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### By: **Delegate James** Introduced and read first time: February 13, 2004 Assigned to: Appropriations

# A BILL ENTITLED

1 AN ACT concerning

2

### **Retirement and Pensions - Reemployment of Retirees**

3 FOR the purpose of requiring that certain retirees of the Teachers' Retirement System

4 or the Teachers' Pension System who are rehired by certain employers return to

5 work in certain schools or teach certain subjects; requiring certain

6 superintendents of local school systems to submit a certain report to the State

7 Board of Education by a certain date; limiting the salary that certain retirees of

8 the Employees' Retirement System, the Teachers' Retirement System, the

9 Employees' Pension System, or Teachers' Pension System may receive when

10 they are rehired by certain employers; providing that certain retirees of the

11 Employees' Retirement System, the Teachers' Retirement System, the

12 Employees' Pension System, or Teachers' Pension System may not be rehired by

13 certain employers within a certain period of time from the date when the

14 retirees retired; removing the requirement that the State Board of Education

15 provide the county boards of education with certain information regarding

16 reconstituted schools; requiring the State Superintendent of Schools and the

17 Secretary of Health and Mental Hygiene to submit certain reports to the Joint

18 Committee on Pensions by a certain date; altering the termination dates for

19 certain provisions of law that allow certain retirees of the Employees'

20 Retirement System, the Teachers' Retirement System, the Employees' Pension

21 System, or Teachers' Pension System to be reemployed by certain employers

22 without having an earnings limitation imposed on their retirement benefits;

23 providing for the application of this Act; and generally relating to the

24 reemployment of retirees of the Employees' Retirement System, the Teachers'

25 Retirement System, the Employees' Pension System, or Teachers' Pension

26 System.

27 BY repealing and reenacting, with amendments,

- 28 Article State Personnel and Pensions
- 29 Section 22-406 and 23-407
- 30 Annotated Code of Maryland
- 31 (1997 Replacement Volume and 2003 Supplement)

32 BY repealing and reenacting, with amendments,

33 Chapter 518 of the Acts of the General Assembly of 1999

1 Section 3

2 BY repealing and reenacting, with amendments,

3 Chapter 245 of the Acts of the General Assembly of 2000

4 Section 3

5 BY repealing and reenacting, with amendments,

- 6 Chapter 732 of the Acts of the General Assembly of 2001
- 7 Section 2

8 BY repealing and reenacting, with amendments,

- 9 Chapter 733 of the Acts of the General Assembly of 2001
- 10 Section 3

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

13

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

14 22-406.

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

18 (1) the individual immediately notifies the Board of Trustees of the19 individual's intention to accept this employment; and

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

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

23 (i) the individual's current employer is a participating employer

24 other than the State and is the same participating employer that employed the

25 individual at the time of the individual's last separation from employment with a

26 participating employer before the individual commenced receiving a service

27 retirement allowance or vested allowance;

28 (ii) the individual's current employer is any unit of State

29 government and the individual's employer at the time of the individual's last

30 separation from employment with the State before the individual commenced

31 receiving a service retirement allowance or vested allowance was also a unit of State

32 government; or

33 (iii) the individual becomes reemployed within 12 months of 34 receiving an early service retirement allowance under § 22-402 of this subtitle.

