

HOUSE BILL 562

K4

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CF SB 668

By: **Delegates Proctor, Gaines, Healey, Ross, Barnes, Benson, Braveboy, Davis, Frush, Holmes, Howard, Hubbard, Ivey, Levi, Niemann, Pena-Melnyk, Ramirez, Valderrama, Vallario, and Vaughn**

Introduced and read first time: February 7, 2007

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Teachers' Retirement and Pension Systems – Reemployment of Retirees**

3 FOR the purpose of exempting, from a certain offset of a retirement allowance, certain
4 retirees of the Teachers' Retirement System or Teachers' Pension System;
5 altering the criteria that certain retirees of the Teachers' Retirement System or
6 Teachers' Pension System are required to meet to be exempt from a certain
7 offset of a retirement allowance; and generally relating to the reemployment of
8 retirees of the Teachers' Retirement System or Teachers' Pension System.

9 BY repealing and reenacting, with amendments,
10 Article – State Personnel and Pensions
11 Section 22–406 and 23–407
12 Annotated Code of Maryland
13 (2004 Replacement Volume and 2006 Supplement)

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

16 **Article – State Personnel and Pensions**

17 22–406.

18 (a) In this section, “area of critical shortage” means an academic field
19 identified by the State Department of Education in accordance with the provisions of §

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 18–703(g)(1) of the Education Article as having projected employment vacancies that
2 substantially exceed projected qualified graduates.

3 (b) Except as provided in subsection (m) 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:

6 (1) the individual immediately notifies the Board of Trustees of the
7 individual’s intention to accept this employment; and

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

9 (c) (1) The Board of Trustees shall reduce the allowance of an individual
10 who accepts employment as provided under subsection (b) of this section if:

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

16 (ii) the individual’s current employer is any unit of State
17 government and the individual’s employer at the time of the individual’s last
18 separation from employment with the State before the individual commenced
19 receiving a service retirement allowance or vested allowance was also a unit of State
20 government; or

21 (iii) the individual becomes reemployed within 12 months of
22 receiving an early service retirement allowance under § 22–402 of this subtitle.

23 (2) The reduction required under paragraph (1) of this subsection shall
24 equal:

25 (i) the amount by which the sum of the individual’s initial
26 annual basic allowance and the individual’s annual compensation exceeds the average
27 final compensation used to compute the basic allowance; or

28 (ii) for a retiree who retired under the Workforce Reduction Act
29 (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree’s annual
30 compensation and the retiree’s annual basic allowance at the time of retirement,
31 including the incentive provided by the Workforce Reduction Act, exceeds the average
32 final compensation used to compute the basic allowance.

1 (3) A reduction of an early service retirement allowance under
2 paragraph (1)(iii) of this subsection shall be applied only until the individual has
3 received an allowance for 12 months.

4 (4) Except for an individual whose allowance is subject to a reduction
5 as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an
6 allowance under this subsection does not apply to:

7 (i) an individual who has been retired for 9 years, beginning on
8 January 1 after the date the individual retires;

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

11 (iii) an individual who is serving in an elected position as an
12 official of a participating governmental unit or as a constitutional officer for a county
13 that is a participating governmental unit;

14 (iv) a retiree of the Teachers' Retirement System:

15 1. who retired and was reemployed by a participating
16 employer other than the State on or before September 30, 1994; and

17 2. whose employment compensation does not derive, in
18 whole or in part, from State funds;

19 (v) a retiree of the Teachers' Retirement System who:

20 1. is or has been certified to teach in the State;

21 2. has verification of satisfactory or better performance
22 in the last assignment prior to retirement;

23 3. based on the retired teacher's qualifications, has been
24 appointed in accordance with § 4-103 of the Education Article; and

25 4. receives verification of satisfactory or better
26 performance each year the teacher is employed under paragraph (5) of this subsection;

27 (vi) a retiree of the Teachers' Retirement System who:

28 1. A. was employed as a principal within 5 years of
29 retirement; or

1 B. was employed as a principal not more than 10 years
2 before retirement and was employed in a position supervising principals in the
3 retiree's last assignment prior to retirement;

4 2. has verification of satisfactory performance for each
5 year as a principal and, if applicable, in a position supervising principals prior to
6 retirement;

