

SENATE BILL 220

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2000 Regular Session  
0lr0609

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By: **Senators Green, Currie, Hollinger, Jimeno, Mitchell, Lawlah,  
Middleton, Munson, McFadden, Van Hollen, Collins, and DeGrange**  
Introduced and read first time: January 25, 2000  
Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

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

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 in certain personnel positions;  
7 requiring the county boards of education to provide certain information to the  
8 State Retirement Agency; requiring the State Board of Education to adopt  
9 certain regulations; making a technical correction; providing for the termination  
10 of this Act; and generally relating to the reemployment of retirees of the  
11 Teachers' Retirement System or the Teachers' Pension System who serve in  
12 certain personnel positions.

13 BY repealing and reenacting, with amendments,  
14 Article - State Personnel and Pensions  
15 Section 22-406 and 23-407  
16 Annotated Code of Maryland  
17 (1997 Replacement Volume and 1999 Supplement)

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

20 **Article - State Personnel and Pensions**

21 22-406.

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

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

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

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

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

4 (ii) an individual whose average final compensation was less than  
5 \$10,000 and who is reemployed on a temporary or contractual basis;

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

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

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

12 2. whose employment compensation does not derive, in whole  
13 or in part, from State funds; [or]

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

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

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

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

20 4. A. retired with a normal service retirement allowance  
21 under § 22-401 of this article; or

22 B. retired with an early service retirement allowance under §  
23 22-402 of this article and has been retired for at least 12 months;

24 5. subject to item 6 of this item is employed as:

25 A. a substitute classroom teacher or substitute teacher  
26 mentor in a public school that has been recommended for reconstitution, or has been  
27 reconstituted, by the State Board of Education, until the public school meets the  
28 standards for school performance set by the State Board of Education;

29 B. a classroom teacher or teacher mentor in a public school  
30 that has been recommended for reconstitution, or has been reconstituted, by the State  
31 Board of Education, until the public school meets the standards for school  
32 performance set by the State Board of Education;

33 C. a classroom teacher or teacher mentor in a county or  
34 subject area on a statewide basis in which the State Board of Education finds that

1 there is a shortage of teachers, until the State Board of Education finds the shortage  
2 no longer exists in that county or subject area on a statewide basis; or

3 D. a substitute classroom teacher or substitute teacher  
4 mentor in a county or subject area on a statewide basis in which the State Board of  
5 Education finds that there is a shortage of teachers, until the State Board of  
6 Education finds the shortage no longer exists in that county or subject area on a  
7 statewide basis; and

8 6. receives verification of satisfactory or better performance  
9 each year the teacher is employed under item 5 of this item; OR

10 (VI) A RETIREE OF THE TEACHERS' RETIREMENT SYSTEM WHO:

11 1. HAS VERIFICATION OF SATISFACTORY OR BETTER  
12 PERFORMANCE IN THE LAST ASSIGNMENT PRIOR TO RETIREMENT;

13 2. BASED ON THE RETIREE'S QUALIFICATIONS, HAS BEEN  
14 HIRED:

15 A. IN A SPECIALIZED PERSONNEL POSITION FOR WHICH THE  
16 COUNTY BOARD CONSIDERS THERE IS A SHORTAGE;

17 B. AS A PRINCIPAL;

18 C. AS STAFF WHO WORK DIRECTLY WITH STUDENTS; OR

19 D. AS A STATE MONITOR;

20 3. A. RETIRED WITH A NORMAL SERVICE RETIREMENT  
21 ALLOWANCE UNDER § 22-401 OF THIS SUBTITLE; OR

22 B. RETIRED WITH AN EARLY SERVICE RETIREMENT  
23 ALLOWANCE UNDER § 22-402 OF THIS SUBTITLE AND HAS BEEN RETIRED FOR AT  
24 LEAST 12 MONTHS; AND

25 4. RECEIVES VERIFICATION OF SATISFACTORY OR BETTER  
26 PERFORMANCE EACH YEAR THE RETIREE IS EMPLOYED IN A POSITION DESCRIBED IN  
27 ITEM 2 OF UNDER THIS ITEM.

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

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

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

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) The county boards of education shall notify the State Retirement Agency of  
18 any retired teachers who qualify under subsection (b)(1)(v) of this section OR ANY  
19 PERSONNEL WHO QUALIFY UNDER SUBSECTION (B)(1)(VI) OF THIS SECTION.

20 (h) The State Board of Education shall notify the county boards of education  
21 of:

22 (1) any public school that is recommended for reconstitution or has been  
23 reconstituted;

24 (2) any public school that is no longer recommended for reconstitution or  
25 is otherwise found to meet the standards for school performance set by the State  
26 Board of Education after reconstitution or a recommendation for reconstitution;

27 (3) any county or subject area on a statewide basis in which the State  
28 Board of Education finds there is a shortage of teachers; and

29 (4) a finding that there is no longer a shortage of teachers in a county or  
30 subject area on a statewide basis.

