
By: **Senator Munson**
Introduced and read first time: January 19, 2001
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Correctional Officers' Retirement System - Reemployment of Retirees**

3 FOR the purpose of exempting from a certain offset of a retirement allowance certain
4 retirees of the Correctional Officers' Retirement System who are reemployed by
5 certain employers; providing for the application of this Act; and generally
6 relating to the computation of the retirement allowance of certain reemployed
7 retirees of the Correctional Officers' Retirement System.

8 BY repealing and reenacting, with amendments,
9 Article - State Personnel and Pensions
10 Section 25-403
11 Annotated Code of Maryland
12 (1997 Replacement Volume and 2000 Supplement)

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

15 **Article - State Personnel and Pensions**

16 25-403.

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

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

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

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

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

1 (ii) an individual whose average final compensation was less than
2 \$10,000 and who is reemployed on a temporary or contractual basis; [or]

3 (iii) an individual who is serving in an elected position as an official
4 of a participating governmental unit or as a constitutional officer for a county that is
5 a participating governmental unit; OR

6 (IV) AN INDIVIDUAL WHO HAS RETIRED:

7 1. WHO IS REEMPLOYED BY A PARTICIPATING EMPLOYER ON
8 OR BEFORE DECEMBER 31, 2000; AND

9 2. WHOSE EMPLOYMENT COMPENSATION IS NOT DERIVED,
10 IN WHOLE OR PART, FROM STATE FUNDS.

11 (2) The Board of Trustees shall reduce an individual's allowance by the
12 amount that the sum of the individual's initial annual basic allowance and the
13 individual's annual compensation exceeds the average final compensation used to
14 compute the basic allowance.

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

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

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

23 (f) (1) Immediately on the employment of any individual receiving a service
24 retirement allowance or a vested allowance, a participating employer shall notify the
25 State Retirement Agency of the type of employment and the anticipated earnings of
26 the individual.

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

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
32 October 1, 2001.