7 3. based on the retiree's qualifications, has been hired as
8 a principal; and

9 4. receives verification of satisfactory performance each
10 year the retiree is employed as a principal under paragraph (6) of this subsection;

11 (vii) a former employee of the Domestic Relations Division of
12 Anne Arundel County Circuit Court who transfers into the State Employees'
13 Personnel System under § 2-510 of the Courts Article; or

14 (viii) a retiree of the Employees' Retirement System who is
15 reemployed on a contractual basis for not more than 4 years by the Department of
16 Health and Mental Hygiene as a health care practitioner, as defined in § 1-301 of the
17 Health Occupations Article, in:

18 1. a State residential center as defined in § 7-101 of the
19 Health – General Article;

20 2. a chronic disease center subject to Title 19, Subtitle 5
21 of the Health – General Article;

22 3. a State facility as defined in § 10-101 of the Health –
23 General Article; or

24 4. a local health department subject to Title 3, Subtitle 2
25 of the Health – General Article.

26 (5) [(i)] An individual who is rehired under paragraph (4)(v) of this
27 subsection shall be employed as a classroom teacher, substitute classroom teacher, or
28 teacher mentor:

29 (I) in a public school that:

1 1. is not making adequate yearly progress or is a school
2 in need of improvement as defined under the federal No Child Left Behind Act of 2001
3 and as implemented by the State Department of Education;

4 2. [is receiving funds under Title 1 of the federal No
5 Child Left Behind Act of 2001] **HAS MORE THAN 50% OF THE STUDENTS**
6 **ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE**
7 **MEALS UNDER TITLE 1 OF THE FEDERAL ELEMENTARY AND SECONDARY**
8 **EDUCATION ACT CODIFIED AT 20 U.S.C. 6301 ET SEQ.;** or

9 3. provides an alternative education program for
10 adjudicated youths or students who have been expelled, suspended, or identified for
11 suspension or expulsion from a public school[.];**OR**

12 (ii) [An individual rehired at a school described under
13 subparagraph (i) of this paragraph shall teach:]

14 1. **TEACHING** in an area of critical shortage;

15 2. **TEACHING** a special education class for students with
16 special needs; or

17 3. **TEACHING** a class for students with limited English
18 proficiency.

19 (6) An individual who is rehired under paragraph (4)(vi) of this
20 subsection shall be employed as a principal at a public school that:

21 (i) is not making adequate yearly progress or is a school in need
22 of improvement as defined under the federal No Child Left Behind Act of 2001 and as
23 implemented by the State Department of Education;

24 (ii) [is receiving funds under Title 1 of the federal No Child Left
25 Behind Act of 2001] **HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT**
26 **SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS UNDER**
27 **TITLE 1 OF THE FEDERAL ELEMENTARY AND SECONDARY EDUCATION ACT**
28 **CODIFIED AT 20 U.S.C. 6301 ET SEQ.;** or

29 (iii) provides an alternative education program for adjudicated
30 youths or students who have been expelled, suspended, or identified for suspension or
31 expulsion from a public school.

1 (7) An individual who is reemployed under paragraph (4)(v) or (vi) of
2 this subsection at a school described under paragraph (5) or (6) of this subsection may
3 not continue that reemployment after the school makes adequate yearly progress for 4
4 consecutive years.

5 (8) (i) Notwithstanding paragraph (5) of this subsection, each
6 superintendent of a local school system may rehire an additional number of
7 individuals described under paragraph (4)(v) of this subsection equal to the greater of:

8 1. three; or

9 2. 0.1% of the total full-time equivalent instructional
10 teachers employed by that local school system, rounded up to the nearest whole
11 number not to exceed 10, as reported annually by the State Department of Education.

12 (ii) At any one time, the total number of individuals rehired by a
13 superintendent of a local school system under this paragraph may not exceed the
14 number determined under subparagraph (i) of this paragraph.

15 [(iii) An individual rehired under this paragraph:

16 1. shall be reemployed at a school specified in paragraph
17 (5)(i) of this subsection; and

18 2. may teach any subject or class or provide educational
19 services assigned by the individual's superintendent.]

20 (9) (i) The superintendent of the local school system rehiring an
21 individual under paragraph (4)(v) or (vi) of this subsection shall:

22 1. approve the rehiring of that individual; and

23 2. determine the school where the individual is to be
24 reemployed.

