

SENATE BILL 564

K4

8lr2374
CF HB 720

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

Introduced and read first time: February 1, 2008

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 20, 2008

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
15 earnings offset under certain circumstances; providing for the resumption of a
16 service retirement allowance with certain adjustments to the allowance after
17 receipt by the Board of Trustees for the State Retirement and Pension System of
18 certain documentation; providing for certain survivorship benefits for surviving
19 spouses of certain individuals who are retirees of the Employees’ Retirement
20 System or Employees’ Pension System; requiring the Joint Committee on
21 Pensions to submit certain information to the Senate Budget and Taxation
22 Committee and the House Appropriations Committee by a certain date;
23 requiring certain State agencies to submit certain data to the Joint Committee
24 on Pensions; providing for the termination of certain provisions of this Act; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

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



1 generally relating to reemployment of retirees of the State Retirement and
2 Pension System.

3 BY repealing and reenacting, without amendments,
4 Article – State Personnel and Pensions
5 Section 22–406(b) and (c)(2) and (3) and 23–407(b) and (c)(2) and (3)
6 Annotated Code of Maryland
7 (2004 Replacement Volume and 2007 Supplement)

8 BY repealing and reenacting, with amendments,
9 Article – State Personnel and Pensions
10 Section ~~22–406(e)(1) and (9) and 23–407(e)(1) and (9)~~ 22–406(c)(1), (4)(vii) and
11 (viii), and (9) and 23–407(c)(1), (4)(v) and (vi), and (9)
12 Annotated Code of Maryland
13 (2004 Replacement Volume and 2007 Supplement)

14 BY adding to
15 Article – State Personnel and Pensions
16 Section ~~22–407 and 23–408~~ 22–406(c)(4)(ix), 22–407, 23–407(c)(4)(vii), and
17 23–408
18 Annotated Code of Maryland
19 (2004 Replacement Volume and 2007 Supplement)

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

22 **Article – State Personnel and Pensions**

23 22–406.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 (iv) **IF A SUPERINTENDENT OF A LOCAL SCHOOL SYSTEM**
12 **REHIRS AN INDIVIDUAL THAT SATISFIES THE CRITERIA PROVIDED IN**
13 **PARAGRAPHS (4)(V) OR (VI) AND (5), (6), OR (8) OF THIS SUBSECTION AND THE**
14 **BOARD OF TRUSTEES AND THE STATE DEPARTMENT OF EDUCATION DO NOT**
15 **RECEIVE CERTIFICATION FROM THE SUPERINTENDENT IN THE TIME REQUIRED**
16 **UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH:**

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

20 2. **THE LOCAL SCHOOL SYSTEM SHALL REIMBURSE**
21 **THE BOARD OF TRUSTEES THE AMOUNT EQUAL TO ANY REDUCTION TO THE**
22 **INDIVIDUAL'S RETIREMENT ALLOWANCE THAT WOULD HAVE BEEN MADE IN**
23 **PARAGRAPH (2) OF THIS SUBSECTION AS A RESULT OF THE SUPERINTENDENT'S**
24 **FAILURE TO SUBMIT CERTIFICATION UNDER SUBPARAGRAPH (II) OF THIS**
25 **PARAGRAPH.**

26 (v) 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 **22-407.**

30 (A) **THIS SECTION APPLIES TO AN INDIVIDUAL WHO:**

31 (1) **IS APPOINTED AS A JUDGE OF THE COURT OF APPEALS, THE**
32 **COURT OF SPECIAL APPEALS, A CIRCUIT COURT OF A COUNTY IN THE STATE,**
33 **OR THE DISTRICT COURT OF MARYLAND; AND**

34 (2) **(I) IS RECEIVING A SERVICE RETIREMENT ALLOWANCE**
35 **FROM THE EMPLOYEES' RETIREMENT SYSTEM AT THE TIME OF APPOINTMENT**
36 **IN ITEM (1) OF THIS SUBSECTION; OR**

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

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

5 **(B) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS SECTION**
6 **MAY ELECT TO RECEIVE SERVICE CREDIT IN THE JUDGES' RETIREMENT**
7 **SYSTEM.**

