

HOUSE BILL 442

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K4

2001 Regular Session
(11r1481)

ENROLLED BILL
-- Appropriations/Budget and Taxation --

Introduced by **Delegates Malone and Moe**

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.

Speaker.

CHAPTER _____

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 in certain personnel positions under certain circumstances;
7 requiring the county boards of education to provide certain information to the
8 State Retirement Agency; clarifying that certain retirees must meet certain
9 performance requirements for each year of their employment prior to
10 retirement; providing for the termination of this Act; and generally relating to
11 the reemployment of retirees of the Teachers' Retirement System or the
12 Teachers' Pension System who serve in 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

1 (1997 Replacement Volume and 2000 Supplement)

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

4 **Article - State Personnel and Pensions**

5 22-406.

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

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

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

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

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

15 (ii) an individual whose average final compensation was less than
16 \$10,000 and who is reemployed on a temporary or contractual basis;

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

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

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

23 2. whose employment compensation does not derive, in whole
24 or in part, from State funds;

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

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

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

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

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

1 B. retired with an early service retirement allowance under §
2 22-402 of this article and has been retired for at least 12 months;

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

4 A. a substitute classroom teacher or substitute teacher
5 mentor in a public school that has been recommended for reconstitution, or has been
6 reconstituted, by the State Board of Education, until the public school meets the
7 standards for school performance set by the State Board of Education;

8 B. a classroom teacher or teacher mentor in a public school
9 that has been recommended for reconstitution, or has been reconstituted, by the State
10 Board of Education, until the public school meets the standards for school
11 performance set by the State Board of Education;

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

16 D. a substitute classroom teacher or substitute teacher
17 mentor in a county or subject area on a statewide basis in which the State Board of
18 Education finds that there is a shortage of teachers, until the State Board of
19 Education finds the shortage no longer exists in that county or subject area on a
20 statewide basis; and

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

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

24 1. A. was employed as a principal within 5 years of
25 retirement; OR

26 B. WAS EMPLOYED AS A PRINCIPAL NOT MORE THAN 5 10
27 YEARS BEFORE RETIREMENT AND WAS EMPLOYED IN A POSITION SUPERVISING
28 PRINCIPALS IN THE RETIREE'S LAST ASSIGNMENT PRIOR TO RETIREMENT;

29 2. has verification of better than satisfactory performance ~~in~~
30 ~~the last assignment~~ FOR EACH YEAR as a principal AND, IF APPLICABLE, IN A
31 POSITION SUPERVISING PRINCIPALS prior to retirement;

32 3. based on the retiree's qualifications, has been hired as a
33 principal;

34 4. A. retired with a normal service retirement allowance
35 under § 22-401 of this subtitle; or

36 B. retired with an early service retirement allowance under §
37 22-402 of this subtitle and has been retired for at least 12 months;

1 (g) The county boards of education shall notify the State Retirement Agency of
2 any retired teachers who qualify under subsection (b)(1)(v) of this section or any
3 personnel who qualify under subsection (b)(1)(vi) of this section.

4 (h) The State Board of Education shall notify the county boards of education
5 of:

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

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

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

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

15 (i) In addition to any regulations adopted in accordance with § 6-202 of the
16 Education Article, the State Board of Education shall adopt regulations concerning
17 the employment terms of retired teachers and personnel described in subsection
18 (b)(1)(vi) of this section.

19 (J) IF THE RETIREE'S LAST ASSIGNMENT PRIOR TO RETIREMENT WAS IN A
20 POSITION DIRECTLY SUPERVISING PRINCIPALS AS PROVIDED UNDER SUBSECTION
21 (B)(1)(VI) OF THIS SECTION, THE COUNTY BOARDS OF EDUCATION SHALL VERIFY FOR
22 THE STATE RETIREMENT AGENCY THE RETIREE'S EMPLOYMENT AS A SUPERVISOR
23 AND A PRINCIPAL.

24 23-407.

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

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

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

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

33 (i) an individual whose average final compensation was less than
34 \$10,000 and who is reemployed on a temporary or contractual basis;

1 (ii) an individual who is serving in an elected position as an official
2 of a participating governmental unit or as a constitutional officer for a county that is
3 a participating governmental unit;

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

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

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

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

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

12 B. retired with an early service retirement allowance under §
13 23-402 of this article and has been retired for at least 12 months;

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

15 A. a substitute classroom teacher or substitute teacher
16 mentor in a public school that has been recommended for reconstitution, or has been
17 reconstituted, by the State Board of Education, until the public school meets the
18 standards for school performance set by the State Board of Education;

19 B. a classroom teacher or teacher mentor in a public school
20 that has been recommended for reconstitution, or has been reconstituted, by the State
21 Board of Education, until the public school meets the standards for school
22 performance set by the State Board of Education;

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

27 D. a substitute classroom teacher or substitute teacher
28 mentor in a county or subject area on a statewide basis in which the State Board of
29 Education finds that there is a shortage of teachers, until the State Board of
30 Education finds the shortage no longer exists in that county or subject area on a
31 statewide basis; and

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

34 (iv) a retiree of the Teachers' Pension System who:

35 1. A. was employed as a principal within 5 years of
36 retirement; OR

1 B. WAS EMPLOYED AS A PRINCIPAL NOT MORE THAN 5 10
2 YEARS BEFORE RETIREMENT AND WAS EMPLOYED IN A POSITION SUPERVISING
3 PRINCIPALS IN THE RETIREE'S LAST ASSIGNMENT PRIOR TO RETIREMENT;

4 2. has verification of better than satisfactory performance ~~in~~
5 ~~the last assignment~~ FOR EACH YEAR as a principal AND, IF APPLICABLE, IN A
6 POSITION SUPERVISING PRINCIPALS prior to retirement;

7 3. based on the retiree's qualifications, has been hired as a
8 principal;

9 4. A. retired with a normal service retirement allowance
10 under § 23-401 of this subtitle; or

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

13 5. receives verification of better than satisfactory
14 performance each year the retiree is employed as a principal under item 3 of this
15 item; and

16 6. is not employed as a principal under item 3 of this item for
17 more than 4 years.

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

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

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

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

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

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

35 (f) (1) Immediately on the employment of any individual receiving a service
36 retirement allowance or a vested allowance, a participating employer shall notify the

1 State Retirement Agency of the type of employment and the anticipated earnings of
2 the individual.

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

7 (g) The county boards of education shall notify the State Retirement Agency of
8 any retired teachers who qualify under subsection (b)(1)(iii) of this section or any
9 personnel who qualify under subsection (b)(1)(iv) of this section.

10 (h) The State Board of Education shall notify the county boards of education
11 of:

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

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

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

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

21 (i) In addition to any regulations adopted in accordance with § 6-202 of the
22 Education Article, the State Board of Education shall adopt regulations concerning
23 the employment terms of retired teachers and personnel described in subsection
24 (b)(1)(iv) of this section.

25 (J) IF THE RETIREE'S LAST ASSIGNMENT PRIOR TO RETIREMENT WAS IN A
26 POSITION DIRECTLY SUPERVISING PRINCIPALS AS PROVIDED UNDER SUBSECTION
27 (B)(1)(VI) OF THIS SECTION, THE COUNTY BOARDS OF EDUCATION SHALL VERIFY FOR
28 THE STATE RETIREMENT AGENCY THE RETIREE'S EMPLOYMENT AS A SUPERVISOR
29 AND A PRINCIPAL.

30 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 July 1, 2001. It shall remain effective for a period of 3 years and at the end of June 30,
32 2004, with no further action required by the General Assembly, this Act shall be
33 abrogated and of no further force and effect.