25 (ii) Within 30 days after rehiring an individual, the
26 superintendent of a local school system shall complete and file with the Board of
27 Trustees and the State Department of Education a form provided by the Board of
28 Trustees that certifies that the individual rehired by the local school system under
29 paragraph (4)(v) or (vi) of this subsection:

1 1. satisfied the criteria provided in paragraph (4)(v) or
2 (vi) of this subsection; **AND**

3 2. **A.** was reemployed at a school described under
4 paragraph (5)(i) or (6) of this subsection; [and

5 3. if rehired under paragraph (4)(v) of this subsection,
6 was:

7 **A.]B. WAS REEMPLOYED** teaching in an area specified in
8 paragraph (5)(ii) of this subsection; or

9 **[B.]C.** [teaching in any class or subject or providing
10 educational services] **WAS REEMPLOYED** as provided under paragraph (8) of this
11 subsection.

12 (iii) 1. On or before April 1 of each year, the Board of
13 Trustees and the State Department of Education shall jointly review any forms filed
14 by a superintendent of a local school system under subparagraph (ii) of this paragraph
15 during the previous calendar year.

16 2. If the Board of Trustees and the State Department of
17 Education agree that a superintendent of a local school system has rehired an
18 individual that does not satisfy the criteria provided in paragraph (4)(v) or (vi) and (5),
19 (6), or (8) of this subsection:

20 A. on or before July 1 of the year of the finding, the
21 Board of Trustees shall notify the superintendent of the local school system of this
22 individual; and

23 B. the local school system shall reimburse the Board of
24 Trustees the amount equal to the reduction to the individual's retirement allowance
25 that would have been made in paragraph (2) of this subsection.

26 (iv) The local school system shall make the reimbursement on or
27 before December 31 of the year the local school system receives notice from the Board
28 of Trustees under subparagraph (iii)2A of this paragraph.

29 (10) On or before August 1 of each year, the local superintendent shall
30 report to the State Department of Education for the previous school year:

1 (i) the number of individuals rehired under paragraph (4)(v) or
2 (vi) or (8) of this subsection;

3 (ii) 1. the school and school system where each individual
4 was rehired; and

5 2. whether the school:

6 A. was not making adequate yearly progress or was a
7 school in need of improvement as defined under the federal No Child Left Behind Act
8 of 2001 and as implemented by the State Department of Education;

9 B. [was receiving funds under Title 1 of the federal No
10 Child Left Behind Act of 2001] **HAS MORE THAN 50% OF THE STUDENTS**
11 **ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE**
12 **MEALS UNDER TITLE 1 OF THE FEDERAL ELEMENTARY AND SECONDARY**
13 **EDUCATION ACT CODIFIED AT 20 U.S.C. 6301 ET SEQ.;** or

14 C. provided an alternative education program for
15 adjudicated youths or students who have been expelled, suspended, or identified for
16 suspension or expulsion from a public school;

17 (iii) the original date of rehire for each individual;

18 (iv) the subject matter taught by each individual; and

19 (v) the annual salary of each individual.

20 (d) An individual who is rehired under this section may not be rehired within
21 45 days of the date the individual retired if:

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

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

1 (e) An individual who is receiving a service retirement allowance or a vested
2 allowance and who is reemployed by a participating employer may not receive
3 creditable service or eligibility service during the period of reemployment.

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

7 (g) The State Retirement Agency shall institute appropriate reporting
8 procedures with the affected payroll systems to ensure compliance with this section.

9 (h) (1) Immediately on the employment of any individual receiving a
10 service retirement allowance or a vested allowance, a participating employer shall
11 notify the State Retirement Agency of the type of employment and the anticipated
12 earnings of the individual.

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

17 (i) The State Department of Education shall adopt regulations to carry out
18 this section.

19 (j) At the request of the State Retirement Agency:

20 (1) a participating employer shall certify to the State Retirement
21 Agency that it is not the same participating employer that employed an individual at
22 the time of the individual's last separation from employment before the individual
23 commenced receiving a service retirement allowance or a vested allowance; or

24 (2) a unit of State government shall certify to the State Retirement
25 Agency that the individual was not employed by any unit of State government at the
26 time of the individual's last separation from employment before the individual
27 commenced receiving a service retirement allowance or a vested allowance.

28 (k) The Department of Health and Mental Hygiene shall notify the State
29 Retirement Agency of any retirees who qualify under subsection (c)(4)(viii) of this
30 section.

