

SENATE BILL 564

K4

(8lr2374)

ENROLLED BILL

—Budget and Taxation / Appropriations—

Introduced by **Senator McFadden (Chair, Joint Committee on Pensions) and Senators Currie, Kasemeyer, Munson, ~~and Robey~~ Robey, and Colburn**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **State Retirement and Pension System - Reemployment of Retirees**

3 FOR the purpose of exempting from a certain offset of a retirement allowance retired
4 judges who are members of the Employees' Retirement System or the
5 Employees' Pension System; requiring certain local school superintendents to
6 make certain reimbursements under certain circumstances by a certain date;
7 providing that certain members of the Judges' Retirement System may earn
8 service credit under certain circumstances; providing for certain individuals
9 who are retirees of the Employees' Retirement System or Employees' Pension
10 System to elect to suspend temporarily their service retirement allowances
11 under certain circumstances; requiring the Board of Trustees to suspend
12 temporarily certain service retirement allowances under certain circumstances
13 as of a certain date; exempting certain individuals who are retirees of the
14 Employees' Retirement System or Employees' Pension System from a certain

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.

Italics indicate opposite chamber / conference committee amendments.



1 earnings offset under certain circumstances; providing for the resumption of a
 2 service retirement allowance with certain adjustments to the allowance after
 3 receipt by the Board of Trustees for the State Retirement and Pension System of
 4 certain documentation; providing for certain survivorship benefits for surviving
 5 spouses of certain individuals who are retirees of the Employees' Retirement
 6 System or Employees' Pension System; requiring the Joint Committee on
 7 Pensions to submit certain information to the Senate Budget and Taxation
 8 Committee and the House Appropriations Committee by a certain date;
 9 requiring certain State agencies to submit certain data to the Joint Committee
 10 on Pensions; providing for the termination of certain provisions of this Act; and
 11 generally relating to reemployment of retirees of the State Retirement and
 12 Pension System.

13 BY repealing and reenacting, without amendments,

14 Article – State Personnel and Pensions

15 Section 22–406(b) and (c)(2) and (3) and 23–407(b) and (c)(2) and (3)

16 Annotated Code of Maryland

17 (2004 Replacement Volume and 2007 Supplement)

18 BY repealing and reenacting, with amendments,

19 Article – State Personnel and Pensions

20 Section ~~22–406(c)(1) and (9) and 23–407(c)(1) and (9)~~ 22–406(c)(1), (4)(vii) and
 21 (viii), and (9) and 23–407(c)(1), (4)(v) and (vi), and (9)

22 Annotated Code of Maryland

23 (2004 Replacement Volume and 2007 Supplement)

24 BY adding to

25 Article – State Personnel and Pensions

26 Section ~~22–407 and 23–408~~ 22–406(c)(4)(ix), 22–407, 23–407(c)(4)(vii), and
 27 23–408

28 Annotated Code of Maryland

29 (2004 Replacement Volume and 2007 Supplement)

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

32 **Article – State Personnel and Pensions**

33 22–406.

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

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

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

2 (c) (1) **[The] EXCEPT AS PROVIDED IN § 22-407 OF THIS SUBTITLE,**
3 **THE** Board of Trustees shall reduce the allowance of an individual who accepts
4 employment as provided under subsection (b) of this section if:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

13 **(IX) A RETIREE OF THE EMPLOYEES' RETIREMENT SYSTEM**
 14 **AND THE JUDGES' RETIREMENT SYSTEM WHO IS TEMPORARILY ASSIGNED TO**
 15 **SIT IN A COURT OF THIS STATE UNDER THE AUTHORITY OF ARTICLE IV, § 3A OF**
 16 **THE MARYLAND CONSTITUTION.**