| -  |                    |   |  |  |  |  |  |  |
|--|--------------------|---|--|--|--|--|--|--|
| 1 (2)<br>2 equal:  | The rec            | uction required under paragraph (1) of this subsection shall  |  |  |  |  |  |  |
|  |                    | the amount by which the sum of the individual's initial annual<br>dual's annual compensation exceeds the average final<br>e the basic allowance; or |  |  |  |  |  |  |
| 6 (ii) for a retiree who retired under the Workforce Reduction Act<br>7 (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual<br>8 compensation and the retiree's annual basic allowance at the time of retirement,<br>9 including the incentive provided by the Workforce Reduction Act, exceeds the average<br>10 final compensation used to compute the basic allowance. |                    |   |  |  |  |  |  |  |
| 11 (3) A reduction of an early service retirement allowance under paragraph<br>12 (1)(iii) of this subsection shall be applied only until the individual has received an<br>13 allowance for 12 months.  |                    |   |  |  |  |  |  |  |
| 14 (4) Except for an individual whose allowance is subject to a reduction as<br>15 provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an<br>16 allowance under this subsection does not apply to:   |                    |   |  |  |  |  |  |  |
| 17   | (i)                | an individual who has been retired for more than 10 years;  |  |  |  |  |  |  |
| 18<br>19 \$10,000 and who i  | (ii)<br>s reemploy | an individual whose average final compensation was less than<br>ed on a temporary or contractual basis;   |  |  |  |  |  |  |
| 20 (iii) an individual who is serving in an elected position as an official<br>21 of a participating governmental unit or as a constitutional officer for a county that is<br>22 a participating governmental unit;  |                    |   |  |  |  |  |  |  |
| 23   | (iv)               | a retiree of the Teachers' Retirement System:   |  |  |  |  |  |  |
| <ul><li>24</li><li>25 employer other that</li></ul>  | n the State        | 1. who retired and was reemployed by a participating on or before September 30, 1994; and   |  |  |  |  |  |  |
| 26<br>27 or in part, from Sta  | ate funds;         | 2. whose employment compensation does not derive, in whole  |  |  |  |  |  |  |
| 28   | (v)                | a retiree of the Teachers' Retirement System who:   |  |  |  |  |  |  |
| 29   |                    | 1. is or has been certified to teach in the State;  |  |  |  |  |  |  |
| <ul><li>30</li><li>31 the last assignmen</li></ul>   | t prior to re      | 2. has verification of satisfactory or better performance in tirement;  |  |  |  |  |  |  |
| <ul><li>32</li><li>33 appointed in accor</li></ul>   | dance with         | 3. based on the retired teacher's qualifications, has been § 4-103 of the Education Article; AND  |  |  |  |  |  |  |
| 34   |                    | 4. [subject to item 5 of this item is employed as:  |  |  |  |  |  |  |

1 a substitute classroom teacher or substitute teacher A. 2 mentor in a public school that has been recommended for reconstitution, or has been 3 reconstituted, by the State Board of Education, until the public school meets the 4 standards for school performance set by the State Board of Education; 5 B. a classroom teacher or teacher mentor in a public school 6 that has been recommended for reconstitution, or has been reconstituted, by the State 7 Board of Education, until the public school meets the standards for school 8 performance set by the State Board of Education; 9 a classroom teacher or teacher mentor in a county or С. 10 subject area on a statewide basis in which the State Board of Education finds that 11 there is a shortage of teachers, until the State Board of Education finds the shortage 12 no longer exists in that county or subject area on a statewide basis; or 13 D. a substitute classroom teacher or substitute teacher 14 mentor in a county or subject area on a statewide basis in which the State Board of 15 Education finds that there is a shortage of teachers, until the State Board of 16 Education finds the shortage no longer exists in that county or subject area on a 17 statewide basis; and 18 receives verification of satisfactory or better performance 5.1 each year the teacher is employed under [item 4 of this item] PARAGRAPH (5) OF THIS 19 20 SUBSECTION; 21 a retiree of the Teachers' Retirement System who: (vi) 22 1. A. was employed as a principal within 5 years of 23 retirement; or 24 B. was employed as a principal not more than 10 years before 25 retirement and was employed in a position supervising principals in the retiree's last 26 assignment prior to retirement; 27 has verification of better than satisfactory performance for 2. 28 each year as a principal and, if applicable, in a position supervising principals prior to 29 retirement: based on the retiree's qualifications, has been hired as a 30 3. 31 principal; 32 receives verification of better than satisfactory 4. 33 performance each year the retiree is employed as a principal under [item 3 of this 34 item] PARAGRAPH (6) OF THIS SUBSECTION; and 35 is not employed as a principal under [item 3 of this item] 5. 36 PARAGRAPH (6) OF THIS SUBSECTION for more than 4 years;

