P6 4lr2086 CF SB 706

By: Delegate Forbes (Chair, Joint Committee on Pensions)

Introduced and read first time: February 2, 2024

Assigned to: Appropriations

## A BILL ENTITLED

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T	AN	ACT	concerning

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## Law Enforcement Officers' Pension System - Reemployment as Sheriff

- 3 FOR the purpose of requiring the Board of Trustees for the State Retirement and Pension
- System to suspend the retirement benefit of a retiree of the Law Enforcement
- 5 Officers' Pension System who is elected as a sheriff within a certain period of time
- after the date of retirement; providing for the reinstatement of a benefit; providing
- that a suspension of a benefit does not affect survivor benefits; and generally relating
- 8 to reemployment of retirees of the Law Enforcement Officers' Pension System.
- 9 BY repealing and reenacting, with amendments,
- 10 Article State Personnel and Pensions
- 11 Section 26–403
- 12 Annotated Code of Maryland
- 13 (2015 Replacement Volume and 2023 Supplement)
- 14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
- 15 That the Laws of Maryland read as follows:

## 16 Article – State Personnel and Pensions

- 17 26–403.
- 18 (a) Except as provided in [subsection (f)] SUBSECTIONS (F) AND (G) of this
- 19 section, a retiree who is receiving a service retirement allowance may accept employment
- 20 with a participating employer on a permanent, temporary, or contractual basis, without
- 21 any reduction in retirement allowance.
- 22 (b) A reemployed retiree who is receiving a service retirement allowance may not
- 23 receive creditable service or eligibility service during the period of reemployment.



- 1 (c) The retiree's compensation during the period of reemployment may not be 2 subject to the employer pickup provisions of § 21–303 of this article or any reduction or 3 deduction as a member contribution for pension or retirement purposes.
- 4 (d) The State Retirement Agency shall institute appropriate reporting procedures 5 with the affected payroll systems to ensure compliance with this section.
- 6 (e) (1) Immediately on the employment of any retiree, a participating 7 employer shall notify the State Retirement Agency of the type of employment and the 8 anticipated earnings of the retiree.
- 9 (2) At least once each year, in a format specified by the State Retirement 10 Agency, each participating employer shall provide the State Retirement Agency with a list 11 of all employees included on any payroll of the employer, the Social Security numbers of 12 the employees, and their earnings for that year.
- 13 (f) An individual who is receiving a service retirement allowance under this title 14 may not be employed within 45 days of the date the individual retired, on a permanent, 15 temporary, or contractual basis, by:
- 16 (1) the State or other participating employer; or
- 17 (2) a withdrawn participating governmental unit, if the retiree was an employee of the withdrawn participating governmental unit while the withdrawn governmental unit was a participating employer.
- 20 (G) (1) THIS SECTION APPLIES TO A RETIREE WHO IS ELECTED AS A 21 SHERIFF LESS THAN 5 YEARS AFTER THE RETIREE'S DATE OF RETIREMENT.
- 22 (2) THE BOARD OF TRUSTEES SHALL, AFTER GIVING NOTICE, 23 TEMPORARILY SUSPEND THE RETIREE'S ALLOWANCE AS OF THE DATE THE RETIREE 24 BEGINS SERVING AS A SHERIFF.
- 25ON RECEIVING SATISFACTORY DOCUMENTATION THAT THE **(3) (I)** INDIVIDUAL IS NO LONGER SERVING AS A SHERIFF, THE BOARD OF TRUSTEES 2627 RETIREE'S SHALL REINSTATE THE **ALLOWANCE** WITH **ACCUMULATED** 28 COST-OF-LIVING ADJUSTMENTS FROM THE DATE THE ALLOWANCE WAS 29 TEMPORARILY SUSPENDED.
- 30 (II) THE RETIREE'S ALLOWANCE WILL BE REINSTATED ON THE 31 FIRST DAY OF THE MONTH FOLLOWING THE MONTH IN WHICH THE RETIREE CEASED 32 SERVING AS A SHERIFF.
- 33 (4) If A RETIREE WHOSE ALLOWANCE IS TEMPORARILY SUSPENDED 34 DIES WHILE SERVING AS A SHERIFF, SURVIVORSHIP BENEFITS SELECTED BY THE

- 1 MEMBER AT THE TIME OF RETIREMENT SHALL BE PAID TO:
- 2 (I) THE SURVIVING SPOUSE OR CHILD, IN ACCORDANCE WITH § 3 26-402 OF THIS SUBTITLE; OR
- 4 (II) IF THERE IS NO SURVIVING SPOUSE OR CHILD, THE 5 DESIGNATED BENEFICIARY IN ACCORDANCE WITH § 21–403 OF THIS ARTICLE.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  $7\,\,$  1, 2024.