

Chapter 688

(House Bill 635)

AN ACT concerning

Judges' Retirement System – Reemployment of Retirees

FOR the purpose of repealing certain exceptions under which certain retirees of the Judges' Retirement System may be reemployed without being subject to a certain earnings offset to their retirement allowance; repealing a certain earnings offset of a retirement allowance for certain retired judges of the Judges' Retirement System who are reemployed by the State; repealing a certain requirement to reduce certain retirement benefits of certain retirees of the Judges' Retirement System by a certain amount if the retirees earn an additional retirement benefit under certain circumstances; prohibiting certain retirees of the Judges' Retirement System from being rehired within a certain period of time under certain circumstances; requiring the Chief Judge of the Court of Appeals to submit a report to the Joint Committee by a certain date each year; providing for the termination of this Act; and generally relating to the reemployment of retirees of the Judges' Retirement System.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 27–406
Annotated Code of Maryland
(2009 Replacement Volume and 2009 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

27–406.

[(a) This section does not apply to a retiree who:

(1) is temporarily assigned to sit in a court of this State under the authority of Article IV, § 3A of the Maryland Constitution; or

(2) is employed as a member of the faculty of a public institution of higher education in the State.

(b)] (A) A retiree may accept employment in which all or part of the compensation for the employment comes from municipal, county, or State funds, if the retiree immediately notifies the Board of Trustees of:

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

(B) (1) THIS SUBSECTION DOES NOT APPLY TO A RETIREE WHO IS TEMPORARILY ASSIGNED TO SIT IN A COURT OF THIS STATE UNDER THE AUTHORITY OF ARTICLE IV, § 3A OF THE MARYLAND CONSTITUTION.

(2) A RETIREE MAY NOT BE REHIRED WITHIN 45 DAYS OF THE DATE THE INDIVIDUAL RETIRED 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 WAS ALSO A UNIT OF STATE GOVERNMENT.

[(c) (1) The Board of Trustees shall reduce the retirement allowance of a retiree who accepts employment as provided under subsection (b) of this section if the retiree's current employer is any unit of State government and the retiree's employer at the time of the retiree's last separation from employment with the State before the retiree commenced receiving a service retirement allowance was also a unit of State government.

(2) The reduction required under paragraph (1) of this subsection shall equal the amount that the sum of the retiree's annual retirement allowance and the retiree's annual compensation exceeds the amount of the compensation on which the retirement allowance is based.

(d) If a retiree accepts employment as allowed by subsection (a) of this section and is subsequently awarded retirement benefits because of that employment, the Board of Trustees shall reduce the retiree's benefits under this subtitle by the amount of the retirement benefits resulting from the subsequent employment if the retiree's current employer is any unit of State government and the retiree's employer at the time of the retiree's last separation from employment with the State before the retiree commenced receiving a service retirement allowance was also a unit of State government.]

(C) ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE CHIEF JUDGE OF THE COURT OF APPEALS SHALL 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 (A) OF THIS SECTION;

(2) THE EMPLOYER REHIRING A RETIREE UNDER SUBSECTION (A) OF THIS SECTION;

(3) THE ANNUAL SALARY OF EACH REHIRED RETIREE AT THE TIME OF RETIREMENT; AND

(4) THE CURRENT ANNUAL SALARY OF EACH REHIRED RETIREE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2010. It shall remain effective for a period of 4 years and, at the end of June 30, 2014, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Approved by the Governor, May 20, 2010.