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

19 1. approve the rehiring of that individual; and

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

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

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

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

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

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

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

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

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

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

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

19 (iv) **IF A SUPERINTENDENT OF A LOCAL SCHOOL SYSTEM**
20 **REHIRES AN INDIVIDUAL THAT SATISFIES THE CRITERIA PROVIDED IN**
21 **PARAGRAPHS (4)(V) OR (VI) AND (5), (6), OR (8) OF THIS SUBSECTION AND THE**
22 **BOARD OF TRUSTEES AND THE STATE DEPARTMENT OF EDUCATION DO NOT**
23 **RECEIVE CERTIFICATION FROM THE SUPERINTENDENT IN THE TIME REQUIRED**
24 **UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH:**

25 1. **ON OR BEFORE JULY 1 OF THE YEAR OF THE**
26 **FINDING, THE BOARD OF TRUSTEES SHALL NOTIFY THE SUPERINTENDENT OF**
27 **THE LOCAL SCHOOL SYSTEM OF THIS INDIVIDUAL; AND**

28 2. **THE LOCAL SCHOOL SYSTEM SHALL REIMBURSE**
29 **THE BOARD OF TRUSTEES THE AMOUNT EQUAL TO ANY REDUCTION TO THE**
30 **INDIVIDUAL'S RETIREMENT ALLOWANCE THAT WOULD HAVE BEEN MADE IN**
31 **PARAGRAPH (2) OF THIS SUBSECTION AS A RESULT OF THE SUPERINTENDENT'S**
32 **FAILURE TO SUBMIT CERTIFICATION UNDER SUBPARAGRAPH (II) OF THIS**
33 **PARAGRAPH.**

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

1 22-407.

2 (A) THIS SECTION APPLIES TO AN INDIVIDUAL WHO:

3 (1) ~~IS APPOINTED AS A JUDGE OF THE COURT OF APPEALS, THE~~
4 ~~COURT OF SPECIAL APPEALS, A CIRCUIT COURT OF A COUNTY IN THE STATE,~~
5 ~~OR THE DISTRICT COURT OF MARYLAND~~ IS ELIGIBLE FOR MEMBERSHIP IN THE
6 JUDGES' RETIREMENT SYSTEM AS PROVIDED IN § 27-201(A) OF THIS TITLE;
7 AND

8 (2) (I) IS RECEIVING A SERVICE RETIREMENT ALLOWANCE
9 FROM THE EMPLOYEES' RETIREMENT SYSTEM AT THE TIME OF APPOINTMENT
10 IN ITEM (1) OF THIS SUBSECTION; OR

11 (II) 1. HAS EARNED A VESTED ALLOWANCE FROM THE
12 EMPLOYEES' RETIREMENT SYSTEM; AND

13 2. BEGINS RECEIVING THE VESTED ALLOWANCE
14 WHILE SERVING AS A JUDGE DESCRIBED IN ITEM (1) OF THIS SUBSECTION.

15 (B) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION
16 MAY ELECT TO RECEIVE SERVICE CREDIT IN THE JUDGES' RETIREMENT
17 SYSTEM.

18 (C) (1) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS
19 SECTION WHO ELECTS TO RECEIVE SERVICE CREDIT IN THE JUDGES'
20 RETIREMENT SYSTEM UNDER SUBSECTION (B) OF THIS SECTION SHALL
21 COMPLETE AND FILE A FORM PROVIDED BY THE BOARD OF TRUSTEES
22 DIRECTING THE BOARD OF TRUSTEES TO SUSPEND THE INDIVIDUAL'S
23 ALLOWANCE WHILE THE INDIVIDUAL IS RECEIVING SERVICE CREDIT IN THE
24 JUDGES' RETIREMENT SYSTEM.

