
By: **Delegates Myers, Shank, Aumann, Barkley, Bartlett, Bates, Bozman, Cadden, G. Clagett, Cluster, Cryor, Eckardt, Edwards, Elliott, Franchot, Gilleland, Glassman, Griffith, Hogan, Kelly, Kohl, Krebs, McKee, Miller, Stocksdale, Stull, and Weldon**

Introduced and read first time: February 10, 2006

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Correctional Officers' Retirement System - Reemployment of Retirees**

3 FOR the purpose of exempting from a certain offset of a retirement allowance certain
 4 retirees of the Correctional Officers' Retirement System who are reemployed as
 5 correctional officers in certain correctional facilities; requiring the Division of
 6 Corrections in the Department of Public Safety and Correctional Services to
 7 provide the State Retirement Agency with certain information; providing that
 8 certain retirees of the Correctional Officers' Retirement System may only be
 9 reemployed for a certain period of time; requiring the Division of Corrections in
 10 the Department of Public Safety and Correctional Services to submit certain
 11 reports by a certain date to certain committees; and generally relating to the
 12 reemployment of retirees in the Correctional Officers' Retirement System.

13 BY repealing and reenacting, with amendments,
 14 Article - State Personnel and Pensions
 15 Section 25-403
 16 Annotated Code of Maryland
 17 (2004 Replacement Volume and 2005 Supplement)

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

20 **Article - State Personnel and Pensions**

21 25-403.

22 (a) Except as provided in subsection (h) of this section, an individual who is
 23 receiving a service retirement allowance or vested allowance may accept employment
 24 with a participating employer on a permanent, temporary, or contractual basis, if the
 25 individual immediately notifies the Board of Trustees:

26 (1) of the individual's intention to accept the employment; and

1 (2) of the compensation that the individual will receive.

2 (b) (1) The Board of Trustees shall reduce the allowance of an individual
3 who accepts employment as provided under subsection (a) of this section if the
4 individual's current employer is any unit of State government and the individual's
5 employer at the time of the individual's last separation from employment with the
6 State before the individual commenced receiving a service retirement allowance or
7 vested allowance was also a unit of State government.

8 (2) The reduction under paragraph (1) of this subsection shall equal the
9 amount by which the sum of the individual's initial annual basic allowance and the
10 individual's annual compensation exceeds the average final compensation used to
11 compute the basic allowance.

12 (3) The reduction under this subsection does not apply to:

13 (i) an individual who has been retired for more than 10 years;

14 (ii) an individual whose average final compensation was less than
15 \$10,000 and who is reemployed on a temporary or contractual basis; [or]

16 (iii) an individual who is serving in an elected position as an official
17 of a participating governmental unit or as a constitutional officer for a county that is
18 a participating governmental unit; OR

19 (IV) A RETIREE OF THE CORRECTIONAL OFFICERS' RETIREMENT
20 SYSTEM WHO IS REEMPLOYED ON A CONTRACTUAL BASIS FOR NOT MORE THAN 4
21 YEARS BY THE DIVISION OF CORRECTIONS IN THE DEPARTMENT OF PUBLIC SAFETY
22 AND CORRECTIONAL SERVICES AS A CORRECTIONAL OFFICER IN A CORRECTIONAL
23 FACILITY DEFINED IN § 1-101 OF THE CORRECTIONAL SERVICES ARTICLE.

24 (c) An individual who is receiving a service retirement allowance or a vested
25 allowance and who is reemployed by a participating employer may not receive
26 creditable service or eligibility service during the period of reemployment.

27 (d) The individual's compensation during the period of reemployment may not
28 be subject to the employer pickup provisions of § 21-303 of this article or any
29 reduction or deduction as a member contribution for pension or retirement purposes.

30 (e) The State Retirement Agency shall institute appropriate reporting
31 procedures with the affected payroll systems to ensure compliance with this section.

32 (f) (1) Immediately on the employment of any individual receiving a service
33 retirement allowance or a vested allowance, a participating employer shall notify the
34 State Retirement Agency of the type of employment and the anticipated earnings of
35 the individual.

36 (2) At least once each year, in a format specified by the State Retirement
37 Agency, each participating employer shall provide the State Retirement Agency with

1 a list of all employees included on any payroll of the employer, the Social Security
2 numbers of the employees, and their earnings for that year.

3 (g) At the request of the State Retirement Agency, a unit of State government
4 shall certify to the State Retirement Agency that the individual was not employed by
5 any unit of State government at the time of the individual's last separation from
6 employment before the individual commenced receiving a service retirement
7 allowance or a vested allowance.

8 (h) An individual who is rehired under this section may not be rehired within
9 45 days of the date the individual retired if:

10 (1) the individual's current employer is a participating employer other
11 than the State and is the same participating employer that employed the individual
12 at the time of the individual's last separation from employment with a participating
13 employer before the individual commenced receiving a service retirement allowance;
14 or

15 (2) the individual's current employer is any unit of State government
16 and the individual's employer at the time of the individual's last separation from
17 employment with the State before the individual commenced receiving a service
18 retirement allowance was also a unit of State government.

19 (I) THE DIVISION OF CORRECTIONS IN THE DEPARTMENT OF PUBLIC SAFETY
20 AND CORRECTIONAL SERVICES SHALL NOTIFY THE STATE RETIREMENT AGENCY OF
21 ANY RETIREES WHO QUALIFY UNDER SUBSECTION (B)(3)(IV) OF THIS SECTION.

22 (J) ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE COMMISSIONER OF THE
23 DIVISION OF CORRECTIONS IN THE DEPARTMENT OF PUBLIC SAFETY AND
24 CORRECTIONAL SERVICES SHALL SUBMIT A REPORT IN ACCORDANCE WITH § 2-1246
25 OF THE STATE GOVERNMENT ARTICLE TO THE JOINT COMMITTEE ON PENSIONS
26 THAT PROVIDES:

27 (1) THE NUMBER OF REHIRED RETIREES UNDER SUBSECTION (B)(3)(IV)
28 OF THIS SECTION;

29 (2) THE ANNUAL SALARY OF EACH REHIRED RETIREE AT THE TIME OF
30 RETIREMENT AND THE CURRENT ANNUAL SALARY OF EACH REHIRED RETIREE;

31 (3) THE NUMBER OF CORRECTIONAL OFFICERS HIRED WHO ARE NOT
32 RETIREES; AND

33 (4) THE ANNUAL SALARY OF EACH CORRECTIONAL OFFICER WHO IS
34 HIRED.

35 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
36 July 1, 2006.