

# SENATE BILL 668

K4

71r1838  
CF HB 562

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By: **Senators Pinsky, Britt, Currie, Muse, and Peters**  
Introduced and read first time: February 2, 2007  
Assigned to: Budget and Taxation

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## 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 §  
20 18–703(g)(1) of the Education Article as having projected employment vacancies that  
21 substantially exceed projected qualified graduates.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

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

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

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

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

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

21                   (2)    The reduction required under paragraph (1) of this subsection shall  
22 equal:

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

26                           (ii)   for a retiree who retired under the Workforce Reduction Act  
27 (Chapter 353 of the Acts of 1996), the amount by which the sum of the retiree's annual  
28 compensation and the retiree's annual basic allowance at the time of retirement,  
29 including the incentive provided by the Workforce Reduction Act, exceeds the average  
30 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 ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;**  
8 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**  
27 **ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE; or**

28                   (iii)  provides an alternative education program for adjudicated  
29 youths or students who have been expelled, suspended, or identified for suspension or  
30 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 ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;**  
13 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 ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;**  
5 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. 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**  
19 **ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE; or**

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

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

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

30                   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 ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;**  
5 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 ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;**  
26 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.