

ENROLLED BILL
-- Appropriations/Budget and Taxation --

Introduced by **Delegate James (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.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **State Retirement and Pension System - Disability Retirement**

3 FOR the purpose of exempting from certain earnings limitations and certain
4 reemployment restrictions certain retirees of certain systems of the State
5 Retirement and Pension System; providing for the application of this Act; and
6 generally relating to retirees of the State Retirement and Pension System
7 receiving disability retirement allowances.

8 BY repealing and reenacting, with amendments,
9 Article - State Personnel and Pensions
10 Section 29-115 and 29-116
11 Annotated Code of Maryland
12 (2004 Replacement Volume and 2005 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 29-115.

3 (a) (1) This section applies only to a disability retiree who is not eligible to
4 receive a normal service retirement.5 (2) ~~{This} EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION,~~
6 ~~THIS~~ section does not apply to a disability retiree ~~of~~ WHO IS:7 (I) A RETIREE OF:8 1. THE STATE POLICE RETIREMENT SYSTEM;9 2. THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM;10 3. THE LOCAL FIRE AND POLICE SYSTEM; OR11 4. THE EMPLOYEES' RETIREMENT SYSTEM OR THE
12 EMPLOYEES' PENSION SYSTEM, IF AT THE TIME OF RETIREMENT THE RETIREE WAS A
13 LAW ENFORCEMENT OFFICER FOR A PARTICIPATING EMPLOYER UNDER § 26-201(A)
14 OF THIS ARTICLE; AND15 (II) REEMPLOYED BY A PARTICIPATING EMPLOYER IN ANY
16 POSITION OTHER THAN A PROBATIONARY STATUS LAW ENFORCEMENT OFFICER, A
17 LAW ENFORCEMENT OFFICER, OR CHIEF, AS DEFINED IN § 3-101 OF THE PUBLIC
18 SAFETY ARTICLE.19 (I) ~~the State Police Retirement System [or], the Law Enforcement~~
20 ~~Officers' Pension System [if the retiree is reemployed by a participating employer in~~
21 ~~any position other than a probationary status law enforcement officer, a law~~
22 ~~enforcement officer, or chief, as defined in § 3-101 of the Public Safety Article], OR~~
23 ~~THE LOCAL FIRE AND POLICE SYSTEM; OR~~24 (II) ~~THE EMPLOYEES' RETIREMENT SYSTEM OR THE EMPLOYEES'~~
25 ~~PENSION SYSTEM, IF AT THE TIME OF RETIREMENT THE RETIREE WAS A LAW~~
26 ~~ENFORCEMENT OFFICER FOR A PARTICIPATING EMPLOYER UNDER § 26-201(A) OF~~
27 ~~THIS ARTICLE.~~28 (b) (1) (i) ~~Except as provided in subsection (a)(2) of this section AND~~
29 ~~SUBJECT TO SUBSECTION (E) OF THIS SECTION,~~ the THE Board of Trustees shall,
30 after giving notice, temporarily suspend the retiree's allowance if the retiree:31 1. began receiving a disability retirement allowance on or
32 after July 1, 1998; and33 2. is employed by a participating employer at an annual
34 compensation that is at least equal to the retiree's average final compensation at
35 retirement.

1 (ii) A temporary suspension under this subsection shall begin as of
2 the date the retiree is reemployed by a participating employer under subparagraph
3 (i)2 of this paragraph.

4 (2) A retiree whose allowance is temporarily suspended under this
5 subsection is not subject to a reduction as provided in § 29-116 of this subtitle during
6 the period of employment by a participating employer.

7 (3) Upon receiving satisfactory documentation that the retiree is no
8 longer employed by a participating employer, the Board of Trustees shall reinstate the
9 retiree's allowance with accumulated cost-of-living adjustments from the date the
10 allowance was temporarily suspended.

11 (4) The retiree's allowance will be reinstated on the first day of the
12 month following the month in which the retiree ceased employment with the
13 participating employer.

14 (c) A member who retires on or after July 1, 1982, and receives a disability
15 retirement allowance shall provide yearly medical and earnings information on
16 request of the Board of Trustees until the retiree attains normal retirement age.

17 (d) If the retiree refuses to provide the information, the Board of Trustees
18 shall suspend the retiree's allowance until the information is provided.

19 ~~(E) THE BOARD OF TRUSTEES SHALL, AFTER GIVING NOTICE, TEMPORARILY~~
20 ~~SUSPEND THE RETIREMENT ALLOWANCE OF A RETIREE UNDER SUBSECTION (B) OF~~
21 ~~THIS SECTION IF THE RETIREE IS REEMPLOYED IN ANY POSITION OTHER THAN A~~
22 ~~PROBATIONARY STATUS LAW ENFORCEMENT OFFICER, A LAW ENFORCEMENT~~
23 ~~OFFICER, OR CHIEF, AS DEFINED IN § 3-101 OF THE PUBLIC SAFETY ARTICLE.~~

24 29-116.

