

HOUSE BILL 1249

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7lr0139

By: **Chair, Appropriations Committee (By Request – Departmental – Public Safety and Correctional Services)**

Introduced and read first time: February 21, 2007

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Correctional Officers' Retirement System – Division of Pretrial Detention**
3 **and Services and Patuxent Institution – Reemployment of Retirees**

4 FOR the purpose of exempting from a certain offset of a retirement allowance certain
5 retirees of the Correctional Officers' Retirement System who are reemployed as
6 correctional officers; requiring the Division of Pretrial Detention and Services
7 and the Patuxent Institution to provide the State Retirement Agency with
8 certain information; providing that certain retirees of the Correctional Officers'
9 Retirement System may be reemployed only for a certain period of time;
10 requiring the Division of Pretrial Detention and Services and the Patuxent
11 Institution to submit certain reports to a certain committee; and generally
12 relating to the reemployment of retirees in the Correctional Officers' Retirement
13 System.

14 BY repealing and reenacting, with amendments,
15 Article – State Personnel and Pensions
16 Section 25–403
17 Annotated Code of Maryland
18 (2004 Replacement Volume and 2006 Supplement)

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

21 **Article – State Personnel and Pensions**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 25–403.

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

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

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

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

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

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

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

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

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

26 (iv) a retiree of the Correctional Officers' Retirement System
27 who is reemployed on a contractual basis for not more than 4 years by the Division of
28 Corrections, **THE DIVISION OF PRETRIAL DETENTION AND SERVICES, OR THE**
29 **PATUXENT INSTITUTION** in the Department of Public Safety and Correctional
30 Services as a correctional officer in a correctional facility defined in § 1–101 of the
31 Correctional Services Article.

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

9 (f) (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 (g) At the request of the State Retirement Agency, a unit of State
18 government shall certify to the State Retirement Agency that the individual was not
19 employed by any unit of State government at the time of the individual's last
20 separation from employment before the individual commenced receiving a service
21 retirement allowance or a vested allowance.

22 (h) An individual who is rehired under this section may not be rehired within
23 45 days of the date the individual retired if:

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

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

32 (i) The Division of Corrections, **THE DIVISION OF PRETRIAL DETENTION**
33 **AND SERVICES, OR THE PATUXENT INSTITUTION** in the Department of Public

1 Safety and Correctional Services shall notify the State Retirement Agency of any
2 retirees who qualify under subsection (b)(3)(iv) of this section.

3 (j) On or before September 1 of each year, the Commissioner of [the Division
4 of] Corrections, **THE COMMISSIONER OF PRETRIAL DETENTION AND SERVICES,**
5 **AND THE DIRECTOR OF THE PATUXENT INSTITUTION** in the Department of Public
6 Safety and Correctional Services shall **JOINTLY** submit a report in accordance with §
7 2-1246 of the State Government Article to the Joint Committee on Pensions that
8 provides:

9 (1) the number of rehired retirees under subsection (b)(3)(iv) of this
10 section;

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

13 (3) the number of correctional officers hired who are not retirees; and

14 (4) the annual salary of each correctional officer who is hired.

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