25 (2) (I) AN INDIVIDUAL SHALL FILE A FORM DESCRIBED IN
26 PARAGRAPH (1) OF THIS SUBSECTION WITH THE BOARD OF TRUSTEES:

27 1. IF THE INDIVIDUAL IS RECEIVING A SERVICE
28 RETIREMENT ALLOWANCE FROM THE EMPLOYEES' RETIREMENT SYSTEM
29 PRIOR TO SERVING AS A JUDGE, AT THE TIME THE INDIVIDUAL BECOMES A
30 MEMBER OF THE JUDGES' RETIREMENT SYSTEM; OR

31 2. IF THE INDIVIDUAL HAS EARNED A VESTED
32 ALLOWANCE FROM THE EMPLOYEES' RETIREMENT SYSTEM AND BECOMES
33 ELIGIBLE TO RECEIVE THAT ALLOWANCE AFTER THE INDIVIDUAL BECOMES A

1 MEMBER OF THE JUDGES' RETIREMENT SYSTEM, AT THE TIME THE INDIVIDUAL
2 APPLIES TO RECEIVE THE VESTED ALLOWANCE.

3 (II) A TEMPORARY SUSPENSION UNDER THIS SUBSECTION
4 SHALL BEGIN ON THE FIRST DAY OF THE MONTH FOLLOWING THE MONTH IN
5 WHICH THE BOARD OF TRUSTEES RECEIVED THE INDIVIDUAL'S REQUEST TO
6 TEMPORARILY SUSPEND THE ALLOWANCE.

7 (D) AN INDIVIDUAL WHOSE ALLOWANCE IS TEMPORARILY SUSPENDED
8 UNDER SUBSECTION (C) OF THIS SECTION IS NOT SUBJECT TO A REDUCTION AS
9 PROVIDED IN § 22-406 OF THIS SUBTITLE DURING THE PERIOD THE INDIVIDUAL
10 IS SERVING AS A JUDGE.

11 (E) (1) ON RECEIVING SATISFACTORY DOCUMENTATION THAT THE
12 INDIVIDUAL IS NO LONGER SERVING AS A JUDGE, THE BOARD OF TRUSTEES
13 SHALL REINSTATE THE INDIVIDUAL'S ALLOWANCE WITH ACCUMULATED
14 COST-OF-LIVING ADJUSTMENTS FROM THE DATE THE ALLOWANCE WAS
15 TEMPORARILY SUSPENDED.

16 (2) THE INDIVIDUAL'S ALLOWANCE WILL BE REINSTATED ON THE
17 FIRST DAY OF THE MONTH FOLLOWING THE MONTH IN WHICH THE INDIVIDUAL
18 CEASED SERVING AS A JUDGE.

19 (F) IF AN INDIVIDUAL WHOSE ALLOWANCE IS TEMPORARILY
20 SUSPENDED DIES WHILE SERVING AS A JUDGE, THE SURVIVING SPOUSE OF THE
21 INDIVIDUAL SHALL RECEIVE:

22 (1) SURVIVORSHIP BENEFITS AS PROVIDED IN § 27-403 OF THIS
23 ARTICLE; AND

24 (2) IF THE SURVIVING SPOUSE IS THE INDIVIDUAL'S DESIGNATED
25 BENEFICIARY, THE SURVIVORSHIP BENEFITS SELECTED BY THE INDIVIDUAL AT
26 THE TIME OF RETIREMENT FROM THE EMPLOYEES' RETIREMENT SYSTEM.

27 23-407.

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

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

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

1 (c) (1) [The] **EXCEPT AS PROVIDED IN § 23-408 OF THIS SUBTITLE,**
2 **THE** Board of Trustees shall reduce the allowance of an individual who accepts
3 employment as provided under subsection (b) of this section if:

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

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

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

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

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

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

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

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

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

34 1. A. was employed as a principal within 5 years of
35 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; [or]

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

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

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

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

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

23 **(VII) A RETIREE OF THE EMPLOYEES' PENSION SYSTEM AND**
 24 **THE JUDGES' RETIREMENT SYSTEM WHO IS TEMPORARILY ASSIGNED TO SIT IN**
 25 **A COURT OF THIS STATE UNDER THE AUTHORITY OF ARTICLE IV, § 3A OF THE**
 26 **MARYLAND CONSTITUTION.**

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

29 1. approve the rehiring of that individual; and

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

32 (ii) Within 30 days after rehiring an individual, the
 33 superintendent of a local school system shall complete and file with the Board of