31 (i) In addition to any regulations adopted in accordance with § 6-202 of the  
32 Education Article, the State Board of Education shall adopt regulations concerning  
33 the employment terms of retired teachers AND PERSONNEL DESCRIBED IN  
34 SUBSECTION (B)(1)(VI) OF THIS SECTION.

35 23-407.

36 (a) Subject to subsection (b) of this section, an individual who is receiving a  
37 service retirement allowance or a vested allowance may accept employment with a

1 participating employer on a permanent, temporary, or contractual basis, without any  
2 reduction in the allowance, if:

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

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

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

7 (i) an individual whose average final compensation was less than  
8 \$10,000 and who is reemployed on a temporary or contractual basis;

9 (ii) an individual who is serving in an elected position as an official  
10 of a participating governmental unit or as a constitutional officer for a county that is  
11 a participating governmental unit; [or]

12 (iii) a retiree of the Teachers' Pension System who:

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

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

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

18 4. A. retired with a normal service retirement allowance  
19 under § 23-401 of this article; or

20 B. retired with an early service retirement allowance under §  
21 23-402 of this article and has been retired for at least 12 months;

22 5. subject to item 6 of this item is employed as:

23 A. a substitute classroom teacher or substitute teacher  
24 mentor in a public school that has been recommended for reconstitution, or has been  
25 reconstituted, by the State Board of Education, until the public school meets the  
26 standards for school performance set by the State Board of Education;

27 B. a classroom teacher or teacher mentor in a public school  
28 that has been recommended for reconstitution, or has been reconstituted, by the State  
29 Board of Education, until the public school meets the standards for school  
30 performance set by the State Board of Education;

31 C. a classroom teacher or teacher mentor in a county or  
32 subject area on a statewide basis in which the State Board of Education finds that  
33 there is a shortage of teachers, until the State Board of Education finds the shortage  
34 no longer exists in that county or subject area on a statewide basis; or

1 D. a substitute classroom teacher or substitute teacher  
2 mentor in a county or subject area on a statewide basis in which the State Board of  
3 Education finds that there is a shortage of teachers, until the State Board of  
4 Education finds the shortage no longer exists in that county or subject area on a  
5 statewide basis; and

6 6. receives verification of satisfactory or better performance  
7 each year the teacher is employed under item 5 of this item; OR

8 (IV) A RETIREE OF THE TEACHERS' PENSION SYSTEM WHO:

9 1. HAS VERIFICATION OF SATISFACTORY OR BETTER  
10 PERFORMANCE IN THE LAST ASSIGNMENT PRIOR TO RETIREMENT;

11 2. BASED ON THE SPECIALIZED PERSONNEL'S  
12 QUALIFICATIONS, HAS BEEN HIRED:

13 A. IN A SPECIALIZED PERSONNEL POSITION FOR WHICH THE  
14 COUNTY BOARD CONSIDERS THERE IS A SHORTAGE;

15 B. AS A PRINCIPAL;

16 C. AS STAFF WHO WORKS DIRECTLY WITH STUDENTS; OR

17 D. AS A STATE MONITOR;

18 3. A. RETIRED WITH A NORMAL SERVICE RETIREMENT  
19 ALLOWANCE UNDER § 23-401 OF THIS SUBTITLE; OR

20 B. RETIRED WITH AN EARLY SERVICE RETIREMENT  
21 ALLOWANCE UNDER § 23-402 OF THIS SUBTITLE AND HAS BEEN RETIRED FOR AT  
22 LEAST 12 MONTHS; AND

23 4. RECEIVES VERIFICATION OF SATISFACTORY OR BETTER  
24 PERFORMANCE EACH YEAR THE RETIREE IS EMPLOYED IN A POSITION DESCRIBED  
25 IN ITEM 2 OF THIS SUBPARAGRAPH.

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

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

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

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) The county boards of education shall notify the State Retirement Agency of  
18 any retired teachers who qualify under subsection [(b)(1)(v)] (B)(1)(III) of this section  
19 OR ANY PERSONNEL WHO QUALIFY UNDER SUBSECTION (B)(1)(IV) OF THIS SECTION.

20 (h) The State Board of Education shall notify the county boards of education  
21 of:

22 (1) any public school that is recommended for reconstitution or has been  
23 reconstituted;

24 (2) any public school that is no longer recommended for reconstitution or  
25 is otherwise found to meet the standards for school performance set by the State  
26 Board of Education after reconstitution or a recommendation for reconstitution;

27 (3) any county or subject area on a statewide basis in which the State  
28 Board of Education finds there is a shortage of teachers; and

29 (4) a finding that there is no longer a shortage of teachers in a county or  
30 subject area on a statewide basis.

31 (i) In addition to any regulations adopted in accordance with § 6-202 of the  
32 Education Article, the State Board of Education shall adopt regulations concerning  
33 the employment terms of retired teachers AND PERSONNEL DESCRIBED IN  
34 SUBSECTION (B)(1)(IV) OF THIS SECTION.

35 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
36 July 1, 2000. It shall remain effective for a period of 4 years and, at the end of June  
37 30, 2004, with no further action required by the General Assembly, this Act shall be  
38 abrogated and of no further force and effect.

