

SENATE BILL 15

Unofficial Copy
K4

1999 Regular Session
(9lr0363)

ENROLLED BILL

-- Budget and Taxation/Appropriations --

Introduced by ~~Senator Green~~ **Senators Green, Currie, DeGrange, Hoffman,
Hogan, Kasemeyer, Lawlah, McFadden, Middleton, Munson, Ruben, and
Van Hollen**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Teachers' Retirement and Pension Systems - Reemployment of Retired**
3 **Teachers**

4 FOR the purpose of exempting from a certain offset of a retirement allowance certain
5 retirees of the Teachers' Retirement System or the Teachers' Pension System
6 who are employed by certain public schools; requiring the ~~State Board of~~
7 ~~Education~~ county boards of education to provide certain information to the State
8 Retirement Agency; *requiring the State Board of Education to adopt certain*
9 *regulations; requiring the State Board of Education to provide certain*
10 *information to the county boards of education; requiring the State Board of*
11 *Education to submit a certain ~~report~~ reports to the Governor and the General*
12 *Assembly in a certain manner on or before a certain ~~date~~ dates; providing for the*
13 *termination of this Act; and generally relating to the reemployment of retired*
14 teachers.

15 BY repealing and reenacting, with amendments,

1 Article - State Personnel and Pensions
 2 Section 22-406 and 23-407
 3 Annotated Code of Maryland
 4 (1997 Replacement Volume and 1998 Supplement)

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

7 **Article - State Personnel and Pensions**

8 22-406.

9 (a) Subject to subsection (b) of this section, an individual who is receiving a
 10 service retirement allowance or vested allowance may accept employment with a
 11 participating employer on a permanent, temporary, or contractual basis, without any
 12 reduction in the allowance, if the individual immediately notifies the Board of
 13 Trustees:

14 (1) of the individual's intention to accept the employment; and

15 (2) of the compensation that the individual will receive.

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

17 (i) an individual who has been retired for more than 10 years;

18 (ii) an individual whose average final compensation was less than
 19 \$10,000 and who is reemployed on a temporary or contractual basis;

20 (iii) an individual who is serving in an elected position as an official
 21 of a participating governmental unit or as a constitutional officer for a county that is
 22 a participating governmental unit; [or]

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

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

26 2. whose employment compensation does not derive, in whole
 27 or in part, from State funds; OR

28 (V) A RETIREE OF THE TEACHERS' RETIREMENT SYSTEM WHO:

29 1. IS OR HAS BEEN CERTIFIED TO TEACH IN THE STATE ~~AND~~
 30 ~~WHO:~~

31 2. HAS VERIFICATION OF SATISFACTORY OR BETTER
 32 PERFORMANCE IN THE LAST ASSIGNMENT PRIOR TO RETIREMENT;

1 3. BASED ON THE RETIRED TEACHER'S QUALIFICATIONS,
 2 HAS BEEN APPOINTED IN ACCORDANCE WITH § 4-103 OF THE EDUCATION ARTICLE;

3 4. A. RETIRED WITH A NORMAL SERVICE RETIREMENT
 4 ALLOWANCE UNDER § 22-401 OF THIS ARTICLE; OR

5 B. RETIRED WITH AN EARLY SERVICE RETIREMENT
 6 ALLOWANCE UNDER § 22-402 OF THIS ARTICLE AND HAS BEEN RETIRED FOR AT
 7 LEAST 12 MONTHS; ~~AND~~

8 4. 5. SUBJECT TO ITEM 6 OF THIS ITEM IS EMPLOYED AS:

9 A. A SUBSTITUTE CLASSROOM TEACHER OR SUBSTITUTE
 10 TEACHER MENTOR IN A PUBLIC SCHOOL THAT HAS BEEN RECOMMENDED FOR
 11 RECONSTITUTION, OR HAS BEEN RECONSTITUTED, BY THE STATE BOARD OF
 12 EDUCATION, UNTIL THE PUBLIC SCHOOL MEETS THE STANDARDS FOR SCHOOL
 13 PERFORMANCE SET BY THE STATE BOARD OF EDUCATION;

14 2. ~~HAS BEEN RETIRED FOR AT LEAST 12 MONTHS AND IS~~
 15 ~~EMPLOYED AS~~

16 B. A CLASSROOM TEACHER OR TEACHER MENTOR IN A
 17 PUBLIC SCHOOL THAT HAS BEEN RECOMMENDED FOR RECONSTITUTION, OR HAS
 18 BEEN RECONSTITUTED, BY THE STATE BOARD OF EDUCATION, UNTIL THE PUBLIC
 19 SCHOOL MEETS THE STANDARDS FOR SCHOOL PERFORMANCE SET BY THE STATE
 20 BOARD OF EDUCATION; ~~OR~~

