

# HOUSE BILL 1249

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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

Re-referred to: Appropriations, February 26, 2007

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Committee Report: Favorable

House action: Adopted

Read second time: March 20, 2007

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## CHAPTER \_\_\_\_\_

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)

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### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

3                   **Article – State Personnel and Pensions**

4       25–403.

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

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

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

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

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

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

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

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

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

29                           (iv)    a retiree of the Correctional Officers' Retirement System  
30 who is reemployed on a contractual basis for not more than 4 years by the Division of

1 Corrections, **THE DIVISION OF PRETRIAL DETENTION AND SERVICES, OR THE**  
2 **PATUXENT INSTITUTION** in the Department of Public Safety and Correctional  
3 Services as a correctional officer in a correctional facility defined in § 1-101 of the  
4 Correctional Services Article.

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

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

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

13 (f) (1) Immediately on the employment of any individual receiving a  
14 service retirement allowance or a vested allowance, a participating employer shall  
15 notify the State Retirement Agency of the type of employment and the anticipated  
16 earnings of the individual.

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

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

26 (h) An individual who is rehired under this section may not be rehired within  
27 45 days of the date the individual retired if:

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

32 (2) the individual's current employer is any unit of State government  
33 and the individual's employer at the time of the individual's last separation from

1 employment with the State before the individual commenced receiving a service  
2 retirement allowance was also a unit of State government.

3 (i) The Division of Corrections, **THE DIVISION OF PRETRIAL DETENTION**  
4 **AND SERVICES, OR THE PATUXENT INSTITUTION** in the Department of Public  
5 Safety and Correctional Services shall notify the State Retirement Agency of any  
6 retirees who qualify under subsection (b)(3)(iv) of this section.

7 (j) On or before September 1 of each year, the Commissioner of [the Division  
8 of] Corrections, **THE COMMISSIONER OF PRETRIAL DETENTION AND SERVICES,**  
9 **AND THE DIRECTOR OF THE PATUXENT INSTITUTION** in the Department of Public  
10 Safety and Correctional Services shall **JOINTLY** submit a report in accordance with §  
11 2-1246 of the State Government Article to the Joint Committee on Pensions that  
12 provides:

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

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

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

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

19 **SECTION 2. AND BE IT FURTHER ENACTED,** That this Act shall take effect  
20 July 1, 2007.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.