31 (l) On or before September 1 of each year, the Secretary of Health and
32 Mental Hygiene shall submit a report in accordance with § 2-1246 of the State
33 Government Article to the Joint Committee on Pensions that provides:

1 (1) the number of rehired retirees under subsection (c)(4)(viii) of this
2 section;

3 (2) the annual salary of each rehired retiree at the time of retirement
4 and the current annual salary of each rehired retiree;

5 (3) the number of health care practitioners hired who are not retirees;
6 and

7 (4) the annual salary of each health care practitioner who is hired.

8 (m) 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 at
12 the time of the individual's last separation from employment with a participating
13 employer before the individual commenced receiving a service retirement allowance; or

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

18 (n) On or before October 1 of each year, the State Superintendent of Schools
19 shall submit a report for the previous school year, to the Joint Committee on Pensions,
20 in accordance with § 2-1246 of the State Government Article, that provides:

21 (1) the number of rehired retirees under subsection (c)(4)(v) and (vi)
22 and (8) of this section;

23 (2) (i) the school and school system where each retiree was rehired;
24 and

25 (ii) whether the school:

26 1. was not making adequate yearly progress or was a
27 school in need of improvement as defined under the federal No Child Left Behind Act
28 of 2001 and as implemented by the State Department of Education;

1 2. [was receiving funds under Title 1 of the federal No
2 Child Left Behind Act of 2001] **HAS MORE THAN 50% OF THE STUDENTS**
3 **ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE**
4 **MEALS UNDER TITLE 1 OF THE FEDERAL ELEMENTARY AND SECONDARY**
5 **EDUCATION ACT CODIFIED AT 20 U.S.C. 6301 ET SEQ.; or**

6 3. provided an alternative education program for
7 adjudicated youths or students who have been expelled, suspended, or identified for
8 suspension or expulsion from a public school;

9 (3) a copy of the annual staffing report generated by the State
10 Superintendent of Schools in accordance with § 18-703(g)(1) of the Education Article
11 certifying areas of critical shortage for the previous school year as evidenced by
12 projected employment vacancies substantially exceeding projected qualified graduates;

13 (4) the subject matter that each rehired retiree was teaching;

14 (5) the salary of each rehired retiree; and

15 (6) the total number of years each retiree has been reemployed at the
16 school where the retiree was rehired for the previous school year.

17 (o) On or before October 1 of each year, the Board of Trustees shall submit a
18 report for the previous calendar year to the Joint Committee on Pensions, in
19 accordance with § 2-1246 of the State Government Article, that provides:

20 (1) the number of individuals in each local school system that the
21 Board of Trustees and the State Department of Education agree were rehired and did
22 not satisfy the criteria provided in subsection (c)(4)(v) or (vi) and (5), (6), or (8) of this
23 section; and

24 (2) any reimbursements a local school system made under subsection
25 (c)(9)(iii) of this section.

26 23-407.

27 (a) In this section, “area of critical shortage” means an academic field
28 identified by the State Department of Education in accordance with the provisions of §
29 18-703(g)(1) of the Education Article as having projected employment vacancies that
30 substantially exceed projected qualified graduates.

1 (b) Except as provided in subsection (m) of this section, an individual who is
2 receiving a service retirement allowance or a vested allowance may accept
3 employment with a participating employer on a permanent, temporary, or contractual
4 basis, if:

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

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

8 (c) (1) The Board of Trustees shall reduce the allowance of an individual
9 who accepts employment as provided under subsection (b) of this section if:

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

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

20 (iii) the individual becomes reemployed within 12 months of
21 receiving an early service retirement allowance or an early vested allowance computed
22 under § 23-402 of this subtitle.

23 (2) The reduction required under paragraph (1) of this subsection shall
24 equal:

25 (i) the amount by which the sum of the individual's initial
26 annual basic allowance and the individual's annual compensation exceeds the average
27 final compensation used to compute the basic allowance; or

28 (ii) for a retiree who retired under the Workforce Reduction Act
29 (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual
30 compensation and the retiree's annual basic allowance at the time of retirement,
31 including the incentive provided by the Workforce Reduction Act, exceeds the average
32 final compensation used to compute the basic allowance.