21 3. ~~HAS BEEN RETIRED FOR AT LEAST 12 MONTHS AND IS~~
 22 ~~EMPLOYED AS~~

23 C. A CLASSROOM TEACHER OR TEACHER MENTOR IN A
 24 COUNTY ~~AND OR~~ SUBJECT AREA ON A STATEWIDE BASIS IN WHICH THE STATE
 25 BOARD OF EDUCATION FINDS THAT THERE IS A SHORTAGE OF TEACHERS, UNTIL
 26 THE STATE BOARD OF EDUCATION FINDS THE SHORTAGE NO LONGER EXISTS IN
 27 THAT COUNTY ~~AND OR~~ SUBJECT AREA ON A STATEWIDE BASIS; ~~;~~ OR

28 D. A SUBSTITUTE CLASSROOM TEACHER OR SUBSTITUTE
 29 TEACHER MENTOR IN A COUNTY OR SUBJECT AREA ON A STATEWIDE BASIS IN
 30 WHICH THE STATE BOARD OF EDUCATION FINDS THAT THERE IS A SHORTAGE OF
 31 TEACHERS, UNTIL THE STATE BOARD OF EDUCATION FINDS THE SHORTAGE NO
 32 LONGER EXISTS IN THAT COUNTY OR SUBJECT AREA ON A STATEWIDE BASIS; AND

33 6. RECEIVES VERIFICATION OF SATISFACTORY OR BETTER
 34 PERFORMANCE EACH YEAR THE TEACHER IS EMPLOYED UNDER ITEM 5 OF THIS
 35 ITEM.

36 (2) The Board of Trustees shall reduce an individual's allowance:

1 (i) by the amount that the sum of the individual's initial annual
2 basic allowance and the individual's annual compensation exceeds the average final
3 compensation used to compute the basic allowance; or

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

9 (c) An individual who is receiving a service retirement allowance or a vested
10 allowance and who is reemployed by a participating employer may not receive
11 creditable service or eligibility service during the period of reemployment.

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

15 (e) The State Retirement Agency shall institute appropriate reporting
16 procedures with the affected payroll systems to ensure compliance with this section.

17 (f) (1) Immediately on the employment of any individual receiving a service
18 retirement allowance or a vested allowance, a participating employer shall notify the
19 State Retirement Agency of the type of employment and the anticipated earnings of
20 the individual.

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

25 ~~(G) TO ASSIST THE STATE RETIREMENT AGENCY IN DETERMINING WHICH~~
26 ~~RETIRES QUALIFY UNDER SUBSECTION (B)(1)(V) OF THIS SECTION, THE STATE~~
27 ~~BOARD OF EDUCATION SHALL NOTIFY THE STATE RETIREMENT AGENCY OF THE~~
28 ~~COUNTY BOARDS OF EDUCATION SHALL NOTIFY THE STATE RETIREMENT AGENCY~~
29 ~~OF ANY RETIRED TEACHERS WHO QUALIFY UNDER SUBSECTION (B)(1)(V) OF THIS~~
30 ~~SECTION.~~

31 (H) THE STATE BOARD OF EDUCATION SHALL NOTIFY THE COUNTY BOARDS
32 OF EDUCATION OF:

33 (1) ANY PUBLIC SCHOOL THAT IS RECOMMENDED FOR
34 RECONSTITUTION OR HAS BEEN RECONSTITUTED;

35 (2) ANY PUBLIC SCHOOL THAT IS NO LONGER RECOMMENDED FOR
36 RECONSTITUTION OR IS OTHERWISE FOUND TO MEET THE STANDARDS FOR SCHOOL
37 PERFORMANCE SET BY THE STATE BOARD OF EDUCATION AFTER RECONSTITUTION
38 OR A RECOMMENDATION FOR RECONSTITUTION;

1 (3) ANY COUNTY ~~AND~~ OR SUBJECT AREA ON A STATEWIDE BASIS IN
 2 WHICH THE STATE BOARD OF EDUCATION FINDS THERE IS A SHORTAGE OF
 3 TEACHERS; AND

4 (4) A FINDING THAT THERE IS NO LONGER A SHORTAGE OF TEACHERS
 5 IN A COUNTY ~~AND~~ OR SUBJECT AREA ON A STATEWIDE BASIS.

6 (I) IN ADDITION TO ANY REGULATIONS ADOPTED IN ACCORDANCE
 7 WITH § 6-202 OF THE EDUCATION ARTICLE, THE STATE BOARD OF EDUCATION SHALL
 8 ADOPT REGULATIONS CONCERNING THE EMPLOYMENT TERMS OF RETIRED
 9 TEACHERS.

10 23-407.

