
By: **Delegate James (Chairman, Joint Committee on Pensions)**

Introduced and read first time: February 9, 2006

Assigned to: Appropriations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 19, 2006

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:

15 **Article - State Personnel and Pensions**

16 29-115.

17 (a) (1) This section applies only to a disability retiree who is not eligible to
 18 receive a normal service retirement.

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

21 (I) A RETIREE OF:

- 1 1. THE STATE POLICE RETIREMENT SYSTEM;
 2 2. THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM;
 3 3. THE LOCAL FIRE AND POLICE SYSTEM; OR
 4 4. THE EMPLOYEES' RETIREMENT SYSTEM OR THE
 5 EMPLOYEES' PENSION SYSTEM, IF AT THE TIME OF RETIREMENT THE RETIREE WAS A
 6 LAW ENFORCEMENT OFFICER FOR A PARTICIPATING EMPLOYER UNDER § 26-201(A)
 7 OF THIS ARTICLE; AND

8 (II) REEMPLOYED BY A PARTICIPATING EMPLOYER IN ANY
 9 POSITION OTHER THAN A PROBATIONARY STATUS LAW ENFORCEMENT OFFICER, A
 10 LAW ENFORCEMENT OFFICER, OR CHIEF, AS DEFINED IN § 3-101 OF THE PUBLIC
 11 SAFETY ARTICLE.

12 (†) ~~the State Police Retirement System [or], the Law Enforcement~~
 13 ~~Officers' Pension System [if the retiree is reemployed by a participating employer in~~
 14 ~~any position other than a probationary status law enforcement officer, a law~~
 15 ~~enforcement officer, or chief, as defined in § 3-101 of the Public Safety Article], OR~~
 16 ~~THE LOCAL FIRE AND POLICE SYSTEM; OR~~

17 (II) ~~THE EMPLOYEES' RETIREMENT SYSTEM OR THE EMPLOYEES'~~
 18 ~~PENSION SYSTEM, IF AT THE TIME OF RETIREMENT THE RETIREE WAS A LAW~~
 19 ~~ENFORCEMENT OFFICER FOR A PARTICIPATING EMPLOYER UNDER § 26-201(A) OF~~
 20 ~~THIS ARTICLE.~~

21 (b) (1) (i) ~~Except as provided in subsection (a)(2) of this section AND~~
 22 ~~SUBJECT TO SUBSECTION (E) OF THIS SECTION, the THE Board of Trustees shall,~~
 23 after giving notice, temporarily suspend the retiree's allowance if the retiree:

24 1. began receiving a disability retirement allowance on or
 25 after July 1, 1998; and

26 2. is employed by a participating employer at an annual
 27 compensation that is at least equal to the retiree's average final compensation at
 28 retirement.

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

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

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

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

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

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

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

14 29-116.

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

17 (I) A RETIREE OF:

- 18 1. THE STATE POLICE RETIREMENT SYSTEM;
- 19 2. THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM;
- 20 3. THE LOCAL FIRE AND POLICE SYSTEM; OR
- 21 4. THE EMPLOYEES' RETIREMENT SYSTEM OR THE
22 EMPLOYEES' PENSION SYSTEM, IF AT THE TIME OF RETIREMENT THE RETIREE WAS A
23 LAW ENFORCEMENT OFFICER FOR A PARTICIPATING EMPLOYER UNDER § 26-201(A)
24 OF THIS ARTICLE; AND

25 (II) REEMPLOYED BY A PARTICIPATING EMPLOYER IN ANY
26 POSITION OTHER THAN A PROBATIONARY STATUS LAW ENFORCEMENT OFFICER, A
27 LAW ENFORCEMENT OFFICER, OR CHIEF, AS DEFINED IN § 3-101 OF THE PUBLIC
28 SAFETY ARTICLE.

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

34 ~~(2) THE EMPLOYEES' RETIREMENT SYSTEM OR THE EMPLOYEES'~~
35 ~~PENSION SYSTEM WHO IS RECEIVING AN ORDINARY DISABILITY RETIREMENT~~
36 ~~ALLOWANCE, IF AT THE TIME OF RETIREMENT THE RETIREE WAS A LAW~~

1 ~~ENFORCEMENT OFFICER FOR A PARTICIPATING EMPLOYER UNDER § 26-201(A) OF~~
2 ~~THIS ARTICLE.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

33 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall be
34 construed to apply retroactively and shall be applied to and interpreted to affect any
35 individual who began receiving a disability retirement allowance on or after January
36 1, 2005, if the individual is a disability retiree of:

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

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

6 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
7 July 1, 2006.