8 **(C) (1) AN INDIVIDUAL DESCRIBED IN SUBSECTION (A) OF THIS**
9 **SECTION WHO ELECTS TO RECEIVE SERVICE CREDIT IN THE JUDGES'**
10 **RETIREMENT SYSTEM UNDER SUBSECTION (B) OF THIS SECTION SHALL**
11 **COMPLETE AND FILE A FORM PROVIDED BY THE BOARD OF TRUSTEES**
12 **DIRECTING THE BOARD OF TRUSTEES TO SUSPEND THE INDIVIDUAL'S**
13 **ALLOWANCE WHILE THE INDIVIDUAL IS RECEIVING SERVICE CREDIT IN THE**
14 **JUDGES' RETIREMENT SYSTEM.**

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

17 **1. IF THE INDIVIDUAL IS RECEIVING A SERVICE**
18 **RETIREMENT ALLOWANCE FROM THE EMPLOYEES' RETIREMENT SYSTEM**
19 **PRIOR TO SERVING AS A JUDGE, AT THE TIME THE INDIVIDUAL BECOMES A**
20 **MEMBER OF THE JUDGES' RETIREMENT SYSTEM; OR**

21 **2. IF THE INDIVIDUAL HAS EARNED A VESTED**
22 **ALLOWANCE FROM THE EMPLOYEES' RETIREMENT SYSTEM AND BECOMES**
23 **ELIGIBLE TO RECEIVE THAT ALLOWANCE AFTER THE INDIVIDUAL BECOMES A**
24 **MEMBER OF THE JUDGES' RETIREMENT SYSTEM, AT THE TIME THE INDIVIDUAL**
25 **APPLIES TO RECEIVE THE VESTED ALLOWANCE.**

26 **(II) A TEMPORARY SUSPENSION UNDER THIS SUBSECTION**
27 **SHALL BEGIN ON THE FIRST DAY OF THE MONTH FOLLOWING THE MONTH IN**
28 **WHICH THE BOARD OF TRUSTEES RECEIVED THE INDIVIDUAL'S REQUEST TO**
29 **TEMPORARILY SUSPEND THE ALLOWANCE.**

30 **(D) AN INDIVIDUAL WHOSE ALLOWANCE IS TEMPORARILY SUSPENDED**
31 **UNDER SUBSECTION (C) OF THIS SECTION IS NOT SUBJECT TO A REDUCTION AS**
32 **PROVIDED IN § 22-406 OF THIS SUBTITLE DURING THE PERIOD THE INDIVIDUAL**
33 **IS SERVING AS A JUDGE.**

34 **(E) (1) ON RECEIVING SATISFACTORY DOCUMENTATION THAT THE**
35 **INDIVIDUAL IS NO LONGER SERVING AS A JUDGE, THE BOARD OF TRUSTEES**

1 SHALL REINSTATE THE INDIVIDUAL'S ALLOWANCE WITH ACCUMULATED
2 COST-OF-LIVING ADJUSTMENTS FROM THE DATE THE ALLOWANCE WAS
3 TEMPORARILY SUSPENDED.

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

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

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

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

15 23-407.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 **(VII) A RETIREE OF THE EMPLOYEES’ PENSION SYSTEM AND**
 12 **THE JUDGES’ RETIREMENT SYSTEM WHO IS TEMPORARILY ASSIGNED TO SIT IN**
 13 **A COURT OF THIS STATE UNDER THE AUTHORITY OF ARTICLE IV, § 3A OF THE**
 14 **MARYLAND CONSTITUTION.**

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

17 1. approve the rehiring of that individual; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

35 **23-408.**

36 (A) **THIS SECTION APPLIES TO AN INDIVIDUAL WHO:**

1 (1) IS APPOINTED AS A JUDGE OF THE COURT OF APPEALS, THE
2 COURT OF SPECIAL APPEALS, A CIRCUIT COURT OF A COUNTY IN THE STATE,
3 OR THE DISTRICT COURT OF MARYLAND; AND