a former employee of the Domestic Relations Division of Anne (vii) 2 Arundel County Circuit Court who transfers into the State Employees' Personnel 3 System under § 2-510 of the Courts Article; or (viii) a retiree of the Employees' Retirement System who is 5 reemployed on a contractual basis by the Department of Health and Mental Hygiene 6 as a health care practitioner, as defined in § 1-301 of the Health Occupations Article, 7 in: a State residential center as defined in § 7-101 of the 1. 9 Health - General Article; 10 2. a chronic disease center subject to Title 19, Subtitle 5 of 11 the Health - General Article; 12 3. a State facility as defined in § 10-101 of the Health -13 General Article; or 14 4. a county board of health subject to Title 3, Subtitle 2 of the 15 Health - General Article. EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS 16 (5)**(I)** 17 PARAGRAPH, AN INDIVIDUAL WHO IS REHIRED UNDER PARAGRAPH (4)(V) OF THIS 18 SUBSECTION SHALL BE EMPLOYED AS A CLASSROOM TEACHER, SUBSTITUTE 19 CLASSROOM TEACHER, TEACHER MENTOR, OR SUBSTITUTE TEACHER MENTOR IN A 20 PUBLIC SCHOOL THAT: 21 IS NOT MAKING ADEQUATE YEARLY PROGRESS AS 1. 22 DEFINED UNDER THE FEDERAL NO CHILD LEFT BEHIND ACT OF 2001 AND AS 23 IMPLEMENTED BY THE DEPARTMENT OF EDUCATION; AND 24 IS TEACHING IN A SUBJECT AREA THAT IS CRITICAL FOR 2. 25 THE SCHOOL TO MAKE ADEQUATE YEARLY PROGRESS. AN INDIVIDUAL MAY BE REHIRED BY A LOCAL SCHOOL SYSTEM 26 (II) 27 IN WHICH EVERY SCHOOL IN THE SCHOOL SYSTEM IS MAKING ADEQUATE YEARLY 28 PROGRESS AS DEFINED UNDER THE FEDERAL NO CHILD LEFT BEHIND ACT OF 2001 29 AND IMPLEMENTED BY THE DEPARTMENT OF EDUCATION IF: 30 THE INDIVIDUAL IS EMPLOYED AS A CLASSROOM 1. 31 TEACHER, SUBSTITUTE CLASSROOM TEACHER, TEACHER MENTOR, OR SUBSTITUTE 32 TEACHER MENTOR; AND AT A PUBLIC SCHOOL RECEIVING FUNDS UNDER TITLE 1 33 2. 34 OF THE FEDERAL NO CHILD LEFT BEHIND ACT OF 2001, TEACHING: A CORE SUBJECT THAT HAS BEEN IDENTIFIED BY THE 35 A. 36 DEPARTMENT OF EDUCATION BY REGULATION AS A CRITICAL SHORTAGE AREA;

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#### B. A SPECIAL EDUCATION CLASS FOR STUDENTS WITH 1 2 SPECIAL NEEDS; OR 3 C. A CLASS FOR STUDENTS WITH LIMITED ENGLISH 4 PROFICIENCY. EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS 5 (6) (I) 6 PARAGRAPH, AN INDIVIDUAL WHO IS REHIRED UNDER PARAGRAPH (4)(VI) OF THIS 7 SUBSECTION SHALL BE EMPLOYED AS A PRINCIPAL AT A PUBLIC SCHOOL THAT IS 8 NOT MAKING ADEOUATE YEARLY PROGRESS AS DEFINED UNDER THE FEDERAL NO 9 CHILD LEFT BEHIND ACT OF 2001 AND AS IMPLEMENTED BY THE DEPARTMENT OF 10 EDUCATION. 11 (II) AN INDIVIDUAL MAY BE REHIRED BY A LOCAL SCHOOL SYSTEM 12 IN WHICH EVERY SCHOOL IN THE SCHOOL SYSTEM IS MAKING ADEQUATE YEARLY 13 PROGRESS AS DEFINED UNDER THE FEDERAL NO CHILD LEFT BEHIND ACT OF 2001 14 AND IMPLEMENTED BY THE DEPARTMENT OF EDUCATION IF: 15 1. THE INDIVIDUAL IS EMPLOYED AS A PRINCIPAL; AND AT A PUBLIC SCHOOL RECEIVING FUNDS UNDER TITLE 1 16 2. 17 OF THE FEDERAL NO CHILD LEFT BEHIND ACT OF 2001. THE SUPERINTENDENT OF THE LOCAL SCHOOL SYSTEM 18 (7)(I) 19 REHIRING AN INDIVIDUAL UNDER PARAGRAPH (4)(V) OR (VI) OF THIS SUBSECTION 20 SHALL APPROVE THE REHIRING OF THAT INDIVIDUAL. ON OR BEFORE AUGUST 1 OF EACH YEAR, THE LOCAL 21 (II)22 SUPERINTENDENT SHALL REPORT ANNUALLY TO THE STATE BOARD OF EDUCATION: 23 THE NUMBER OF INDIVIDUALS REHIRED UNDER 1. 24 PARAGRAPH (4)(V) OR (VI) OF THIS SUBSECTION; 25 THE LOCATION OF THE SCHOOL WHERE EACH 2. 26 INDIVIDUAL IS EMPLOYED; THE SUBJECT MATTER TAUGHT BY EACH INDIVIDUAL; 27 3. 28 AND 29 THE ANNUAL SALARIES OF EACH INDIVIDUAL. 4. AN INDIVIDUAL WHO IS REHIRED UNDER PARAGRAPH (4)(V), (VI), OR 30 (8) 31 (VIII) OF THIS SUBSECTION MAY NOT RECEIVE AN ANNUAL SALARY THAT IS GREATER 32 THAN 70% OF THE INDIVIDUAL'S ANNUAL SALARY AT THE TIME THE INDIVIDUAL 33 RETIRED. AN INDIVIDUAL WHO IS REHIRED UNDER PARAGRAPH (4)(V), (VI), OR 34 (9) 35 (VIII) OF THIS SUBSECTION MAY NOT BE REHIRED WITHIN 60 DAYS OF THE DATE THE