11 (a) Subject to subsection (b) of this section, an individual who is receiving a
 12 service retirement allowance or a vested allowance may accept employment with a
 13 participating employer on a permanent, temporary, or contractual basis, without any
 14 reduction in the allowance, if:

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

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

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

19 (i) an individual whose average final compensation was less than
 20 \$10,000 and who is reemployed on a temporary or contractual basis; [or]

21 (ii) an individual who is serving in an elected position as an official
 22 of a participating governmental unit or as a constitutional officer for a county that is
 23 a participating governmental unit; OR

24 (III) A RETIREE OF THE TEACHERS' PENSION SYSTEM WHO:

25 1. IS OR HAS BEEN CERTIFIED TO TEACH IN THE STATE AND
 26 ~~WHO;~~

27 2. HAS VERIFICATION OF SATISFACTORY OR BETTER
 28 PERFORMANCE IN THE LAST ASSIGNMENT PRIOR TO RETIREMENT;

29 3. BASED ON THE RETIRED TEACHER'S QUALIFICATIONS,
 30 HAS BEEN APPOINTED IN ACCORDANCE WITH § 4-103 OF THE EDUCATION ARTICLE;

31 4. A. RETIRED WITH A NORMAL SERVICE RETIREMENT
 32 ALLOWANCE UNDER § 23-401 OF THIS ARTICLE; OR

33 B. RETIRED WITH AN EARLY SERVICE RETIREMENT
 34 ALLOWANCE UNDER § 23-402 OF THIS ARTICLE AND HAS BEEN RETIRED FOR AT
 35 LEAST 12 MONTHS; AND

1 (c) 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 (d) The individual's compensation during the period of reemployment may not
5 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 (e) The State Retirement Agency shall institute appropriate reporting
8 procedures with the affected payroll systems to ensure compliance with this section.

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

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
15 a list of all employees included on any payroll of the employer, the Social Security
16 numbers of the employees, and their earnings for that year.

17 (G) ~~TO ASSIST THE STATE RETIREMENT AGENCY IN DETERMINING WHICH~~
18 ~~RETIRES QUALIFY UNDER SUBSECTION (B)(1)(III) OF THIS SECTION, THE STATE~~
19 ~~BOARD OF EDUCATION SHALL NOTIFY THE STATE RETIREMENT AGENCY OF THE~~
20 ~~COUNTY BOARDS OF EDUCATION SHALL NOTIFY THE STATE RETIREMENT AGENCY~~
21 ~~OF ANY RETIRED TEACHERS WHO QUALIFY UNDER SUBSECTION (B)(1)(V) OF THIS~~
22 ~~SECTION.~~

23 (H) THE STATE BOARD OF EDUCATION SHALL NOTIFY THE COUNTY BOARDS
24 OF EDUCATION OF:

25 (1) ANY PUBLIC SCHOOL THAT IS RECOMMENDED FOR
26 RECONSTITUTION OR HAS BEEN RECONSTITUTED;

27 (2) ANY PUBLIC SCHOOL THAT IS NO LONGER RECOMMENDED FOR
28 RECONSTITUTION OR IS OTHERWISE FOUND TO MEET THE STANDARDS FOR SCHOOL
29 PERFORMANCE SET BY THE STATE BOARD OF EDUCATION AFTER RECONSTITUTION
30 OR A RECOMMENDATION FOR RECONSTITUTION;

31 (3) ANY COUNTY ~~AND~~ OR SUBJECT AREA ON A STATEWIDE BASIS IN
32 WHICH THE STATE BOARD OF EDUCATION FINDS THERE IS A SHORTAGE OF
33 TEACHERS; AND

34 (4) A FINDING THAT THERE IS NO LONGER A SHORTAGE OF TEACHERS
35 IN A COUNTY ~~AND~~ OR SUBJECT AREA ON A STATEWIDE BASIS.

36 (I) IN ADDITION TO ANY REGULATIONS ADOPTED IN ACCORDANCE
37 WITH § 6-202 OF THE EDUCATION ARTICLE, THE STATE BOARD OF EDUCATION SHALL
38 ADOPT REGULATIONS CONCERNING THE EMPLOYMENT TERMS OF RETIRED
39 TEACHERS.

1 SECTION 2. AND BE IT FURTHER ENACTED, That on or before December
2 31, 2001, and on or before December 31, 2003, the State Board of Education shall
3 submit a report to the Governor and, in accordance with § 2-1246 of the State
4 Government Article, the General Assembly, on the impact of this Act on teacher
5 recruitment and teacher shortages at Maryland's public schools.

6 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 ~~October 1, 1999~~ July 1, 1999. It shall remain in effect for a period of ~~3~~ 5 years and, at
8 the end of June 30, ~~2002~~ 2004, with no further action required by the General
9 Assembly, this Act shall be terminated and of no further force and effect.