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

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

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

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

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

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

23 1. IF THE INDIVIDUAL IS RECEIVING A SERVICE
24 RETIREMENT ALLOWANCE FROM THE EMPLOYEES' PENSION SYSTEM PRIOR TO
25 SERVING AS A JUDGE, AT THE TIME THE INDIVIDUAL BECOMES A MEMBER OF
26 THE JUDGES' RETIREMENT SYSTEM; OR

27 2. IF THE INDIVIDUAL HAS EARNED A VESTED
28 ALLOWANCE FROM THE EMPLOYEES' PENSION SYSTEM AND BECOMES
29 ELIGIBLE TO RECEIVE THAT ALLOWANCE AFTER THE INDIVIDUAL BECOMES A
30 MEMBER OF THE JUDGES' RETIREMENT SYSTEM, AT THE TIME THE INDIVIDUAL
31 APPLIES TO RECEIVE THE VESTED ALLOWANCE.

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

1 **(D) AN INDIVIDUAL WHOSE ALLOWANCE IS TEMPORARILY SUSPENDED**
2 **UNDER SUBSECTION (C) OF THIS SECTION IS NOT SUBJECT TO A REDUCTION AS**
3 **PROVIDED IN § 23-407 OF THIS SUBTITLE DURING THE PERIOD THE INDIVIDUAL**
4 **IS SERVING AS A JUDGE.**

5 **(E) (1) ON RECEIVING SATISFACTORY DOCUMENTATION THAT THE**
6 **INDIVIDUAL IS NO LONGER SERVING AS A JUDGE, THE BOARD OF TRUSTEES**
7 **SHALL REINSTATE THE INDIVIDUAL'S ALLOWANCE WITH ACCUMULATED**
8 **COST-OF-LIVING ADJUSTMENTS FROM THE DATE THE ALLOWANCE WAS**
9 **TEMPORARILY SUSPENDED.**

10 **(2) THE INDIVIDUAL'S ALLOWANCE WILL BE REINSTATED ON THE**
11 **FIRST DAY OF THE MONTH FOLLOWING THE MONTH IN WHICH THE INDIVIDUAL**
12 **CEASED SERVING AS A JUDGE.**

13 **(F) IF AN INDIVIDUAL WHOSE ALLOWANCE IS TEMPORARILY**
14 **SUSPENDED DIES WHILE SERVING AS A JUDGE, THE SURVIVING SPOUSE OF THE**
15 **INDIVIDUAL SHALL RECEIVE:**

16 **(1) SURVIVORSHIP BENEFITS AS PROVIDED IN § 27-403 OF THIS**
17 **ARTICLE; AND**

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

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

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

23 (i) is serving as a judge of the Court of Appeals, the Court of
24 Special Appeals, a circuit court of a county in the State, or the District Court of
25 Maryland;

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

28 (iii) is receiving service credit in the Judges' Retirement System.

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

32 (ii) An individual who elects to apply for a service retirement
33 allowance under subparagraph (i) of this paragraph shall complete and file a form

1 provided by the Board of Trustees for the State Retirement and Pension System on or
2 before December 31, 2008, directing the Board of Trustees to suspend the individual's
3 service retirement allowance from the Employees' Retirement System or Employees'
4 Pension System while the individual is receiving service credit in the Judges'
5 Retirement System.

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

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

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

12 (iii) is receiving a reduction to that allowance under § 22-406 or
13 § 23-407 of the State Personnel and Pensions Article.

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

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

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

28 (d) An individual whose allowance is temporarily suspended under
29 subsection (a)(2) or (b)(2) of this section is not subject to a reduction as provided in §
30 22-406 or § 23-407 of the State Personnel and Pensions Article during the period the
31 individual is serving as a judge.

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

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

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

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

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

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

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

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

14 (i) the State Retirement and Pension System;

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

16 (iii) the State Department of Education.

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

21 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 July 1, 2008. Section 2 of this Act shall remain effective for a period of 6 months and,
23 at the end of December 31, 2008, with no further action required by the General
24 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.