

HOUSE BILL 774

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CF SB 498

By: **Delegate Griffith (Chair, Joint Committee on Pensions) and Delegates
Aumann, Bates, Branch, Haynes, Heller, James, and Levy**
Introduced and read first time: February 5, 2010
Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Reemployment Earnings**
3 **Limitation – Exemptions**

4 FOR the purpose of increasing the maximum average final compensation that certain
5 retirees of the State Retirement and Pension System must have at the time of
6 retirement in order to be exempt from a certain reemployment earnings
7 limitation; and generally relating to exemptions from a reemployment earnings
8 limitation for retirees of the State Retirement and Pension System.

9 BY repealing and reenacting, without amendments,
10 Article – State Personnel and Pensions
11 Section 22–406(c)(1) and (3) and 23–407(c)(1) and (3)
12 Annotated Code of Maryland
13 (2009 Replacement Volume and 2009 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – State Personnel and Pensions
16 Section 22–406(c)(4)(ii) and 23–407(c)(4)(i)
17 Annotated Code of Maryland
18 (2009 Replacement Volume and 2009 Supplement)

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

21 **Article – State Personnel and Pensions**

22 22–406.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 (c) (1) Except as provided in § 22–407 of this subtitle, the Board of
2 Trustees shall reduce the allowance of an individual who accepts employment as
3 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 under § 22–402 of this subtitle.

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

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

22 (i) an individual whose average final compensation was less
23 than ~~[\$10,000]~~ **\$25,000** and who is reemployed on a temporary or contractual basis;
24 23–407.

25 (c) (1) Except as provided in § 23–408 of this subtitle, the Board of
26 Trustees shall reduce the allowance of an individual who accepts employment as
27 provided under subsection (b) of this section if:

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

33 (ii) the individual's current employer is any unit of State
34 government and the individual's employer at the time of the individual's last
35 separation from employment with the State before the individual commenced
36 receiving a service retirement allowance or vested allowance was also a unit of State
37 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 (3) A reduction of an early service retirement allowance or an early
5 vested allowance under paragraph (1)(iii) of this subsection shall be applied only until
6 the individual has received an allowance for 12 months.

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

10 (i) an individual whose average final compensation was less
11 than **[\$10,000] \$25,000** and who is reemployed on a temporary or contractual basis;

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 July 1, 2010.