

CHAPTER 443

(House Bill 962)

AN ACT concerning

Teachers' Retirement System and Teachers' Pension System – Reemployment of Retirees

FOR the purpose of altering the total number of certain retirees of the Teachers' Retirement System or Teachers' Pension System that certain school districts may rehire; altering the criteria for hiring certain retirees of the Teachers' Retirement System or the Teachers' Pension System who are exempt from a certain offset of a retirement allowance; and generally relating to the reemployment of retirees in the Teachers' Retirement System or the Teachers' Pension System.

~~BY repealing and reenacting, without amendments,
Article – State Personnel and Pensions
Section ~~22-406(e)(5) and 23-407(e)(5)~~
Annotated Code of Maryland
(2004 Replacement Volume and 2006 Supplement)~~

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section ~~22-406(e)(8) and 23-407(e)(8)~~ 22-406 and 23-407
Annotated Code of Maryland
(2004 Replacement Volume and 2006 Supplement)

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

Article – State Personnel and Pensions

22-406.

~~(e) (5) (i) An individual who is rehired under paragraph (4)(v) of this subsection shall be employed as a classroom teacher, substitute classroom teacher, or teacher mentor in a public school that:~~

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

~~2. is receiving funds under Title 1 of the federal No Child Left Behind Act of 2001; or~~

~~3. provides an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school.~~

~~(ii) An individual rehired at a school described under subparagraph (i) of this paragraph shall teach:~~

~~1. in an area of critical shortage;~~

~~2. a special education class for students with special needs; or~~

~~3. a class for students with limited English proficiency.~~

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

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

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

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

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

(i) the individual’s current employer is a participating employer other than the State and is the same participating employer that employed the individual at the time of the individual’s last separation from employment with a

participating employer before the individual commenced receiving a service retirement allowance or vested allowance;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(5) (i) An individual who is rehired under paragraph (4)(v) of this subsection shall be employed as a classroom teacher, substitute classroom teacher, or teacher mentor in a public school that:

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

2. is receiving funds under Title 1 of the federal No Child Left Behind Act of 2001; [or]

3. **HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;**
OR

4. provides an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school.

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

1. in an area of critical shortage;
2. a special education class for students with special needs; or
3. a class for students with limited English proficiency.

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

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

(ii) is receiving funds under Title 1 of the federal No Child Left Behind Act of 2001; [or]

(iii) **HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE; OR**

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

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

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

1. [three] FIVE; or
2. ~~0.1%~~ **0.2%** of the total full-time equivalent instructional teachers employed by that local school system, rounded up to the nearest

whole number not to exceed ~~10~~ **15**, as reported annually by the State Department of Education.

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

(iii) An individual rehired under this paragraph:

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

[2.] **B.** may teach any subject or class or provide educational services assigned by the individual's superintendent; **OR**

2. A. MAY BE REEMPLOYED AT ANY SCHOOL ASSIGNED BY THE INDIVIDUAL'S SUPERINTENDENT; AND

B. SHALL TEACH A SUBJECT OR CLASS OR PROVIDE EDUCATIONAL SERVICES SPECIFIED IN PARAGRAPH (5)(II) OF THIS SUBSECTION.

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

1. approve the rehiring of that individual; and

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

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

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

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

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

A. teaching in an area specified in paragraph (5)(ii) of
this subsection; or

B. teaching in any class or subject or providing
educational services as provided under paragraph (8) of this subsection.

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

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

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

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

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

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

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

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

2. whether the school:

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

B. was receiving funds under Title 1 of the federal No Child Left Behind Act of 2001; [or]

C. HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE; OR

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

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

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

(v) the annual salary of each individual; AND

(VI) THE PERCENTAGE OF STUDENT POPULATION COMPRISED OF CHILDREN IN POVERTY THAT IS REQUIRED TO BE PRESENT IN A SCHOOL IN THAT SCHOOL SYSTEM IN ORDER FOR THAT SCHOOL TO QUALIFY AS A TITLE 1 SCHOOL.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ii) whether the school:

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

2. was receiving funds under Title 1 of the federal No Child Left Behind Act of 2001; [or]

3. HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE; OR

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

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

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

(5) the salary of each rehired retiree; [and]

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

(7) THE PERCENTAGE OF STUDENT POPULATION COMPRISED OF CHILDREN IN POVERTY THAT IS REQUIRED TO BE PRESENT IN A SCHOOL IN THAT SCHOOL SYSTEM IN ORDER FOR THAT SCHOOL TO QUALIFY AS A TITLE 1 SCHOOL.

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

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

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

23-407.

