

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL NO. 584

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 5, strike “terminating State employment” and substitute “separating from employment with certain employers”; in lines 9 and 11, in each instance, strike “monthly”; in line 16, after the semicolon, insert “prohibiting certain retirees from being rehired within a certain period of time under certain circumstances”; in line 21, strike “distributing” and substitute “providing, under certain circumstances, for the distribution of”; in line 23, strike “under certain circumstances”; in line 28, after the first semicolon insert “altering the methods that certain members of certain systems included in the State Retirement and Pension System may use to purchase certain service credit”; in line 33, strike “22-406(b)” and substitute “22-305(b), 22-406(a) and (b)”; and in line 34, strike “23-407(b), 24-207, 24-305(a), 25-205, 26-206, 26-302,” and substitute “23-407(a) and (b), 24-207, 24-305(a), 24-306(b), 24-405(a), 25-205, 25-306(b), 25-403(a), 26-206, 26-302, 26-307(a), 26-403(a)”.

On page 2, in line 1, after the comma insert “28-307(a), 28-402(a)”; strike in its entirety line 6 and substitute “Section 22-303.1, 22-406(h), 23-304.1, 23-407(h), 24-304.1, 24-405(d), 25-304.1, 25-403(h), 26-306.1, 26-403(f), 28-306.1, 28-402(g), 31-109.1”; and strike in their entirety lines 10 through 14, inclusive.

AMENDMENT NO. 2

On page 2, in line 21, strike “TERMINATES STATE EMPLOYMENT” and substitute “IS SEPARATED FROM EMPLOYMENT WITH A PARTICIPATING EMPLOYER OR A PARTICIPATING GOVERNMENTAL UNIT THAT HAS WITHDRAWN FROM ONE OF THE SEVERAL SYSTEMS UNDER TITLE 31 OF THIS ARTICLE”.

AMENDMENT NO. 3

On pages 2 and 3, strike in their entirety the lines beginning with line 34 on page 2 through line 4 on page 3, inclusive.

(Over)

On page 3, in line 5, strike “(B)” and substitute “(A)”; in lines 17, 20, 23, and 28, in each instance, strike the brackets; and in lines 17, 20, 23, and 28, strike “(C)”, “(D)”, “(E)”, and “(F)”, respectively.

On page 4, in lines 3 and 13, in each instance, strike the brackets; in the same lines, strike “(G)” and “(H)”, respectively; in lines 21 and 29 and 30, in each instance, strike “ON OR AFTER THE 1ST DAY OF THE MONTH AND”; in line 22, strike the first “THE” and substitute “A”; in lines 23 and 31, in each instance, strike “MONTHLY BENEFIT”; in lines 26, 30, and 34, in each instance, strike the second “THE” and substitute “A”; and in lines 27 and 35, in each instance, strike “FULL MONTHLY” and substitute “ENTIRE”.

AMENDMENT NO. 4

On page 5, strike beginning with “NO” in line 16 down through “TITLE” in line 17 and substitute “SEPARATED FROM EMPLOYMENT”.

On page 7, strike beginning with “NO” in line 34 down through “TITLE” in line 35 and substitute “SEPARATED FROM EMPLOYMENT”.

On page 9, strike beginning with “NO” in line 21 down through “TITLE” in line 22 and substitute “SEPARATED FROM EMPLOYMENT”.

On page 10, strike beginning with “NO” in line 3 down through “TITLE” in line 4 and substitute “SEPARATED FROM EMPLOYMENT”.

On page 11, strike beginning with “NO” in line 5 down through “TITLE” in line 6 and substitute “SEPARATED FROM EMPLOYMENT”; and strike beginning with “NO” in line 15 down through “TITLE” in line 16 and substitute “SEPARATED FROM EMPLOYMENT”.

AMENDMENT NO. 5

On page 12 in line 31, and on page 13 in line 2, in each instance, after “DATE” insert “OF PARTICIPATION”; and on page 12 in line 32, and on page 13 in line 3, in each instance, after “YEAR” insert “FOLLOWING THE FISCAL YEAR IN WHICH”.

AMENDMENT NO. 6

On page 13, strike beginning with “on” in line 32 down through “basis” in line 33.

AMENDMENT NO. 7

On page 15, after line 3, insert:

“22-305.

(b) (1) A member who purchases service credit under this section shall:

(i) complete a claim for the service credit and file it with the Board of Trustees on a form that the Board of Trustees provides; and

(ii) pay to the Board of Trustees an amount equal to the annuity reserve and pension reserve required to fund the additional allowance.

