

CHAPTER 465

(House Bill 1249)

AN ACT concerning

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

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

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 25–403
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

25–403.

(a) Except as provided in subsection (h) 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 the individual immediately notifies the Board of Trustees:

- (1) of the individual's intention to accept the employment; and
- (2) of the compensation that the individual will receive.

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

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

(3) The reduction 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; or

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

(c) 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.

(d) 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.

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

(f) (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.

(g) At the request of the State Retirement Agency, 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.

(h) 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.

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

(j) On or before September 1 of each year, the Commissioner of [the Division of] Corrections, **THE COMMISSIONER OF PRETRIAL DETENTION AND SERVICES, AND THE DIRECTOR OF THE PATUXENT INSTITUTION** in the Department of Public Safety and Correctional Services shall **JOINTLY** 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 (b)(3)(iv) 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 correctional officers hired who are not retirees; and
- (4) the annual salary of each correctional officer who is hired.

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

Approved by the Governor, May 8, 2007.