1 (3) A reduction of an early service retirement allowance or an early
2 vested allowance under paragraph (1)(iii) of this subsection shall be applied only until
3 the individual has received an allowance for 12 months.

4 (4) Except for an individual whose allowance is subject to a reduction
5 as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an
6 allowance under this subsection does not apply to:

7 (i) an individual whose average final compensation was less
8 than \$10,000 and who is reemployed on a temporary or contractual basis;

9 (ii) an individual who is serving in an elected position as an
10 official of a participating governmental unit or as a constitutional officer for a county
11 that is a participating governmental unit;

12 (iii) an individual who has been retired for 9 years, beginning on
13 January 1 after the date the individual retires;

14 (iv) a retiree of the Teachers' Pension System who:

- 15 1. is or has been certified to teach in the State;
- 16 2. has verification of satisfactory or better performance
17 in the last assignment prior to retirement;
- 18 3. based on the retired teacher's qualifications, has been
19 appointed in accordance with § 4-103 of the Education Article; and
- 20 4. receives verification of satisfactory or better
21 performance each year the teacher is employed under paragraph (5) of this subsection;

22 (v) a retiree of the Teachers' Pension System who:

- 23 1. A. was employed as a principal within 5 years of
24 retirement; or
- 25 B. was employed as a principal not more than 10 years
26 before retirement and was employed in a position supervising principals in the
27 retiree's last assignment prior to retirement;
- 28 2. has verification of satisfactory performance for each
29 year as a principal and, if applicable, in a position supervising principals prior to
30 retirement;

1 3. based on the retiree's qualifications, has been hired as
2 a principal; and

3 4. receives verification of satisfactory performance each
4 year the retiree is employed as a principal under paragraph (6) of this subsection; or

5 (vi) a retiree of the Employees' Pension System who is
6 reemployed on a contractual basis for not more than 4 years by the Department of
7 Health and Mental Hygiene as a health care practitioner, as defined in § 1-301 of the
8 Health Occupations Article in:

9 1. a State residential center as defined in § 7-101 of the
10 Health – General Article;

11 2. a chronic disease center subject to Title 19, Subtitle 5
12 of the Health – General Article;

13 3. a State facility as defined in § 10-101 of the Health –
14 General Article; or

15 4. a local health department subject to Title 3, Subtitle 2
16 of the Health – General Article.

17 (5) [(i)] An individual who is rehired under paragraph (4)(iv) of this
18 subsection shall be employed as a classroom teacher, substitute classroom teacher, or
19 teacher mentor:

20 (I) in a public school that:

21 1. is not making adequate yearly progress or is a school
22 in need of improvement as defined under the federal No Child Left Behind Act of 2001
23 and as implemented by the State Department of Education;

24 2. [is receiving funds under Title 1 of the federal No
25 Child Left Behind Act of 2001] **HAS MORE THAN 50% OF THE STUDENTS**
26 **ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE**
27 **MEALS UNDER TITLE 1 OF THE FEDERAL ELEMENTARY AND SECONDARY**
28 **EDUCATION ACT CODIFIED AT 20 U.S.C. 6301 ET SEQ.; or**

1 3. provides an alternative education program for
2 adjudicated youths or students who have been expelled, suspended, or identified for
3 suspension or expulsion from a public school[.]; **OR**

4 (ii) [An individual rehired at a school described under
5 subparagraph (i) of this paragraph shall teach:]

6 1. **TEACHING** in an area of critical shortage;

7 2. **TEACHING** a special education class for students with
8 special needs; or

9 3. **TEACHING** a class for students with limited English
10 proficiency.

11 (6) An individual who is rehired under paragraph (4)(v) of this
12 subsection shall be employed as a principal at a public school that:

13 (i) is not making adequate yearly progress or is a school in need
14 of improvement as defined under the federal No Child Left Behind Act of 2001 and as
15 implemented by the State Department of Education;

16 (ii) [is receiving funds under Title 1 of the federal No Child Left
17 Behind Act of 2001] **HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT**
18 **SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS UNDER**
19 **TITLE 1 OF THE FEDERAL ELEMENTARY AND SECONDARY EDUCATION ACT**
20 **CODIFIED AT 20 U.S.C. 6301 ET SEQ.; or**

21 (iii) provides an alternative education program for adjudicated
22 youths or students who have been expelled, suspended, or identified for suspension or
23 expulsion from a public school.