36 INDIVIDUAL RETIRED.

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### **HOUSE BILL 1153**

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 reporting8 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.

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

20 (h) The State Board of Education shall notify the county boards of education of 21 [:

22 (1) any public school that is recommended for reconstitution or has been23 reconstituted;

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

27 (3) any county or subject area on a statewide basis in which the State28 Board of Education finds there is a shortage of teachers; and

29 (4)] a finding that there is no longer a shortage of teachers in a county or 30 subject area on a statewide basis.

(i) In addition to any regulations adopted in accordance with § 6-202 of the
Education Article, the State Board of Education shall adopt regulations concerning
the employment terms of retired teachers and personnel described in [subsection
(b)(4)(vi)] SUBSECTION (B)(4)(V) OR (VI) of this section.

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

(k) At the request of the State Retirement Agency: 2 a participating employer shall certify to the State Retirement Agency (1)3 that it is not the same participating employer that employed an individual at the time 4 of the individual's last separation from employment before the individual commenced 5 receiving a service retirement allowance or a vested allowance; or

6 a unit of State government shall certify to the State Retirement (2)7 Agency that the individual was not employed by any unit of State government at the 8 time of the individual's last separation from employment before the individual 9 commenced receiving a service retirement allowance or a vested allowance.

10 (1)The Department of Health and Mental Hygiene shall notify the State 11 Retirement Agency of any retirees who qualify under subsection (b)(4)(viii) of this 12 section.

13 (M) ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE STATE 14 SUPERINTENDENT OF SCHOOLS SHALL SUBMIT A REPORT IN ACCORDANCE WITH § 15 2-1246 OF THE STATE GOVERNMENT ARTICLE TO THE JOINT COMMITTEE ON 16 PENSIONS THAT PROVIDES:

THE NUMBER OF INDIVIDUALS REHIRED UNDER SUBSECTION 17 (1)18 (B)(4)(V) AND (VI) OF THIS SECTION;

THE SCHOOL AND LOCAL SCHOOL SYSTEM WHERE EACH 19 (2)20 INDIVIDUAL HAS BEEN REHIRED;

THE SUBJECT MATTER TAUGHT BY EACH REHIRED TEACHER, 21 (3)22 TEACHER MENTOR, SUBSTITUTE TEACHER, OR SUBSTITUTE TEACHER MENTOR; AND

23 (4)THE ANNUAL SALARY OF EACH REHIRED INDIVIDUAL AT THE TIME 24 OF RETIREMENT AND THE CURRENT ANNUAL SALARY OF EACH REHIRED 25 INDIVIDUAL.

ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE SECRETARY OF HEALTH 26 (N) 27 AND MENTAL HYGIENE SHALL SUBMIT A REPORT IN ACCORDANCE WITH § 2-1246 OF 28 THE STATE GOVERNMENT ARTICLE TO THE JOINT COMMITTEE ON PENSIONS THAT 29 PROVIDES:

THE NUMBER OF INDIVIDUALS REHIRED UNDER SUBSECTION 30 (1)31 (B)(4)(VIII) OF THIS SECTION; AND

32 THE ANNUAL SALARY OF EACH REHIRED INDIVIDUAL AT THE TIME (2)33 OF RETIREMENT AND THE CURRENT ANNUAL SALARY OF EACH REHIRED 34 INDIVIDUAL.

