
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

Committee Report: Favorable

House action: Adopted

Read second time: March 19, 2006

CHAPTER _____

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:

1

Article - State Personnel and Pensions

2 25-403.

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

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

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

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

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

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

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

21 (ii) an individual whose average final compensation was less than
22 \$10,000 and who is reemployed on a temporary or contractual basis; [or]

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

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

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

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

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

3 (f) (1) Immediately on the employment of any individual receiving a service
4 retirement allowance or a vested allowance, a participating employer shall notify the
5 State Retirement Agency of the type of employment and the anticipated earnings of
6 the individual.

7 (2) At least once each year, in a format specified by the State Retirement
8 Agency, each participating employer shall provide the State Retirement Agency with
9 a list of all employees included on any payroll of the employer, the Social Security
10 numbers of the employees, and their earnings for that year.

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

16 (h) An individual who is rehired under this section may not be rehired within
17 45 days of the date the individual retired if:

18 (1) the individual's current employer is a participating employer other
19 than the State and is the same participating employer that employed the individual
20 at the time of the individual's last separation from employment with a participating
21 employer before the individual commenced receiving a service retirement allowance;
22 or

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

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

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

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

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

1 (3) THE NUMBER OF CORRECTIONAL OFFICERS HIRED WHO ARE NOT
2 RETIREES; AND

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

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