1 Trustees and the State Department of Education a form provided by the Board of
2 Trustees that certifies that the individual rehired by the local school system under
3 paragraph [(4)(v) or (vi)] **(4)(IV) OR (V)** of this subsection:

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

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

8 3. if rehired under paragraph (4)(iv) of this subsection,
9 was:

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

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

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

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

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

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

28 **(iv) IF A SUPERINTENDENT OF A LOCAL SCHOOL SYSTEM**
29 **REHIRE AN INDIVIDUAL THAT SATISFIES THE CRITERIA PROVIDED IN**
30 **PARAGRAPHS (4)(IV) OR (V) AND (5), (6), OR (8) OF THIS SUBSECTION AND THE**
31 **BOARD OF TRUSTEES AND THE STATE DEPARTMENT OF EDUCATION DO NOT**
32 **RECEIVE CERTIFICATION FROM THE SUPERINTENDENT IN THE TIME REQUIRED**
33 **UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH:**

1 1. ON OR BEFORE JULY 1 OF THE YEAR OF THE
2 FINDING, THE BOARD OF TRUSTEES SHALL NOTIFY THE SUPERINTENDENT OF
3 THE LOCAL SCHOOL SYSTEM OF THIS INDIVIDUAL; AND

4 2. THE LOCAL SCHOOL SYSTEM SHALL REIMBURSE
5 THE BOARD OF TRUSTEES THE AMOUNT EQUAL TO ANY REDUCTION TO THE
6 INDIVIDUAL'S RETIREMENT ALLOWANCE THAT WOULD HAVE BEEN MADE IN
7 PARAGRAPH (2) OF THIS SUBSECTION AS A RESULT OF THE SUPERINTENDENT'S
8 FAILURE TO SUBMIT CERTIFICATION UNDER SUBPARAGRAPH (II) OF THIS
9 PARAGRAPH.

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

13 **23-408.**

14 (A) THIS SECTION APPLIES TO AN INDIVIDUAL WHO:

15 (1) ~~IS APPOINTED AS A JUDGE OF THE COURT OF APPEALS, THE~~
16 ~~COURT OF SPECIAL APPEALS, A CIRCUIT COURT OF A COUNTY IN THE STATE,~~
17 ~~OR THE DISTRICT COURT OF MARYLAND~~ IS ELIGIBLE FOR MEMBERSHIP IN THE
18 JUDGES' RETIREMENT SYSTEM AS PROVIDED IN § 27-201(A) OF THIS TITLE;
19 AND

20 (2) (I) IS RECEIVING A SERVICE RETIREMENT ALLOWANCE
21 FROM THE EMPLOYEES' PENSION SYSTEM AT THE TIME OF APPOINTMENT IN
22 ITEM (1) OF THIS SUBSECTION; OR

23 (II) 1. HAS EARNED A VESTED ALLOWANCE FROM THE
24 EMPLOYEES' PENSION SYSTEM; AND

25 2. BEGINS RECEIVING THE VESTED ALLOWANCE
26 WHILE SERVING AS A JUDGE DESCRIBED IN ITEM (1) OF THIS SUBSECTION.

27 (B) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION
28 MAY ELECT TO RECEIVE SERVICE CREDIT IN THE JUDGES' RETIREMENT
29 SYSTEM.

30 (C) (1) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS
31 SECTION WHO ELECTS TO RECEIVE SERVICE CREDIT IN THE JUDGES'
32 RETIREMENT SYSTEM UNDER SUBSECTION (B) OF THIS SECTION SHALL
33 COMPLETE AND FILE A FORM PROVIDED BY THE BOARD OF TRUSTEES
34 DIRECTING THE BOARD OF TRUSTEES TO SUSPEND THE INDIVIDUAL'S

1 ALLOWANCE WHILE THE INDIVIDUAL IS RECEIVING SERVICE CREDIT IN THE
2 JUDGES' RETIREMENT SYSTEM.

3 (2) (I) AN INDIVIDUAL SHALL FILE A FORM DESCRIBED IN
4 PARAGRAPH (1) OF THIS SUBSECTION WITH THE BOARD OF TRUSTEES:

5 1. IF THE INDIVIDUAL IS RECEIVING A SERVICE
6 RETIREMENT ALLOWANCE FROM THE EMPLOYEES' PENSION SYSTEM PRIOR TO
7 SERVING AS A JUDGE, AT THE TIME THE INDIVIDUAL BECOMES A MEMBER OF
8 THE JUDGES' RETIREMENT SYSTEM; OR

9 2. IF THE INDIVIDUAL HAS EARNED A VESTED
10 ALLOWANCE FROM THE EMPLOYEES' PENSION SYSTEM AND BECOMES
11 ELIGIBLE TO RECEIVE THAT ALLOWANCE AFTER THE INDIVIDUAL BECOMES A
12 MEMBER OF THE JUDGES' RETIREMENT SYSTEM, AT THE TIME THE INDIVIDUAL
13 APPLIES TO RECEIVE THE VESTED ALLOWANCE.

14 (II) A TEMPORARY SUSPENSION UNDER THIS SUBSECTION
15 SHALL BEGIN ON THE FIRST DAY OF THE MONTH FOLLOWING THE MONTH IN
16 WHICH THE BOARD OF TRUSTEES RECEIVED THE INDIVIDUAL'S REQUEST TO
17 TEMPORARILY SUSPEND THE ALLOWANCE.

18 (D) AN INDIVIDUAL WHOSE ALLOWANCE IS TEMPORARILY SUSPENDED
19 UNDER SUBSECTION (C) OF THIS SECTION IS NOT SUBJECT TO A REDUCTION AS
20 PROVIDED IN § 23-407 OF THIS SUBTITLE DURING THE PERIOD THE INDIVIDUAL
21 IS SERVING AS A JUDGE.

22 (E) (1) ON RECEIVING SATISFACTORY DOCUMENTATION THAT THE
23 INDIVIDUAL IS NO LONGER SERVING AS A JUDGE, THE BOARD OF TRUSTEES
24 SHALL REINSTATE THE INDIVIDUAL'S ALLOWANCE WITH ACCUMULATED
25 COST-OF-LIVING ADJUSTMENTS FROM THE DATE THE ALLOWANCE WAS
26 TEMPORARILY SUSPENDED.

27 (2) THE INDIVIDUAL'S ALLOWANCE WILL BE REINSTATED ON THE
28 FIRST DAY OF THE MONTH FOLLOWING THE MONTH IN WHICH THE INDIVIDUAL
29 CEASED SERVING AS A JUDGE.

30 (F) IF AN INDIVIDUAL WHOSE ALLOWANCE IS TEMPORARILY
31 SUSPENDED DIES WHILE SERVING AS A JUDGE, THE SURVIVING SPOUSE OF THE
32 INDIVIDUAL SHALL RECEIVE:

33 (1) SURVIVORSHIP BENEFITS AS PROVIDED IN § 27-403 OF THIS
34 ARTICLE; AND

1 **(2) IF THE SURVIVING SPOUSE IS THE INDIVIDUAL'S DESIGNATED**
2 **BENEFICIARY, THE SURVIVORSHIP BENEFITS SELECTED BY THE INDIVIDUAL AT**
3 **THE TIME OF RETIREMENT FROM THE EMPLOYEES' PENSION SYSTEM.**

4 SECTION 2. AND BE IT FURTHER ENACTED, That:

5 (a) (1) This subsection applies to an individual who on June 30, 2008:

6 (i) ~~is serving as a judge of the Court of Appeals, the Court of~~
7 ~~Special Appeals, a circuit court of a county in the State, or the District Court of~~
8 ~~Maryland;~~

9 (ii) is eligible to receive a service retirement allowance or vested
10 allowance from the Employees' Retirement System or Employees' Pension System; and

11 (iii) ~~(ii)~~ (ii) is receiving service credit in the Judges' Retirement
12 System.

13 (2) (i) An individual described in paragraph (1) of this subsection
14 may elect to apply for a service retirement allowance from the State employees' system
15 from which the individual is eligible to receive an allowance.