24 (7) An individual who is reemployed under paragraph (4)(iv) or (v) of
25 this subsection at a school described under paragraph (5) or (6) of this subsection may
26 not continue that reemployment after the school makes adequate yearly progress for 4
27 consecutive years.

28 (8) (i) Notwithstanding paragraph (5) of this subsection, each
29 superintendent of a local school system may rehire an additional number of
30 individuals described under paragraph (4)(v) of this subsection equal to the greater of:

31 1. three; or

1 2. 0.1% of the total full-time equivalent instructional
2 teachers employed by that local school system, rounded up to the nearest whole
3 number not to exceed 10, as reported annually by the State Department of Education.

4 (ii) At any one time, the total number of individuals rehired by a
5 superintendent of a local school system under this paragraph may not exceed the
6 number determined under subparagraph (i) of this paragraph.

7 [(iii) An individual rehired under this paragraph:

8 1. shall be reemployed at a school specified in paragraph
9 (5)(i) of this subsection; and

10 2. may teach any subject or class or provide educational
11 services assigned by the individual's superintendent.]

12 (9) (i) The superintendent of the local school system rehiring an
13 individual under paragraph (4)(iv) or (v) of this subsection shall:

14 1. approve the rehiring of that individual; and

15 2. determine the school where the individual is to be
16 reemployed.

17 (ii) Within 30 days after rehiring an individual, the
18 superintendent of a local school system shall complete and file with the Board of
19 Trustees and the State Department of Education a form provided by the Board of
20 Trustees that certifies that the individual rehired by the local school system under
21 paragraph (4)(v) or (vi) of this subsection:

22 1. satisfied the criteria provided in paragraph (4)(iv) or
23 (v) of this subsection;

24 2. **A.** was reemployed at a school described under
25 paragraph (5)(i) or (6) of this subsection; [and

26 3. if rehired under paragraph (4)(iv) of this subsection,
27 was:

28 **A.]B. WAS REEMPLOYED** teaching in an area specified in
29 paragraph (5)(ii) of this subsection; or

1 [B.]C. [teaching in any class or subject or providing
2 educational services] **WAS REEMPLOYED** as provided under paragraph (8) of this
3 subsection.

4 (iii) 1. On or before April 1 of each year, the Board of
5 Trustees and the State Department of Education shall jointly review any forms filed
6 by a superintendent of a local school system under subparagraph (ii) of this
7 paragraph.

8 2. If the Board of Trustees and the State Department of
9 Education agree that a superintendent of a local school system has rehired an
10 individual that does not satisfy the criteria provided in paragraph (4)(iv) or (v) and (5),
11 (6), or (8) of this subsection:

12 A. on or before July 1 of the year of the finding, the
13 Board of Trustees shall notify the superintendent of the local school system of this
14 individual; and

15 B. the local school system shall reimburse the Board of
16 Trustees the amount equal to the reduction to the individual's retirement allowance
17 that would have been made in paragraph (2) of this subsection.

18 (iv) The local school system shall make the reimbursement on or
19 before December 31 of the year the local school system receives notice from the Board
20 of Trustees under subparagraph (iii)2A of this paragraph.

21 (10) On or before August 1 of each year, the local superintendent shall
22 report to the State Department of Education for the previous school year:

23 (i) the number of individuals rehired under paragraph (4)(iv) or
24 (v) or (8) of this subsection;

25 (ii) 1. the school and school system where each individual
26 was rehired; and

27 2. whether the school:

28 A. was not making adequate yearly progress or was a
29 school in need of improvement as defined under the federal No Child Left Behind Act
30 of 2001 and as implemented by the State Department of Education;

1 B. [was receiving funds under Title 1 of the federal No
2 Child Left Behind Act of 2001] **HAS MORE THAN 50% OF THE STUDENTS**
3 **ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE**
4 **MEALS UNDER TITLE 1 OF THE FEDERAL ELEMENTARY AND SECONDARY**
5 **EDUCATION ACT CODIFIED AT 20 U.S.C. 6301 ET SEQ.; or**

6 C. provided an alternative education program for
7 adjudicated youths or students who have been expelled, suspended, or identified for
8 suspension or expulsion from a public school;

9 (iii) the original date of rehire for each individual;

10 (iv) the subject matter taught by each individual; and

11 (v) the annual salary of each individual.

