

HOUSE BILL 611

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SB 803/02 - B&T

2003 Regular Session
3r1594
CF SB 27

By: **Delegates Heller, Conway, and King**
Introduced and read first time: February 6, 2003
Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Teachers' Retirement and Pension Systems - Reemployment of Retired**
3 **Speech-Language Pathologists and Audiologists**

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 as speech-language pathologists or
7 audiologists; requiring the county boards of education to provide certain
8 information to the State Retirement Agency; requiring the State Board of
9 Education to adopt certain regulations; providing for the termination of this Act;
10 and generally relating to the reemployment of retirees of the Teachers'
11 Retirement System or the Teachers' Pension System who serve as
12 speech-language pathologists or audiologists.

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 2002 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) An individual who is receiving a service retirement allowance or vested
23 allowance may accept employment with a participating employer on a permanent,
24 temporary, or contractual basis, if:

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

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

1 (b) (1) The Board of Trustees shall reduce the allowance of an individual
2 who accepts employment as provided under subsection (a) of this section if:

3 (i) the individual's current employer is a participating employer
4 other than the State and is the same participating employer that employed the
5 individual at the time of the individual's last separation from employment with a
6 participating employer before the individual commenced receiving a service
7 retirement allowance or vested allowance;

8 (ii) the individual's current employer is any unit of State
9 government and the individual's employer at the time of the individual's last
10 separation from employment with the State before the individual commenced
11 receiving a service retirement allowance or vested allowance was also a unit of State
12 government; or

13 (iii) the individual becomes reemployed within 12 months of
14 receiving an early service retirement allowance under § 22-402 of this subtitle.

15 (2) The reduction required under paragraph (1) of this subsection shall
16 equal:

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

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

25 (3) A reduction of an early service retirement allowance under paragraph
26 (1)(iii) of this subsection shall be applied only until the individual has received an
27 allowance for 12 months.

28 (4) Except for an individual whose allowance is subject to a reduction as
29 provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an
30 allowance under this subsection does not apply to:

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

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

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

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

- 1 1. who retired and was reemployed by a participating
2 employer other than the State on or before September 30, 1994; and
- 3 2. whose employment compensation does not derive, in whole
4 or in part, from State funds;
- 5 (v) a retiree of the Teachers' Retirement System who:
 - 6 1. is or has been certified to teach in the State;
 - 7 2. has verification of satisfactory or better performance in
8 the last assignment prior to retirement;
 - 9 3. based on the retired teacher's qualifications, has been
10 appointed in accordance with § 4-103 of the Education Article;
 - 11 4. subject to item 5 of this item is employed as:
 - 12 A. a substitute classroom teacher or substitute teacher
13 mentor in a public school that has been recommended for reconstitution, or has been
14 reconstituted, by the State Board of Education, until the public school meets the
15 standards for school performance set by the State Board of Education;
 - 16 B. a classroom teacher or teacher mentor in a public school
17 that has been recommended for reconstitution, or has been reconstituted, by the State
18 Board of Education, until the public school meets the standards for school
19 performance set by the State Board of Education;
 - 20 C. a classroom teacher or teacher mentor in a county or
21 subject area on a statewide basis in which the State Board of Education finds that
22 there is a shortage of teachers, until the State Board of Education finds the shortage
23 no longer exists in that county or subject area on a statewide basis; or
 - 24 D. a substitute classroom teacher or substitute teacher
25 mentor in a county or subject area on a statewide basis in which the State Board of
26 Education finds that there is a shortage of teachers, until the State Board of
27 Education finds the shortage no longer exists in that county or subject area on a
28 statewide basis; and
 - 29 5. receives verification of satisfactory or better performance
30 each year the teacher is employed under item 4 of this item;
- 31 (vi) a retiree of the Teachers' Retirement System who:
 - 32 1. A. was employed as a principal within 5 years of
33 retirement; or
 - 34 B. was employed as a principal not more than 10 years before
35 retirement and was employed in a position supervising principals in the retiree's last
36 assignment prior to retirement;

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1 2. has verification of better than satisfactory performance for
 2 each year as a principal and, if applicable, in a position supervising principals prior to
 3 retirement;