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| 1        | 23-407.   |  |  |  |  |  |
|----------|---|--|--|--|--|--|
|          | (a) An individual who is receiving a service retirement allowance or a vested allowance may accept employment with a participating employer on a permanent, temporary, or contractual basis, if:  |  |  |  |  |  |
| 5<br>6   | (1) the individual immediately notifies the Board of Trustees of the individual's intention to accept this employment; and  |  |  |  |  |  |
| 7        | (2) the individual specifies the compensation to be received.   |  |  |  |  |  |
| 8<br>9   | (b) (1) The Board of Trustees shall reduce the allowance of an individual who accepts employment as provided under subsection (a) of this section if:   |  |  |  |  |  |
| 12<br>13 | (i) the individual's current employer is a participating employer<br>other than the State and is the same participating employer that employed the<br>individual at the time of the individual's last separation from employment with a<br>participating employer before the individual commenced receiving a service<br>retirement allowance or vested allowance;                                |  |  |  |  |  |
| 17<br>18 | (ii) the individual's current employer is any unit of State<br>government and the individual's employer at the time of the individual's last<br>separation from employment with the State before the individual commenced<br>receiving a service retirement allowance or vested allowance was also a unit of State<br>government; or  |  |  |  |  |  |
|          | (iii) the individual becomes reemployed within 12 months of receiving an early service retirement allowance or an early vested allowance computed under § 23-402 of this subtitle.  |  |  |  |  |  |
| 23<br>24 | (2) The reduction required under paragraph (1) of this subsection shall equal:  |  |  |  |  |  |
|          | (i) the amount by which the sum of the individual's initial annual basic allowance and the individual's annual compensation exceeds the average final compensation used to compute the basic allowance; or  |  |  |  |  |  |
| 30<br>31 | (ii) for a retiree who retired under the Workforce Reduction Act<br>(Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual<br>compensation and the retiree's annual basic allowance at the time of retirement,<br>including the incentive provided by the Workforce Reduction Act, exceeds the average<br>final compensation used to compute the basic allowance. |  |  |  |  |  |
|          | (3) A reduction of an early service retirement allowance or an early vested allowance under paragraph (1)(iii) of this subsection shall be applied only until the individual has received an allowance for 12 months.   |  |  |  |  |  |
|          | (4) Except for an individual whose allowance is subject to a reduction as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an allowance under this subsection does not apply to:   |  |  |  |  |  |

| 1<br>2   | (i) an individual whose average final compensation was less than \$10,000 and who is reemployed on a temporary or contractual basis;  |  |                             |  |                      |  |  |
|----------|---|--|-----------------------------|--|----------------------|--|--|
|          | (ii) an individual who is serving in an elected position as an official of a participating governmental unit or as a constitutional officer for a county that is a participating governmental unit;   |  |                             |  |                      |  |  |
| 6        | (iii) a   | a retiree of the Teachers' Pension System who: |                             |  |                      |  |  |
| 7        |   | 1.   | is or has be                | en certified to teach in th  | e State;             |  |  |
| 8<br>9   | the last assignment prior to retir  |  | has verifica                | tion of satisfactory or be   | tter performance in  |  |  |
| 10<br>11 | )<br>appointed in accordance with §   | 3.<br>4-103 o                                  |                             | e retired teacher's qualifi  | cations, has been    |  |  |
| 12       | 2   | 4.   | [subject to i               | tem 5 of this item is emp  | bloyed as:           |  |  |
| 15       | A. a substitute classroom teacher or substitute teacher<br>mentor in a public school that has been recommended for reconstitution, or has been<br>reconstituted, by the State Board of Education, until the public school meets the<br>standards for school performance set by the State Board of Education;                                  |  |                             |  |                      |  |  |
| 19       | B. a classroom teacher or teacher mentor in a public school<br>that has been recommended for reconstitution, or has been reconstituted, by the State<br>Board of Education, until the public school meets the standards for school<br>performance set by the State Board of Education;  |  |                             |  |                      |  |  |
| 23       | 2 subject area on a statewide basi<br>3 there is a shortage of teachers, u<br>4 no longer exists in that county of  | s in whi<br>until the                          | ch the State<br>State Board | of Education finds the sl  | s that               |  |  |
| 27<br>28 | D. a substitute classroom teacher or substitute teacher<br>mentor in a county or subject area on a statewide basis in which the State Board of<br>Education finds that there is a shortage of teachers, until the State Board of<br>Education finds the shortage no longer exists in that county or subject area on a<br>statewide basis; and |  |                             |  |                      |  |  |
|          | )<br>l each year the teacher is employ<br>2 SUBSECTION;   |  |                             | ification of satisfactory on the state of th |                      |  |  |
| 33       | 3 (iv) a  | a retiree                                      | of the Teacl                | ners' Pension System who   | <b>D:</b>            |  |  |
| 34<br>35 | t<br>5 retirement; or   | 1.   | A. wa                       | s employed as a principa   | al within 5 years of |  |  |

