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## By: **Chairman, Appropriations Committee** Rules suspended Introduced and read first time: March 11, 2002

Assigned to: Rules and Executive Nominations Re-referred to: Appropriations, March 18, 2002

Committee Report: Favorable with amendments House action: Adopted Read second time: March 27, 2002

CHAPTER\_\_\_\_\_

1 AN ACT concerning

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## State Police Retirement System and Law Enforcement Officers' Pension System - Disability Retirement

4 FOR the purpose of altering the circumstances under which <u>certain</u> retirees of the

- 5 State Police Retirement System and Law Enforcement Officers' Pension System
- 6 are subject to certain <u>earnings</u> limitations <u>and certain reemployment</u>
- 7 restrictions when receiving an ordinary or ordinary, special, or accidental
- 8 disability retirement allowance; <u>exempting from certain earnings limitations</u>
- 9 and certain reemployment restrictions certain retirees of the State Police
- 10 Retirement System and Law Enforcement Officers' Pension System; and
- 11 generally relating to ordinary or ordinary, special, or accidental disability
- 12 retirement allowances under the State Police Retirement System and Law
- 13 Enforcement Officers' Pension System.

14 BY repealing and reenacting, with amendments,

- 15 Article State Personnel and Pensions
- 16 Section 29-115 and 29-116
- 17 Annotated Code of Maryland
- 18 (1997 Replacement Volume and 2001 Supplement)

# 19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

20 MARYLAND, That the Laws of Maryland read as follows:

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2 29-115.

## **Article - State Personnel and Pensions**

3 (A) THIS SECTION DOES NOT APPLY APPLIES TO A RETIREE OF THE STATE 4 POLICE RETIREMENT SYSTEM OR THE LAW ENFORCEMENT OFFICERS' PENSION 5 SYSTEM WHO:

#### 6 (1) RETIRES ON OR AFTER JULY 1, 2002;

7 (2)RECEIVING RECEIVES AN ORDINARY OR ORDINARY, SPECIAL, OR ACCIDENTAL DISABILITY RETIREMENT ALLOWANCE, OR A MEMBER OF THE LAW 8 9 ENFORCEMENT OFFICERS' PENSION SYSTEM RECEIVING AN ORDINARY OR 10 ACCIDENTAL DISABILITY RETIREMENT ALLOWANCE UNLESS THE MEMBER 11 ALLOWANCE; AND

12 (3)IS EMPLOYED REEMPLOYED IN THE STATE AS A PROBATIONARY 13 STATUS LAW ENFORCEMENT OFFICER, A LAW ENFORCEMENT OFFICER, OR CHIEF, AS 14 DEFINED IN ARTICLE 27, § 727 OF THE CODE.

15 If a disability retiree is under normal retirement age, the Board of [(a)](B) 16 Trustees may require the disability retiree to undergo a yearly medical examination.

17 The retiree shall be examined by a physician chosen by the Board of [(b)] (C) 18 Trustees at a place agreed on by the retiree and the physician conducting the 19 examination.

20 [(c)] If a retiree who is under normal retirement age refuses a medical (D) 21 examination, the Board of Trustees may stop payment of the retiree's allowance until 22 the retiree withdraws the refusal.

23 If a retiree's refusal of a medical examination continues for 1 year, [(d)](E) 24 the Board of Trustees may revoke the retiree's rights in the retiree's disability 25 retirement allowance.

26 (F) The Board of Trustees may, after giving notice and an [(e)] (1)opportunity for a hearing, suspend the retiree's allowance if: 27

28 a retiree is employed by a participating employer at an annual (i) 29 compensation that is at least equal to the retiree's average final compensation at 30 retirement;

31 a retiree is employed by a participating employer at an annual (ii) 32 compensation that is less than the retiree's average final compensation at retirement 33 in a position similar to the position held before retirement; or

34 the Board of Trustees determines that a retiree has refused to (iii) 35 accept from the retiree's employer at retirement an offer of reemployment in a 36 position comparable to the position held before retirement or a position with

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1 compensation that is at least equal to the retiree's average final compensation at 2 retirement.

3 (2) A retiree whose allowance is suspended under this subsection may 4 receive a vested allowance as provided under Title 29, Subtitle 3 of this article, if the 5 retiree had at least 5 years of eligibility service at retirement.

6 [(f)] (G) A member who retires on or after July 1, 1982, and receives a
7 disability retirement allowance shall provide yearly medical and earnings
8 information on request of the Board of Trustees until the retiree attains normal
9 retirement age.

10 [(g)] (H) If the retiree refuses to provide the information, the Board of 11 Trustees shall suspend the retiree's allowance until the information is provided.

12 29-116.

13 (A) THIS SECTION DOES NOT APPLY <u>APPLIES</u> TO A RETIREE OF THE STATE
14 POLICE RETIREMENT SYSTEM <u>OR THE LAW ENFORCEMENT OFFICERS' PENSION</u>
15 <u>SYSTEM WHO:</u>

16 (1) <u>RETIRES ON OR AFTER JULY 1, 2002;</u>

17 (2) RECEIVING RECEIVES AN ORDINARY OR ORDINARY, SPECIAL, OR
 18 ACCIDENTAL DISABILITY RETIREMENT ALLOWANCE, OR A MEMBER OF THE LAW
 19 ENFORCEMENT OFFICERS' PENSION SYSTEM RECEIVING AN ORDINARY OR
 20 ACCIDENTAL DISABILITY RETIREMENT ALLOWANCE UNLESS THE MEMBER
 21 ALLOWANCE; AND

22 <u>(3)</u> IS <u>EMPLOYED</u> <u>REEMPLOYED</u> IN THE STATE AS A PROBATIONARY 23 STATUS LAW ENFORCEMENT OFFICER, A LAW ENFORCEMENT OFFICER, OR CHIEF, AS 24 DEFINED IN ARTICLE 27, § 727 OF THE CODE.

25 [(a)] (B) The Board of Trustees shall reduce the pension of a retiree on 26 ordinary<u>, SPECIAL</u>, OR ACCIDENTAL disability if:

27 (1) the retiree is under normal retirement age;

(2) the medical board certifies in a report to the Board of Trustees that
(2) the retiree is engaged in a gainful occupation paying more than the difference
(3) between:

- 31 (i) the retiree's retirement allowance at retirement; and
- 32 (ii) the retiree's average final compensation plus \$5,000; and
- 33 (3) the Board of Trustees agrees with the medical board's report.

34 [(b)] (C) The Board of Trustees shall reduce the pension of a retiree who has 35 been receiving an ordinary<u>, SPECIAL</u>, OR ACCIDENTAL disability retirement allowance 36 for:

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1 (1) less than 10 years, by \$1 for every \$2 that the retiree's current 2 compensation exceeds the limit under subsection [(a)] (B) of this section; or

3 (2) at least 10 years, by \$1 for every \$5 that the retiree's current 4 compensation exceeds the limit under subsection [(a)] (B) of this section.

5 [(c)] (D) The pension to be reduced under this section is the pension at 6 retirement without any cost-of-living adjustment.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be

8 construed to apply only prospectively and shall be applied to and interpreted to affect
 9 only those individuals retiring on or after July 1, 2002.

10 SECTION <del>3.</del> <u>2.</u> AND BE IT FURTHER ENACTED, That this Act shall take 11 effect July 1, 2002.

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