16 (ii) An individual who elects to apply for a service retirement
17 allowance under subparagraph (i) of this paragraph shall complete and file a form
18 provided by the Board of Trustees for the State Retirement and Pension System on or
19 before December 31, 2008, directing the Board of Trustees to suspend the individual's
20 service retirement allowance from the Employees' Retirement System or Employees'
21 Pension System while the individual is receiving service credit in the Judges'
22 Retirement System.

23 (b) (1) This subsection applies to an individual who on June 30, 2008:

24 (i) ~~is serving as a judge of the Court of Appeals, the Court of~~
25 ~~Special Appeals, a circuit court of a county in the State, or the District Court of~~
26 ~~Maryland~~ *is eligible for membership in the Judges' Retirement System as provided in §*
27 *27-201(a) of the State Personnel and Pensions Article;*

28 (ii) is receiving a service retirement allowance from the
29 Employees' Retirement System or the Employees' Pension System; and

30 (iii) is receiving a reduction to that allowance under § 22-406 or
31 § 23-407 of the State Personnel and Pensions Article.

32 (2) (i) An individual described in paragraph (1) of this subsection
33 may elect to receive service credit in the Judges' Retirement System.

1 (ii) An individual who elects to receive service credit in the
2 Judges' Retirement System under subparagraph (i) of this paragraph shall complete
3 and file a form provided by the Board of Trustees for the State Retirement and
4 Pension System on or before December 31, 2008, directing the Board of Trustees to
5 suspend the individual's service retirement allowance from the Employees' Retirement
6 System or Employees' Pension System while the individual is receiving service credit
7 in the Judges' Retirement System.

8 (c) A service retirement allowance from the Employees' Retirement System
9 or Employees' Pension System that is temporarily suspended under this section shall
10 be suspended on the first day of the month following the month in which the Board of
11 Trustees receives the individual's completed form under subsection (a)(2) or (b)(2) of
12 this section.

13 (d) An individual whose allowance is temporarily suspended under
14 subsection (a)(2) or (b)(2) of this section is not subject to a reduction as provided in §
15 22-406 or § 23-407 of the State Personnel and Pensions Article during the period the
16 individual is serving as a judge.

17 (e) (1) On receiving satisfactory documentation that the individual is no
18 longer serving as a judge, the Board of Trustees shall reinstate the individual's
19 allowance from the applicable State employees' system with accumulated
20 cost-of-living adjustments from the date the allowance was temporarily suspended.

21 (2) The individual's allowance will be reinstated on the first day of the
22 month following the month in which the individual ceased serving as a judge.

23 (f) If an individual whose allowance from the Employees' Retirement System
24 or Employees' Pension System is temporarily suspended dies while serving as a judge,
25 the surviving spouse of the individual shall receive:

26 (1) survivorship benefits as provided in § 27-403 of the State
27 Personnel and Pensions Article; and

28 (2) if the surviving spouse is the individual's designated beneficiary,
29 the survivorship benefits selected by the individual at the time of retirement from the
30 Employees' Retirement System or Employees' Pension System.

31 SECTION 3. AND BE IT FURTHER ENACTED, That:

32 (a) (1) The Joint Committee on Pensions shall study reemployment of
33 retirees in the State Retirement and Pension System.

34 (2) The Joint Committee on Pensions shall receive data based on
35 criteria established by the Joint Committee on Pensions from:

36 (i) the State Retirement and Pension System;

1 (ii) the Department of Budget and Management; and

2 (iii) the State Department of Education.

3 (b) The Joint Committee on Pensions shall report its findings to the Senate
4 Budget and Taxation Committee and the House Appropriations Committee on or
5 before December 31, 2008, in accordance with § 2-1246 of the State Government
6 Article.

7 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
8 July 1, 2008. Section 2 of this Act shall remain effective for a period of 6 months and,
9 at the end of December 31, 2008, with no further action required by the General
10 Assembly, Section 2 of this Act shall be abrogated and of no further force and effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.