(2) Except as provided in paragraphs (3) and (4) of this subsection, the member shall pay for service credit purchased under this section at retirement.

(3) [A member may reduce the final cost of service credit purchased under this section through a payroll deduction of not less than 2% of annual salary per year, with the appropriate final adjustment made at retirement for:

(i) the purchase of federal or out-of-state municipal service credit for a member of the Employees’ Retirement System; or

(ii) the purchase of service credit under subsection (d) of this section for a member of the Teachers’ Retirement System.

(4)] The surviving spouse of a member of the Teachers’ Retirement System may pay for the appropriate final adjustment under paragraph (3) of this subsection if:

(i) the member dies while employed as a member;

(ii) the member was purchasing service credit through a payroll deduction;

(Over)

and

(iii) the service credit qualifies for benefits under § 29-205 of this article.”;

and strike beginning with “A” in line 14 down through “(4)” in line 18.

On page 16, after line 7, insert:

“24-306.

(b) (1) A member who purchases service credit under this section shall:

(i) complete a claim for the service credit and file it with the Board of Trustees on the form that the Board of Trustees provides; and

(ii) pay to the Board of Trustees an amount equal to the annuity reserve and pension reserve required to fund the additional allowance.

(2) The member shall pay for service credit purchased under this section[:

(i)] in a single payment at retirement[: or

(ii) through a payroll deduction of not less than 2% of earnable compensation, with the appropriate final adjustment made at retirement].

25-306.

(b) (1) A member who purchases service credit under this section shall:

(i) complete a claim for the service credit and file it with the Board of Trustees on the form that the Board of Trustees provides; and

(ii) pay to the Board of Trustees an amount equal to the annuity reserve and pension reserve required to fund the additional allowance.

(2) The member shall pay for service credit purchased under this section[:

(i) in a single payment at retirement[; or

(ii) through a payroll deduction of not less than 2% of earnable compensation, with the appropriate final adjustment made at retirement].

26-307.

(a) (1) In the year of retirement, a member may purchase service credit for eligibility service of up to 10 years for periods of employment for which the member:

(i) would have been entitled to purchase the service credit under the Employees' Pension System; and

(ii) is not otherwise entitled to service credit under the Law Enforcement Officers' Pension System.

(2) To purchase service credit under this section, a member must:

(i) complete a claim for the service credit and file it with the Board of Trustees on the form that the Board of Trustees provides; and

(ii) pay to the Board of Trustees an amount equal to the annuity reserve and pension reserve required to fund the additional allowance.

[(3) A member may pay the amount required by paragraph (2) of this subsection on an installment basis by contributing at least 2% of earnable compensation with the appropriate final adjustments being made in the year the member retires.]

28-307.

(a) (1) In the year of retirement, a member may purchase service credit for eligibility

(Over)

service of up to 10 years for periods of employment for which the member:

(i) would have been entitled to purchase service credit under the Employees' Pension System; and

(ii) is not otherwise entitled to service credit under the Local Fire and Police System.

(2) To purchase service credit under this section, a member must:

(i) complete a claim for the service credit and file it with the Board of Trustees on the form that the Board of Trustees provides; and

(ii) pay to the Board of Trustees an amount equal to the annuity reserve and pension reserve required to fund the additional allowance.

[(3) A member may pay the amount required by paragraph (2) of this subsection on an installment basis by contributing at least 2% of earnable compensation per year with the appropriate final adjustments being made in the year the member retires.]”.

AMENDMENT NO. 8

On page 5 in line 22 and on page 8 in line 5, in each instance, strike “An” and substitute “EXCEPT AS PROVIDED IN SUBSECTION (H) OF THIS SECTION, AN”.

On page 7 after line 3 and on page 9 after line 10, in each instance, insert:

“(H) AN INDIVIDUAL WHO IS REHIRED UNDER THIS SECTION MAY NOT BE REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED IF:

(1) THE INDIVIDUAL’S CURRENT EMPLOYER IS A PARTICIPATING EMPLOYER OTHER THAN THE STATE AND IS THE SAME PARTICIPATING EMPLOYER THAT EMPLOYED THE INDIVIDUAL AT THE TIME OF THE INDIVIDUAL’S LAST SEPARATION FROM EMPLOYMENT WITH A PARTICIPATING EMPLOYER BEFORE THE INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE; OR

(2) THE INDIVIDUAL'S CURRENT EMPLOYER IS ANY UNIT OF STATE GOVERNMENT AND THE INDIVIDUAL'S EMPLOYER AT THE TIME OF THE INDIVIDUAL'S LAST SEPARATION FROM EMPLOYMENT WITH THE STATE BEFORE THE INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE WAS ALSO A UNIT OF STATE GOVERNMENT."