|          | retirement and was employed i<br>assignment prior to retirement |                 | was employed as a principal not more than 10 years before<br>ion supervising principals in the retiree's last  |
|----------|---|-----------------|--|
|          | each year as a principal and, if retirement;                    | 2.<br>applicabl | has verification of better than satisfactory performance for<br>le, in a position supervising principals prior to  |
| 7<br>8   | principal;  | 3.              | based on the retiree's qualifications, has been hired as a   |
|          | performance each year the ret<br>item] PARAGRAPH (6) OF 7       |                 | receives verification of better than satisfactory<br>poloyed as a principal under [item 3 of this<br>BSECTION; and   |
| 12<br>13 | PARAGRAPH (6) OF THIS S   | 5.<br>SUBSEC    | is not employed as a principal under [item 3 of this item]<br>TION for more than 4 years;  |
| 14       | (v)   | an indiv        | idual who has been retired for more than 10 years; or  |
|          | on a contractual basis by the I                                 | Departme        | of the Employees' Pension System who is reemployed<br>nt of Health and Mental Hygiene as a health<br>of the Health Occupations Article in:   |
| 18<br>19 | Health - General Article;                                       | 1.              | a State residential center as defined in § 7-101 of the  |
| 20<br>21 | the Health - General Article;                                   | 2.              | a chronic disease center subject to Title 19, Subtitle 5 of  |
| 22<br>23 | General Article; or   | 3.              | a State facility as defined in § 10-101 of the Health -  |
| 24<br>25 | Health - General Article.                                       | 4.              | a county board of health subject to Title 3, Subtitle 2 of the   |
| 28<br>29 | PARAGRAPH, AN INDIVID<br>SUBSECTION SHALL BE E                  | UAL WI          | T AS PROVIDED IN SUBPARAGRAPH (II) OF THIS<br>HO IS REHIRED UNDER PARAGRAPH (4)(III) OF THIS<br>ED AS A CLASSROOM TEACHER, SUBSTITUTE<br>R MENTOR, OR SUBSTITUTE TEACHER MENTOR IN A |
|          |   |                 | IS NOT MAKING ADEQUATE YEARLY PROGRESS AS<br>NO CHILD LEFT BEHIND ACT OF 2001 AND AS<br>MENT OF EDUCATION; AND   |
| 34       |   | 2.              | IS TEACHING IN A SUBJECT AREA THAT IS CRITICAL FOR   |

