

# HOUSE BILL 84

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CF 2lr1365

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By: **Delegate Griffith (Chair, Joint Committee on Pensions)**

Introduced and read first time: January 18, 2012

Assigned to: Appropriations

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## A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Reemployment of Retirees –**  
3 **Exemptions**

4 FOR the purpose of altering the number of years required after retirement for certain  
5 retirees of the State Retirement and Pension System to be exempt from a  
6 certain earnings offset of their retirement allowance when reemployed by  
7 certain employers; providing for the effective date of certain provisions of this  
8 Act; providing for the termination of certain provisions of this Act; and generally  
9 relating to the reemployment of retirees in the State Retirement and Pension  
10 System.

11 BY repealing and reenacting, with amendments,  
12 Article – State Personnel and Pensions  
13 Section 24–405(b)(3)(i) and 25–403(b)(1) and (3)(i)  
14 Annotated Code of Maryland  
15 (2009 Replacement Volume and 2011 Supplement)

16 BY repealing and reenacting, without amendments,  
17 Article – State Personnel and Pensions  
18 Section 24–405(b)(1)  
19 Annotated Code of Maryland  
20 (2009 Replacement Volume and 2011 Supplement)

21 BY repealing and reenacting, with amendments,  
22 Article – State Personnel and Pensions  
23 Section 24–405(b)(1)(i)  
24 Annotated Code of Maryland  
25 (2009 Replacement Volume and 2011 Supplement)  
26 (As enacted by Chapter 644 of the Acts of the General Assembly of 2009)

27 BY repealing and reenacting, without amendments,

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – State Personnel and Pensions  
2 Section 24–405(b)(2)(i)  
3 Annotated Code of Maryland  
4 (2009 Replacement Volume and 2011 Supplement)  
5 (As enacted by Chapter 644 of the Acts of the General Assembly of 2009)

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

8 **Article – State Personnel and Pensions**

9 25–403.

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

12 (I) the individual’s current employer is any unit of State  
13 government; and

14 (II) the individual’s employer at the time of the individual’s last  
15 separation from employment with the State before the individual commenced  
16 receiving a service retirement allowance or vested allowance was also a unit of State  
17 government.

18 (3) The reduction under this subsection does not apply to:

19 (i) an individual who has been retired for [9] 5 years, beginning  
20 on January 1, after the date the individual retires;

21 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
22 read as follows:

23 **Article – State Personnel and Pensions**

24 24–405.

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

27 (i) the individual’s current employer is any unit of State  
28 government; and

29 (ii) the individual’s employer at the time of the individual’s last  
30 separation from employment with the State before the individual commenced  
31 receiving a service retirement allowance or vested allowance was also a unit of State  
32 government.

1                   (3)     The reduction under paragraph (1) of this subsection does not  
2 apply to:

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

5           SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
6 read as follows:

7   **Article – State Personnel and Pensions**

8 24–405.

9           (b)     (1)     This subsection does not apply to:

10                   (i)     an individual who has been retired for [9] 5 years, beginning  
11 on January 1, after the date the individual retires; or

12                   (2)     (i)     Subject to subparagraph (ii) of this paragraph, the Board of  
13 Trustees shall reduce an individual’s allowance by the amount that the sum of the  
14 individual’s initial annual basic allowance and the individual’s annual compensation  
15 exceeds the average final compensation used to compute the basic allowance.

16           SECTION 4. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall  
17 take effect on the taking effect of the termination provisions specified in Chapter 644,  
18 § 3 of the Acts of the General Assembly of 2009. If that termination provision takes  
19 effect, Section 2 of this Act shall be abrogated and of no further force and effect. This  
20 Act may not be interpreted to have any effect on that termination provision.

21           SECTION 5. AND BE IT FURTHER ENACTED, That, subject to the provisions  
22 of Section 4 of this Act, this Act shall take effect July 1, 2012.