

SENATE BILL 92

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K4

2003 Regular Session  
(3r1371)

**ENROLLED BILL**  
-- Budget and Taxation/Appropriations --

Introduced by **Senator Kasemeyer (Chairman, Joint Committee on Pensions)**

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.

\_\_\_\_\_  
President.

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Local Fire and Police ~~Retirement~~ System - Reemployment of Retirees**

3 FOR the purpose of exempting from a certain offset of an allowance certain retirees of  
4 the Local Fire and Police ~~Retirement~~ System who are reemployed by certain  
5 employers; altering certain requirements for the reemployment of certain  
6 retirees of the Local Fire and Police ~~Retirement~~ System; and generally relating  
7 to the reemployment of retirees of the Local Fire and Police ~~Retirement~~ System.

8 BY repealing and reenacting, with amendments,  
9 Article - State Personnel and Pensions  
10 Section 28-402  
11 Annotated Code of Maryland  
12 (1997 Replacement Volume and 2002 Supplement)

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

1 **Article - State Personnel and Pensions**

2 28-402.

3 (a) [Subject to subsection (b) of this section, an] AN individual who is  
4 receiving a service retirement allowance or vested allowance may accept employment  
5 with a participating employer on a permanent, temporary, or contractual basis,  
6 without any reduction in the allowance, if:

7 (1) the individual immediately notifies the Board of Trustees of the  
8 individual's intention to accept the employment; and

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

10 (b) (1) [This subsection does not apply to:

11 (i) an individual whose average final compensation was less than  
12 \$10,000 and who is reemployed on a temporary or contractual basis; or

13 (ii) an individual who is serving in an elected position as an official  
14 of a participating governmental unit or as a constitutional officer for a county that is  
15 a participating governmental unit] THE BOARD OF TRUSTEES SHALL REDUCE THE  
16 ALLOWANCE OF AN INDIVIDUAL WHO ACCEPTS EMPLOYMENT AS PROVIDED UNDER  
17 SUBSECTION (A) OF THIS SECTION IF THE INDIVIDUAL'S CURRENT EMPLOYER IS A  
18 PARTICIPATING EMPLOYER OTHER THAN THE STATE AND IS THE SAME  
19 PARTICIPATING EMPLOYER THAT EMPLOYED THE INDIVIDUAL AT THE TIME OF THE  
20 INDIVIDUAL'S LAST SEPARATION FROM EMPLOYMENT WITH A PARTICIPATING  
21 EMPLOYER BEFORE THE INDIVIDUAL COMMENCED RECEIVING A SERVICE  
22 RETIREMENT ALLOWANCE OR VESTED ALLOWANCE.

23 (2) [The Board of Trustees shall reduce an individual's allowance by]  
24 THE REDUCTION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL  
25 EQUAL the amount that the sum of the individual's initial annual basic allowance and  
26 the individual's annual compensation exceeds the average final compensation used to  
27 compute the basic allowance.

28 (3) EXCEPT FOR AN INDIVIDUAL WHOSE ALLOWANCE IS SUBJECT TO A  
29 REDUCTION AS PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE  
30 REDUCTION OF AN ALLOWANCE UNDER THIS SUBSECTION DOES NOT APPLY TO:

31 (I) AN INDIVIDUAL WHOSE AVERAGE FINAL COMPENSATION WAS  
32 LESS THAN \$10,000 AND WHO IS REEMPLOYED ON A TEMPORARY OR CONTRACTUAL  
33 BASIS; OR

34 (II) AN INDIVIDUAL WHO IS SERVING IN AN ELECTED POSITION AS  
35 AN OFFICIAL OF A PARTICIPATING GOVERNMENTAL UNIT OR AS A CONSTITUTIONAL  
36 OFFICER FOR A COUNTY THAT IS A PARTICIPATING GOVERNMENTAL UNIT.

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 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
18 July 1, 2003.