25 (a) ~~{This} EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, THIS~~
26 section does not apply to a retiree ~~of~~ WHO IS:

- 27 ~~(1)~~ (I) A RETIREE OF:
- 28 ~~1.~~ (I) THE STATE POLICE RETIREMENT SYSTEM;
- 29 ~~2.~~ (II) THE LAW ENFORCEMENT OFFICERS' PENSION
- 30 SYSTEM;
- 31 ~~3.~~ (III) THE LOCAL FIRE AND POLICE SYSTEM; OR
- 32 ~~4.~~ (IV) THE EMPLOYEES' RETIREMENT SYSTEM OR THE
- 33 EMPLOYEES' PENSION SYSTEM, IF AT THE TIME OF RETIREMENT THE RETIREE WAS A
- 34 LAW ENFORCEMENT OFFICER FOR A PARTICIPATING EMPLOYER UNDER § 26-201(A)
- 35 OF THIS ARTICLE; AND

1 ~~(H)~~ (2) REEMPLOYED BY A PARTICIPATING EMPLOYER IN ANY
 2 POSITION OTHER THAN A PROBATIONARY STATUS LAW ENFORCEMENT OFFICER, A
 3 LAW ENFORCEMENT OFFICER, OR CHIEF, AS DEFINED IN § 3-101 OF THE PUBLIC
 4 SAFETY ARTICLE.

5 (1) ~~the State Police Retirement System [or], the Law Enforcement~~
 6 ~~Officers' Pension System, OR THE LOCAL FIRE AND POLICE SYSTEM~~ who is receiving
 7 ~~an ordinary disability retirement allowance [if the retiree is reemployed in any~~
 8 ~~position other than a probationary status law enforcement officer, a law enforcement~~
 9 ~~officer, or chief, as defined in § 3-101 of the Public Safety Article]; OR~~

10 (2) ~~THE EMPLOYEES' RETIREMENT SYSTEM OR THE EMPLOYEES'~~
 11 ~~PENSION SYSTEM WHO IS RECEIVING AN ORDINARY DISABILITY RETIREMENT~~
 12 ~~ALLOWANCE, IF AT THE TIME OF RETIREMENT THE RETIREE WAS A LAW~~
 13 ~~ENFORCEMENT OFFICER FOR A PARTICIPATING EMPLOYER UNDER § 26-201(A) OF~~
 14 ~~THIS ARTICLE.~~

15 (b) ~~Except as provided in subsection (a) of this section AND SUBJECT TO~~
 16 ~~SUBSECTION (E) OF THIS SECTION, the THE~~ Board of Trustees shall reduce the
 17 pension of a retiree on ordinary disability if:

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

19 (2) the medical board certifies in a report to the Board of Trustees that
 20 the retiree is employed by a participating employer at an annual compensation that is
 21 greater than the difference between:

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

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

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

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

27 (c) The Board of Trustees shall reduce the pension of a retiree who has been
 28 receiving an ordinary disability retirement allowance for:

29 (1) less than 10 years, by \$1 for every \$2 that the retiree's current
 30 compensation exceeds the limit under subsection (b) of this section; or

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

33 (d) The pension to be reduced under this section is the pension at retirement
 34 without any cost-of-living adjustment.

35 ~~(E) THE BOARD OF TRUSTEES SHALL, AFTER GIVING NOTICE, TEMPORARILY~~
 36 ~~SUSPEND THE RETIREMENT ALLOWANCE OF A RETIREE UNDER SUBSECTION (B) OF~~

~~1 THIS SECTION IF THE RETIREE IS REEMPLOYED IN ANY POSITION OTHER THAN A
2 PROBATIONARY STATUS LAW ENFORCEMENT OFFICER, A LAW ENFORCEMENT
3 OFFICER, OR CHIEF, AS DEFINED IN § 3-101 OF THE PUBLIC SAFETY ARTICLE.~~

4 SECTION 2. AND BE IT FURTHER ENACTED, That Chapter 518 of the Acts of
5 the General Assembly of 2005 shall be construed to apply retroactively and shall be
6 applied to and interpreted to affect any individual in the Law Enforcement Officers'
7 Pension System or the State Police Retirement System who ~~began~~ is receiving a
8 disability retirement allowance on or after January 1, 2005.

9 ~~SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall be
10 construed to apply retroactively and shall be applied to and interpreted to affect any
11 individual who began receiving a disability retirement allowance on or after January
12 1, 2005, if the individual is a disability retiree of:~~

13 (1) ~~the Local Fire and Police System; or~~

14 (2) ~~the Employees' Retirement System or the Employees' Pension System
15 who is receiving an ordinary disability retirement allowance, if at the time of
16 retirement the retiree was a law enforcement officer for a participating employer
17 under § 26-201(a) of the State Personnel and Pensions Article.~~

18 SECTION 4. 3. AND BE IT FURTHER ENACTED, That this Act shall take
19 effect July 1, 2006.