

SENATE BILL 706

P6

4lr2085
CF HB 966

By: **Senator Jackson (Chair, Joint Committee on Pensions)**

Introduced and read first time: January 30, 2024

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 29, 2024

CHAPTER _____

1 AN ACT concerning

2 **Law Enforcement Officers' Pension System – Reemployment as Sheriff**

3 FOR the purpose of requiring the Board of Trustees for the State Retirement and Pension
4 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
6 after the date of retirement; providing for the reinstatement of a benefit; providing
7 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

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.



1 with a participating employer on a permanent, temporary, or contractual basis, without
2 any reduction in retirement allowance.

3 (b) A reemployed retiree who is receiving a service retirement allowance may not
4 receive creditable service or eligibility service during the period of reemployment.

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

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

10 (e) (1) Immediately on the employment of any retiree, a participating
11 employer shall notify the State Retirement Agency of the type of employment and the
12 anticipated earnings of the retiree.

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

17 (f) An individual who is receiving a service retirement allowance under this title
18 may not be employed within 45 days of the date the individual retired, on a permanent,
19 temporary, or contractual basis, by:

20 (1) the State or other participating employer; or

21 (2) a withdrawn participating governmental unit, if the retiree was an
22 employee of the withdrawn participating governmental unit while the withdrawn
23 governmental unit was a participating employer.

24 **(G) (1) THIS SECTION APPLIES TO A RETIREE WHO IS ELECTED AS A**
25 **SHERIFF LESS THAN ~~5 YEARS~~ 1 YEAR AFTER THE RETIREE'S DATE OF RETIREMENT.**

26 **(2) THE BOARD OF TRUSTEES SHALL, AFTER GIVING NOTICE,**
27 **TEMPORARILY SUSPEND THE RETIREE'S ALLOWANCE AS OF THE DATE THE RETIREE**
28 **BEGINS SERVING AS A SHERIFF.**

29 **(3) (I) ON RECEIVING SATISFACTORY DOCUMENTATION THAT THE**
30 **INDIVIDUAL IS NO LONGER SERVING AS A SHERIFF, THE BOARD OF TRUSTEES**
31 **SHALL REINSTATE THE RETIREE'S ALLOWANCE WITH ACCUMULATED**
32 **COST-OF-LIVING ADJUSTMENTS FROM THE DATE THE ALLOWANCE WAS**
33 **TEMPORARILY SUSPENDED.**

1 (II) THE RETIREE’S ALLOWANCE WILL BE REINSTATED ON THE
2 FIRST DAY OF THE MONTH FOLLOWING THE MONTH IN WHICH THE RETIREE CEASED
3 SERVING AS A SHERIFF.

4 (4) IF A RETIREE WHOSE ALLOWANCE IS TEMPORARILY SUSPENDED
5 DIES WHILE SERVING AS A SHERIFF, SURVIVORSHIP BENEFITS SELECTED BY THE
6 MEMBER AT THE TIME OF RETIREMENT SHALL BE PAID TO:

7 (I) THE SURVIVING SPOUSE OR CHILD, IN ACCORDANCE WITH §
8 26-402 OF THIS SUBTITLE; OR

9 (II) IF THERE IS NO SURVIVING SPOUSE OR CHILD, THE
10 DESIGNATED BENEFICIARY IN ACCORDANCE WITH § 21-403 OF THIS ARTICLE.

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to
12 apply only prospectively and may not be applied or interpreted to have any effect on or
13 application to any individual who retires before the effective date of this Act.

14 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 July 1, 2024.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.