35 THE SCHOOL TO MAKE ADEQUATE YEARLY PROGRESS.

1 (II)AN INDIVIDUAL MAY BE REHIRED BY A LOCAL SCHOOL SYSTEM 2 IN WHICH EVERY SCHOOL IN THE SCHOOL SYSTEM IS MAKING ADEQUATE YEARLY 3 PROGRESS AS DEFINED UNDER THE FEDERAL NO CHILD LEFT BEHIND ACT OF 2001 4 AND IMPLEMENTED BY THE DEPARTMENT OF EDUCATION IF: THE INDIVIDUAL IS EMPLOYED AS A CLASSROOM 5 1. 6 TEACHER, SUBSTITUTE CLASSROOM TEACHER, TEACHER MENTOR, OR SUBSTITUTE 7 TEACHER MENTOR: AND 8 2. AT A PUBLIC SCHOOL RECEIVING FUNDS UNDER TITLE 1 9 OF THE FEDERAL NO CHILD LEFT BEHIND ACT OF 2001, TEACHING: 10 A. A CORE SUBJECT THAT HAS BEEN IDENTIFIED AS A 11 CRITICAL SHORTAGE AREA; 12 B. A SPECIAL EDUCATION CLASS FOR STUDENTS WITH 13 SPECIAL NEEDS; OR C. A CLASS FOR STUDENTS WITH LIMITED ENGLISH 14 15 PROFICIENCY. EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS 16 (6) (I) 17 PARAGRAPH, AN INDIVIDUAL WHO IS REHIRED UNDER PARAGRAPH (4)(IV) OF THIS 18 SUBSECTION SHALL BE EMPLOYED AS A PRINCIPAL AT A PUBLIC SCHOOL THAT IS 19 NOT MAKING ADEQUATE YEARLY PROGRESS AS DEFINED UNDER THE FEDERAL NO 20 CHILD LEFT BEHIND ACT OF 2001 AND AS IMPLEMENTED BY THE DEPARTMENT OF 21 EDUCATION. 22 AN INDIVIDUAL MAY BE REHIRED BY A LOCAL SCHOOL SYSTEM (II) 23 IN WHICH EVERY SCHOOL IN THE SCHOOL SYSTEM IS MAKING ADEQUATE YEARLY 24 PROGRESS AS DEFINED UNDER THE FEDERAL NO CHILD LEFT BEHIND ACT OF 2001 25 AND IMPLEMENTED BY THE DEPARTMENT OF EDUCATION IF: THE INDIVIDUAL IS EMPLOYED AS A PRINCIPAL; AND 26 1. 27 AT A PUBLIC SCHOOL RECEIVING FUNDS UNDER TITLE 1 2. 28 OF THE FEDERAL NO CHILD LEFT BEHIND ACT OF 2001. THE SUPERINTENDENT OF THE LOCAL SCHOOL SYSTEM 29 (7)(I) 30 REHIRING AN INDIVIDUAL UNDER PARAGRAPH (4)(III) OR (IV) OF THIS SUBSECTION 31 SHALL APPROVE THE REHIRING OF THAT INDIVIDUAL. ON OR BEFORE AUGUST 1 OF EACH YEAR. THE 32 (II)33 SUPERINTENDENT SHALL REPORT ANNUALLY TO THE STATE BOARD OF EDUCATION: 34 THE NUMBER OF INDIVIDUALS REHIRED UNDER 1. 35 PARAGRAPH (4)(III) OR (IV) OF THIS SUBSECTION; THE LOCATION OF THE SCHOOL WHERE EACH 2. 36 **37 INDIVIDUAL IS EMPLOYED:** 

13 HOUSE BILL 1153 1 3. THE SUBJECT MATTER TAUGHT BY EACH INDIVIDUAL; 2 AND 3 4. THE ANNUAL SALARIES OF EACH INDIVIDUAL. 4 AN INDIVIDUAL WHO IS REHIRED UNDER PARAGRAPH (4)(III), (IV), OR (8)5 (VI) OF THIS SUBSECTION MAY NOT RECEIVE AN ANNUAL SALARY THAT IS GREATER 6 THAN 70% OF THE INDIVIDUAL'S ANNUAL SALARY AT THE TIME THE INDIVIDUAL 7 RETIRED. AN INDIVIDUAL WHO IS REHIRED UNDER PARAGRAPH (4)(III), (IV), OR 8 (9)9 (VI) OF THIS SUBSECTION MAY NOT BE REHIRED WITHIN 60 DAYS OF THE DATE THE 10 INDIVIDUAL RETIRED. 11 (c) An individual who is receiving a service retirement allowance or a vested 12 allowance and who is reemployed by a participating employer may not receive 13 creditable service or eligibility service during the period of reemployment. 14 (d) The individual's compensation during the period of reemployment may not 15 be subject to the employer pickup provisions of § 21-303 of this article or any 16 reduction or deduction as a member contribution for pension or retirement purposes. The State Retirement Agency shall institute appropriate reporting 17 (e) procedures with the affected payroll systems to ensure compliance with this section. 18 19 (f) (1)Immediately on the employment of any individual receiving a service 20 retirement allowance or a vested allowance, a participating employer shall notify the 21 State Retirement Agency of the type of employment and the anticipated earnings of 22 the individual. 23 (2)At least once each year, in a format specified by the State Retirement 24 Agency, each participating employer shall provide the State Retirement Agency with 25 a list of all employees included on any payroll of the employer, the Social Security 26 numbers of the employees, and their earnings for that year. 27 The county boards of education shall notify the State Retirement Agency of (g) 28 any retired teachers who qualify under subsection (b)(4)(iii) of this section or any 29 personnel who qualify under subsection (b)(4)(iv) of this section. 30 (h) The State Board of Education shall notify the county boards of education of 31 [: 32 any public school that is recommended for reconstitution or has been (1)33 reconstituted: 34 any public school that is no longer recommended for reconstitution or (2)35 is otherwise found to meet the standards for school performance set by the State 36 Board of Education after reconstitution or a recommendation for reconstitution;

1 (3) any county or subject area on a statewide basis in which the State 2 Board of Education finds there is a shortage of teachers; and

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

5 (i) In addition to any regulations adopted in accordance with § 6-202 of the
6 Education Article, the State Board of Education shall adopt regulations concerning
7 the employment terms of retired teachers and personnel described in [subsection
8 (b)(4)(iv)] SUBSECTION (B)(4)(III) OR (IV) of this section.

