendar year to the Joint Committee on Pensions, in
24 accordance with § 2-1246 of the State Government Article, that provides:

25 (1) the number of individuals in each local school system that the
26 Board of Trustees and the State Department of Education agree were rehired and did
27 not satisfy the criteria provided in subsection (c)(4)(iv) or (v) and (5), (6), or (8) of this
28 section; and

29 (2) any reimbursements a local school system made under subsection
30 (c)(9)(ii) of this section.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2007.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.