12 (d) An individual who is rehired under this section may not be rehired within
13 45 days of the date the individual retired if:

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

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

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

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

28 (g) The State Retirement Agency shall institute appropriate reporting
29 procedures with the affected payroll systems to ensure compliance with this section.

30 (h) (1) Immediately on the employment of any individual receiving a
31 service retirement allowance or a vested allowance, a participating employer shall

1 notify the State Retirement Agency of the type of employment and the anticipated
2 earnings of the individual.

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

7 (i) The State Department of Education shall adopt regulations to carry out
8 this section.

9 (j) At the request of the State Retirement Agency:

10 (1) a participating employer shall certify to the State Retirement
11 Agency that it is not the same participating employer that employed an individual at
12 the time of the individual's last separation from employment before the individual
13 commenced receiving a service retirement allowance or a vested allowance; or

14 (2) a unit of State government shall certify to the State Retirement
15 Agency that the individual was not employed by any unit of State government at the
16 time of the individual's last separation from employment before the individual
17 commenced receiving a service retirement allowance or a vested allowance.

18 (k) The Department of Health and Mental Hygiene shall notify the State
19 Retirement Agency of any retirees who qualify under subsection (c)(4)(vi) of this
20 section.

21 (1) On or before September 1 of each year, the Secretary of Health and
22 Mental Hygiene shall submit a report in accordance with § 2-1246 of the State
23 Government Article to the Joint Committee on Pensions that provides:

24 (1) the number of rehired retirees under subsection (c)(4)(vi) of this
25 section;

26 (2) the annual salary of each rehired retiree at the time of retirement
27 and the current annual salary of each rehired retiree;

28 (3) the number of health care practitioners hired who are not retirees;
29 and

30 (4) the annual salary of each health care practitioner who is hired.

1 (m) An individual who is rehired under this section may not be rehired within
2 45 days of the date the individual retired if:

3 (1) the individual's current employer is a participating employer other
4 than the State and is the same participating employer that employed the individual at
5 the time of the individual's last separation from employment with a participating
6 employer before the individual commenced receiving a service retirement allowance; or

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

11 (n) On or before October 1 of each year, the State Superintendent of Schools
12 shall submit a report for the previous school year, to the Joint Committee on Pensions,
13 in accordance with § 2-1246 of the State Government Article, that provides:

14 (1) the number of rehired retirees under subsection (c)(4)(iv) and (v)
15 and (8) of this section;

16 (2) (i) the school and school system where each retiree was rehired;
17 and

18 (ii) whether the school:

19 1. was not making adequate yearly progress or was a
20 school in need of improvement as defined under the federal No Child Left Behind Act
21 of 2001 and as implemented by the State Department of Education;

22 2. [was receiving funds under Title 1 of the federal No
23 Child Left Behind Act of 2001] **HAS MORE THAN 50% OF THE STUDENTS**
24 **ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE**
25 **MEALS UNDER TITLE 1 OF THE FEDERAL ELEMENTARY AND SECONDARY**
26 **EDUCATION ACT CODIFIED AT 20 U.S.C. 6301 ET SEQ.;** or

27 3. provided an alternative education program for
28 adjudicated youths or students who have been expelled, suspended, or identified for
29 suspension or expulsion from a public school;

30 (3) a copy of the annual staffing report generated by the State
31 Superintendent of Schools in accordance with § 18-703(g)(1) of the Education Article

1 certifying areas of critical shortage for the previous school year as evidenced by
2 projected employment vacancies substantially exceeding projected qualified graduates;

3 (4) the subject matter that each rehired retiree was teaching;

4 (5) the salary of each rehired retiree; and

5 (6) the total number of years each retiree has been reemployed at the
6 school where the retiree was rehired for the previous school year.

7 (o) On or before October 1 of each year, the Board of Trustees shall submit a
8 report for the previous calendar year to the Joint Committee on Pensions, in
9 accordance with § 2-1246 of the State Government Article, that provides:

10 (1) the number of individuals in each local school system that the
11 Board of Trustees and the State Department of Education agree were rehired and did
12 not satisfy the criteria provided in subsection (c)(4)(iv) or (v) and (5), (6), or (8) of this
13 section; and

14 (2) any reimbursements a local school system made under subsection
15 (c)(9)(ii) of this section.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
17 July 1, 2007.