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

6 4. receives verification of better than satisfactory
 7 performance each year the retiree is employed as a principal under item 3 of this
 8 item; and

9 5. is not employed as a principal under item 3 of this item for
 10 more than 4 years;

11 (vii) a former employee of the Domestic Relations Division of Anne
 12 Arundel County Circuit Court who transfers into the State Employees' Personnel
 13 System under § 2-510 of the Courts Article; [or]

14 (viii) a retiree of the Employees' Retirement System who is
 15 reemployed on a contractual basis by the Department of Health and Mental Hygiene
 16 as a health care practitioner, as defined in § 1-301 of the Health Occupations Article,
 17 in:

18 1. a State residential center as defined in § 7-101 of the
 19 Health - General Article;

20 2. a chronic disease center subject to Title 19, Subtitle 5 of
 21 the Health - General Article;

22 3. a State facility as defined in § 10-101 of the Health -
 23 General Article; or

24 4. a county board of health subject to Title 3, Subtitle 2 of the
 25 Health - General Article; OR

26 (IX) A RETIREE OF THE TEACHERS' RETIREMENT SYSTEM WHO:

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

29 2. BASED ON THE RETIREE'S QUALIFICATIONS, HAS BEEN
 30 HIRED AS A SPEECH-LANGUAGE PATHOLOGIST OR AUDIOLOGIST;

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

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

1 4. RECEIVES VERIFICATION OF SATISFACTORY OR BETTER
2 PERFORMANCE EACH YEAR THE RETIREE IS EMPLOYED IN A POSITION DESCRIBED
3 IN ITEM 2 OF THIS ITEM.

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

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

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

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

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

20 (g) The county boards of education shall notify the State Retirement Agency of
21 any retired teachers who qualify under subsection (b)(4)(v) of this section or any
22 personnel who qualify under subsection (b)(4)(vi) OR (IX) of this section.

23 (h) The State Board of Education shall notify the county boards of education
24 of:

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

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

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

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

34 (i) In addition to any regulations adopted in accordance with § 6-202 of the
35 Education Article, the State Board of Education shall adopt regulations concerning
36 the employment terms of retired teachers and personnel described in subsection
37 (b)(4)(vi) OR (IX) of this section.

1 (j) If the retiree's last assignment prior to retirement was in a position
2 directly supervising principals as provided under subsection (b)(4)(vi) of this section,
3 the county boards of education shall verify for the State Retirement Agency the
4 retiree's employment as a supervisor and a principal.

5 (k) At the request of the State Retirement Agency:

6 (1) a participating employer shall certify to the State Retirement Agency
7 that it is not the same participating employer that employed an individual at the time
8 of the individual's last separation from employment before the individual commenced
9 receiving a service retirement allowance or a vested allowance; or

10 (2) a unit of State government shall certify to the State Retirement
11 Agency that the individual was not employed by any unit of State government at the
12 time of the individual's last separation from employment before the individual
13 commenced receiving a service retirement allowance or a vested allowance.

14 (l) The Department of Health and Mental Hygiene shall notify the State
15 Retirement Agency of any retirees who qualify under subsection (b)(4)(viii) of this
16 section.

17 23-407.

18 (a) An individual who is receiving a service retirement allowance or a vested
19 allowance may accept employment with a participating employer on a permanent,
20 temporary, or contractual basis, if:

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

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

24 (b) (1) The Board of Trustees shall reduce the allowance of an individual
25 who accepts employment as provided under subsection (a) of this section if:

26 (i) the individual's current employer is a participating employer
27 other than the State and is the same participating employer that employed the
28 individual at the time of the individual's last separation from employment with a
29 participating employer before the individual commenced receiving a service
30 retirement allowance or vested allowance;

31 (ii) the individual's current employer is any unit of State
32 government and the individual's employer at the time of the individual's last
33 separation from employment with the State before the individual commenced
34 receiving a service retirement allowance or vested allowance was also a unit of State
35 government; or

36 (iii) the individual becomes reemployed within 12 months of
37 receiving an early service retirement allowance or an early vested allowance
38 computed under § 23-402 of this subtitle.

1 (2) The reduction required under paragraph (1) of this subsection shall
2 equal:

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

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

11 (3) A reduction of an early service retirement allowance or an early
12 vested allowance under paragraph (1)(iii) of this subsection shall be applied only until
13 the individual has received an allowance for 12 months.

