

CHAPTER 516

(House Bill 720)

AN ACT concerning

State Retirement and Pension System – Reemployment of Retirees

FOR the purpose of exempting from a certain offset of a retirement allowance retired judges who are members of the Employees’ Retirement System or the Employees’ Pension System; requiring certain local school superintendents to make certain reimbursements under certain circumstances by a certain date; providing that certain members of the Judges’ Retirement System may earn service credit under certain circumstances; providing for certain individuals who are retirees of the Employees’ Retirement System or Employees’ Pension System to elect to suspend temporarily their service retirement allowances under certain circumstances; requiring the Board of Trustees to suspend temporarily certain service retirement allowances under certain circumstances as of a certain date; exempting certain individuals who are retirees of the Employees’ Retirement System or Employees’ Pension System from a certain earnings offset under certain circumstances; providing for the resumption of a service retirement allowance with certain adjustments to the allowance after receipt by the Board of Trustees for the State Retirement and Pension System of certain documentation; providing for certain survivorship benefits for surviving spouses of certain individuals who are retirees of the Employees’ Retirement System or Employees’ Pension System; requiring the Joint Committee on Pensions to submit certain information to the Senate Budget and Taxation Committee and the House Appropriations Committee by a certain date; requiring certain State agencies to submit certain data to the Joint Committee on Pensions; providing for the termination of certain provisions of this Act; and generally relating to reemployment of retirees of the State Retirement and Pension System.

BY repealing and reenacting, without amendments,

Article – State Personnel and Pensions

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

Annotated Code of Maryland

(2004 Replacement Volume and 2007 Supplement)

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

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

Annotated Code of Maryland

(2004 Replacement Volume and 2007 Supplement)

BY adding to

Article – State Personnel and Pensions

Section ~~22-407 and 23-408~~ 22-406(c)(4)(ix), 22-407, 23-407(c)(4)(vii), and 23-408

Annotated Code of Maryland

(2004 Replacement Volume and 2007 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.

(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] EXCEPT AS PROVIDED IN § 22-407 OF THIS SUBTITLE, 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:

(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; OR

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

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

1. 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

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

(v) 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.

22-407.

(A) THIS SECTION APPLIES TO AN INDIVIDUAL WHO:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23-407.

(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] EXCEPT AS PROVIDED IN § 23-408 OF THIS SUBTITLE, 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:

(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; OR

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

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

1. 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

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

(v) 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.

(A) THIS SECTION APPLIES TO AN INDIVIDUAL WHO:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 2. AND BE IT FURTHER ENACTED, That:

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

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

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

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

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

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

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

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

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

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

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

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

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

(d) An individual whose allowance is temporarily suspended under subsection (a)(2) or (b)(2) of this section is not subject to a reduction as provided in §

22-406 or § 23-407 of the State Personnel and Pensions Article during the period the individual is serving as a judge.

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

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

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

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

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

SECTION 3. AND BE IT FURTHER ENACTED, That:

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

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

- (i) the State Retirement and Pension System;
- (ii) the Department of Budget and Management; and
- (iii) the State Department of Education.

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

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

Approved by the Governor, May 13, 2008.