On page 9, after line 25, insert:

"24-405.

(a) [Subject] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION AND SUBJECT to subsections (b) and (c) of this section, an individual who is receiving a service retirement allowance or vested allowance may accept employment with a participating employer on a temporary basis, if:

- (1) the employment is not in a regularly allocated position; and
- (2) the individual immediately notifies the Board of Trustees:
  - (i) of the individual's intention to accept the employment; and
  - (ii) of the compensation that the individual will receive.

(D) AN INDIVIDUAL WHO IS REHIRED UNDER THIS SECTION MAY NOT BE REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED IF THE INDIVIDUAL'S CURRENT EMPLOYER IS ANY UNIT OF STATE GOVERNMENT AND THE INDIVIDUAL'S EMPLOYER AT THE TIME OF THE INDIVIDUAL'S LAST SEPARATION FROM EMPLOYMENT WITH THE STATE BEFORE THE INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE WAS ALSO A UNIT OF STATE GOVERNMENT."

On page 10, after line 7, insert:

(Over)

“25-403.

(a) [An] EXCEPT AS PROVIDED IN SUBSECTION (H) OF THIS SECTION, 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 the individual immediately notifies the Board of Trustees:

- (1) of the individual’s intention to accept the employment; and
- (2) of the compensation that the individual will receive.

(H) AN INDIVIDUAL WHO IS REHIRED UNDER THIS SECTION MAY NOT BE REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED IF:

(1) THE INDIVIDUAL’S CURRENT EMPLOYER IS A PARTICIPATING EMPLOYER OTHER THAN THE STATE AND IS THE SAME PARTICIPATING EMPLOYER THAT EMPLOYED THE INDIVIDUAL AT THE TIME OF THE INDIVIDUAL’S LAST SEPARATION FROM EMPLOYMENT WITH A PARTICIPATING EMPLOYER BEFORE THE INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE; OR

(2) THE INDIVIDUAL’S CURRENT EMPLOYER IS ANY UNIT OF STATE GOVERNMENT AND THE INDIVIDUAL’S EMPLOYER AT THE TIME OF THE INDIVIDUAL’S LAST SEPARATION FROM EMPLOYMENT WITH THE STATE BEFORE THE INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE WAS ALSO A UNIT OF STATE GOVERNMENT.”.

On page 11, after line 9, insert:

“26-403.

(a) [A] EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, A retiree who is receiving a service retirement allowance may accept employment with a participating employer on a permanent, temporary, or contractual basis, without any reduction in retirement



allowance.

(F) AN INDIVIDUAL WHO IS REHIRED UNDER THIS SECTION MAY NOT BE REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED IF:

(1) THE INDIVIDUAL'S CURRENT EMPLOYER IS A PARTICIPATING EMPLOYER OTHER THAN THE STATE AND IS THE SAME PARTICIPATING EMPLOYER THAT EMPLOYED THE INDIVIDUAL AT THE TIME OF THE INDIVIDUAL'S LAST SEPARATION FROM EMPLOYMENT WITH A PARTICIPATING EMPLOYER BEFORE THE INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE; OR

(2) THE INDIVIDUAL'S CURRENT EMPLOYER IS ANY UNIT OF STATE GOVERNMENT AND THE INDIVIDUAL'S EMPLOYER AT THE TIME OF THE INDIVIDUAL'S LAST SEPARATION FROM EMPLOYMENT WITH THE STATE BEFORE THE INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE WAS ALSO A UNIT OF STATE GOVERNMENT.”;

and after line 18, insert:

“28-402.

(a) [An] EXCEPT AS PROVIDED IN SUBSECTION (G) OF THIS SECTION, 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, without any reduction in the allowance, if:

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

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

(G) AN INDIVIDUAL WHO IS REHIRED UNDER THIS SECTION MAY NOT BE REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED IF THE

(Over)

INDIVIDUAL'S CURRENT EMPLOYER IS A PARTICIPATING EMPLOYER OTHER THAN THE STATE AND IS THE SAME PARTICIPATING EMPLOYER THAT EMPLOYED THE INDIVIDUAL AT THE TIME OF THE INDIVIDUAL'S LAST SEPARATION FROM EMPLOYMENT WITH A PARTICIPATING EMPLOYER BEFORE THE INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE."