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By: **Delegates Leopold and James**  
Introduced and read first time: January 15, 2004  
Assigned to: Appropriations

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A BILL ENTITLED

1 AN ACT concerning

2                                   **State Retirement and Pension System - Ordinary Disability Retirement**  
3                                   **Allowance - Earnings Offset**

4 FOR the purpose of reducing the earnings offset to an ordinary disability retirement  
5 allowance for certain retirees receiving an ordinary disability retirement  
6 allowance; eliminating the earnings offset to an ordinary disability retirement  
7 allowance for certain retirees receiving an ordinary disability retirement  
8 allowance; and generally relating to the earnings offset to ordinary disability  
9 retirement allowances.

10 BY repealing and reenacting, with amendments,  
11 Article - State Personnel and Pensions  
12 Section 29-116  
13 Annotated Code of Maryland  
14 (1997 Replacement Volume and 2003 Supplement)

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

17                                   **Article - State Personnel and Pensions**

18 29-116.

19 (a) The Board of Trustees shall reduce the pension of a retiree on ordinary  
20 disability if:

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

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

25                                   (i) the retiree's retirement allowance at retirement; and

26                                   (ii) the retiree's average final compensation plus \$5,000;

1 (3) the Board of Trustees agrees with the medical board's report; and

2 (4) the retiree's allowance has not been temporarily suspended as  
3 provided in § 29-115 of this subtitle.

4 (b) [The] IF A RETIREE HAS BEEN RECEIVING AN ORDINARY DISABILITY  
5 RETIREMENT ALLOWANCE FOR LESS THAN 10 YEARS, THE Board of Trustees shall  
6 reduce the [pension of a retiree who has been receiving an ordinary disability  
7 retirement allowance for:

8 (1) less than 10 years,] ALLOWANCE by \$1 for every [\$2] \$4 that the  
9 retiree's current compensation exceeds the limit under subsection (a) of this section[;  
10 or

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

13 (c) The pension to be reduced under this section is the pension at retirement  
14 without any cost-of-living adjustment.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
16 July 1, 2004.