~~(e) (5) (i) An individual who is rehired under paragraph (4)(iv) of this subsection shall be employed as a classroom teacher, substitute classroom teacher, or teacher mentor in a public school that:~~

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

~~2. is receiving funds under Title 1 of the federal No Child Left Behind Act of 2001; or~~

~~3. provides an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school.~~

~~(ii) An individual rehired at a school described under subparagraph (i) of this paragraph shall teach:~~

~~1. in an area of critical shortage;~~

~~2. a special education class for students with special needs; or~~

~~3. a class for students with limited English proficiency.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(vi) a retiree of the Employees' Pension System who is reemployed on a contractual basis for not more than 4 years by the Department of

Health and Mental Hygiene as a health care practitioner, as defined in § 1–301 of the Health Occupations Article in:

1. a State residential center as defined in § 7–101 of the Health – General Article;
2. a chronic disease center subject to Title 19, Subtitle 5 of the Health – General Article;
3. a State facility as defined in § 10–101 of the Health – General Article; or
4. a local health department subject to Title 3, Subtitle 2 of the Health – General Article.

(5) (i) An individual who is rehired under paragraph (4)(iv) of this subsection shall be employed as a classroom teacher, substitute classroom teacher, or teacher mentor in a public school that:

1. is not making adequate yearly progress or is a school in need of improvement as defined under the federal No Child Left Behind Act of 2001 and as implemented by the State Department of Education;
2. is receiving funds under Title 1 of the federal No Child Left Behind Act of 2001; [or]
3. **HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE; OR**
4. provides an alternative education program for adjudicated youths or students who have been expelled, suspended, or identified for suspension or expulsion from a public school.

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

1. in an area of critical shortage;
2. a special education class for students with special needs; or

3. a class for students with limited English proficiency.

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

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

(ii) is receiving funds under Title 1 of the federal No Child Left Behind Act of 2001; [or]

(iii) **HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE; OR**

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

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

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

1. [three] FIVE; or

2. ~~0.1%~~ 0.2% of the total full-time equivalent instructional teachers employed by that local school system, rounded up to the nearest whole number not to exceed ~~10~~ 15, as reported annually by the State Department of Education.

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

(iii) An individual rehired under this paragraph:

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

[2.] **B.** may teach any subject or class or provide educational services assigned by the individual's superintendent; **OR**

2. A. MAY BE REEMPLOYED AT ANY SCHOOL ASSIGNED BY THE INDIVIDUAL'S SUPERINTENDENT; AND

B. SHALL TEACH A SUBJECT OR CLASS OR PROVIDE EDUCATIONAL SERVICES SPECIFIED IN PARAGRAPH (5)(II) OF THIS SUBSECTION.

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

1. approve the rehiring of that individual; and
2. determine the school where the individual is to be reemployed.

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

1. satisfied the criteria provided in paragraph (4)(iv) or (v) of this subsection;
2. was reemployed at a school described under paragraph (5)(i) or (6) of this subsection; and
3. if rehired under paragraph (4)(iv) of this subsection,
was:

A. teaching in an area specified in paragraph (5)(ii) of this subsection; or

B. teaching in any class or subject or providing educational services as provided under paragraph (8) of this subsection.

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

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

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

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

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

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

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

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

2. whether the school:

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

B. was receiving funds under Title 1 of the federal No Child Left Behind Act of 2001; [or]

C. HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE; OR

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

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

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

(v) the annual salary of each individual; AND

(VI) THE PERCENTAGE OF STUDENT POPULATION COMPRISED OF CHILDREN IN POVERTY THAT IS REQUIRED TO BE PRESENT IN A SCHOOL IN THAT SCHOOL SYSTEM IN ORDER FOR THAT SCHOOL TO QUALIFY AS A TITLE 1 SCHOOL.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(ii) whether the school:

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

2. was receiving funds under Title 1 of the federal No Child Left Behind Act of 2001; [or]

3. HAS MORE THAN 50% OF THE STUDENTS ATTENDING THAT SCHOOL WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICE MEALS ESTABLISHED BY THE UNITED STATES DEPARTMENT OF AGRICULTURE;
OR

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

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

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

(5) the salary of each rehired retiree; [and]

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

(7) THE PERCENTAGE OF STUDENT POPULATION COMPRISED OF CHILDREN IN POVERTY THAT IS REQUIRED TO BE PRESENT IN A SCHOOL IN THAT SCHOOL SYSTEM IN ORDER FOR THAT SCHOOL TO QUALIFY AS A TITLE 1 SCHOOL.

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

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

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

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

Approved by the Governor, May 8, 2007.