9 (j) If the retiree's last assignment prior to retirement was in a position 10 directly supervising principals as provided under subsection (b)(4)(iv) of this section, 11 the county boards of education shall verify for the State Retirement Agency the 12 retiree's employment as a supervisor and a principal.

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

14 (1) a participating employer shall certify to the State Retirement Agency 15 that it is not the same participating employer that employed an individual at the time 16 of the individual's last separation from employment before the individual commenced 17 receiving a service retirement allowance or a vested allowance; or

18 (2) a unit of State government shall certify to the State Retirement 19 Agency that the individual was not employed by any unit of State government at the 20 time of the individual's last separation from employment before the individual 21 commenced receiving a service retirement allowance or a vested allowance.

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

25 (M) ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE STATE
26 SUPERINTENDENT OF SCHOOLS SHALL SUBMIT A REPORT IN ACCORDANCE WITH §
27 2-1246 OF THE STATE GOVERNMENT ARTICLE TO THE JOINT COMMITTEE ON
28 PENSIONS THAT PROVIDES:

29 (1) THE NUMBER OF INDIVIDUALS REHIRED UNDER SUBSECTION 30 (B)(4)(V) AND (VI) OF THIS SECTION;

31 (2) THE SCHOOL AND SCHOOL SYSTEM WHERE EACH INDIVIDUAL HAS
32 BEEN REHIRED;

33 (3) THE SUBJECT MATTER TAUGHT BY EACH REHIRED TEACHER,
34 TEACHER MENTOR, SUBSTITUTE TEACHER, OR SUBSTITUTE TEACHER MENTOR; AND

35 (4) THE ANNUAL SALARY OF EACH REHIRED INDIVIDUAL AT THE TIME
36 OF RETIREMENT AND THE CURRENT ANNUAL SALARY OF EACH REHIRED
37 INDIVIDUAL.

(N) ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE SECRETARY OF HEALTH
 AND MENTAL HYGIENE SHALL SUBMIT A REPORT IN ACCORDANCE WITH § 2-1246 OF
 THE STATE GOVERNMENT ARTICLE TO THE JOINT COMMITTEE ON PENSIONS THAT
 PROVIDES:

5 (1) THE NUMBER OF INDIVIDUALS REHIRED UNDER SUBSECTION 6 (B)(4)(VI) OF THIS SECTION; AND

7 (2) THE ANNUAL SALARY OF EACH REHIRED INDIVIDUAL AT THE TIME
8 OF RETIREMENT AND THE CURRENT ANNUAL SALARY OF EACH REHIRED
9 INDIVIDUAL.

### 10

### Chapter 518 of the Acts of 1999

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
July 1, 1999. It shall remain in effect for a period of [5] 9 years and, at the end of
June 30, [2004] 2008, with no further action required by the General Assembly, this
Act shall be terminated and of no further force and effect.

### 15

### Chapter 245 of the Acts of 2000

16 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect 17 July 1, 2000. It shall remain effective for a period of [4] 8 years and, at the end of 18 June 30, [2004] 2008, with no further action required by the General Assembly, this

 $19\;$  Act shall be abrogated and of no further force and effect.

### 20

### Chapter 732 of the Acts of 2001

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 22 July 1, 2001. It shall remain effective for a period of [3] 7 years and at the end of June 23 30, [2004] 2008, with no further action required by the General Assembly, this Act

24 shall be abrogated and of no further force and effect.

### 25

## Chapter 733 of the Acts of 2001

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect

27 July 1, 2001. Section 2 of this Act shall remain effective for a period of [3] 7 years

28 and, at the end of June 30, [2004] 2008, with no further action required by the

29 General Assembly, Section 2 of this Act shall be abrogated and of no further force and 30 effect.

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

32 construed to apply only prospectively and may not be applied or interpreted to have

33 any effect on or application to a retiree's employment contract in effect before the 34 effective date of this Act.

35 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect 36 July 1, 2004.