14 (4) Except for an individual whose allowance is subject to a reduction as
15 provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an
16 allowance under this subsection does not apply to:

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

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

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

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

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

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

28 4. subject to item 5 of this item is employed as:

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

33 B. a classroom teacher or teacher mentor in a public school
34 that has been recommended for reconstitution, or has been reconstituted, by the State
35 Board of Education, until the public school meets the standards for school
36 performance set by the State Board of Education;

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

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

10 5. receives verification of satisfactory or better performance
 11 each year the teacher is employed under item 4 of this item;

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

13 1. A. was employed as a principal within 5 years of
 14 retirement; or

15 B. was employed as a principal not more than 10 years before
 16 retirement and was employed in a position supervising principals in the retiree's last
 17 assignment prior to retirement;

18 2. has verification of better than satisfactory performance for
 19 each year as a principal and, if applicable, in a position supervising principals prior to
 20 retirement;

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

23 4. receives verification of better than satisfactory
 24 performance each year the retiree is employed as a principal under item 3 of this
 25 item; and

26 5. is not employed as a principal under item 3 of this item for
 27 more than 4 years;

28 (v) an individual who has been retired for more than 10 years; [or]

29 (vi) a retiree of the Employees' Pension System who is reemployed
 30 on a contractual basis by the Department of Health and Mental Hygiene as a health
 31 care practitioner, as defined in § 1-301 of the Health Occupations Article in:

32 1. a State residential center as defined in § 7-101 of the
 33 Health - General Article;

34 2. a chronic disease center subject to Title 19, Subtitle 5 of
 35 the Health - General Article;

1 3. a State facility as defined in § 10-101 of the Health -
2 General Article; or

3 4. a county board of health subject to Title 3, Subtitle 2 of the
4 Health - General Article; OR

5 (VII) A RETIREE OF THE TEACHERS' PENSION SYSTEM WHO:

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

8 2. BASED ON THE RETIREE'S QUALIFICATIONS, HAS BEEN
9 HIRED AS A SPEECH-LANGUAGE PATHOLOGIST OR AUDIOLOGIST;

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

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

15 4. RECEIVES VERIFICATION OF SATISFACTORY OR BETTER
16 PERFORMANCE EACH YEAR THE RETIREE IS EMPLOYED IN A POSITION DESCRIBED
17 IN ITEM 2 OF THIS ITEM.

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

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

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

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

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

34 (g) The county boards of education shall notify the State Retirement Agency of
35 any retired teachers who qualify under subsection (b)(4)(iii) of this section or any
36 personnel who qualify under subsection (b)(4)(iv) OR (VII) of this section.

1 (h) The State Board of Education shall notify the county boards of education
2 of:

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

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

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

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

12 (i) In addition to any regulations adopted in accordance with § 6-202 of the
13 Education Article, the State Board of Education shall adopt regulations concerning
14 the employment terms of retired teachers and personnel described in subsection
15 (b)(4)(iv) OR (VII) of this section.

16 (j) If the retiree's last assignment prior to retirement was in a position
17 directly supervising principals as provided under subsection (b)(4)(iv) of this section,
18 the county boards of education shall verify for the State Retirement Agency the
19 retiree's employment as a supervisor and a principal.

20 (k) At the request of the State Retirement Agency:

21 (1) a participating employer shall certify to the State Retirement Agency
22 that it is not the same participating employer that employed an individual at the time
23 of the individual's last separation from employment before the individual commenced
24 receiving a service retirement allowance or a vested allowance; or

25 (2) a unit of State government shall certify to the State Retirement
26 Agency that the individual was not employed by any unit of State government at the
27 time of the individual's last separation from employment before the individual
28 commenced receiving a service retirement allowance or a vested allowance.

29 (l) The Department of Health and Mental Hygiene shall notify the State
30 Retirement Agency of any retirees who qualify under subsection (b)(4)(vi) of this
31 section.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 July 1, 2003. It shall remain effective for a period of 1 year and, at the end of June 30,
34 2004, with no further action required by the General Assembly, this Act shall be
35 abrogated and of no further force and effect.