

# HOUSE BILL 1426

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CF SB 908

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By: **Delegates DeBoy, Bromwell, Clagett, Cluster, Gaines, Lafferty,  
McDermott, Olszewski, and Weir**

Introduced and read first time: February 18, 2013

Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Law Enforcement Officers' Pension System – Reemployment of Retirees**

3 FOR the purpose of requiring certain retirees of the Law Enforcement Officers'  
4 Pension System who are reemployed under certain circumstances to terminate  
5 participation in a certain Deferred Retirement Option Program and receive a  
6 certain lump sum payment before being reemployed by the Natural Resources  
7 Police Force; requiring that certain retirees of the Law Enforcement Officers'  
8 Pension System who are reemployed and injured under certain circumstances  
9 receive a certain adjustment to their retirement allowance; requiring that the  
10 Board of Trustees for the State Retirement and Pension System pay a certain  
11 death benefit to certain beneficiaries of certain retirees of the Law Enforcement  
12 Officers' Pension System under certain circumstances; and generally relating to  
13 reemployment of retirees of the Law Enforcement Officers' Pension System.

14 BY repealing and reenacting, with amendments,  
15 Article – State Personnel and Pensions  
16 Section 26–403  
17 Annotated Code of Maryland  
18 (2009 Replacement Volume and 2012 Supplement)

19 BY adding to  
20 Article – State Personnel and Pensions  
21 Section 26–403.1  
22 Annotated Code of Maryland  
23 (2009 Replacement Volume and 2012 Supplement)

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

26 **Article – State Personnel and Pensions**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 26-403.

2 (a) Except as provided in subsection (f) of this section, a retiree who is  
3 receiving a service retirement allowance may accept employment with a participating  
4 employer on a permanent, temporary, or contractual basis, without any reduction in  
5 retirement allowance.

6 (b) A reemployed retiree who is receiving a service retirement allowance may  
7 not receive creditable service or eligibility service during the period of reemployment.

8 (c) The retiree's compensation during the period of reemployment may not be  
9 subject to the employer pickup provisions of § 21-303 of this article or any reduction or  
10 deduction as a member contribution for pension or retirement purposes.

11 (d) The State Retirement Agency shall institute appropriate reporting  
12 procedures with the affected payroll systems to ensure compliance with this section.

13 (e) (1) Immediately on the employment of any retiree, a participating  
14 employer shall notify the State Retirement Agency of the type of employment and the  
15 anticipated earnings of the retiree.

16 (2) At least once each year, in a format specified by the State  
17 Retirement Agency, each participating employer shall provide the State Retirement  
18 Agency with a list of all employees included on any payroll of the employer, the Social  
19 Security numbers of the employees, and their earnings for that year.

20 (f) An individual who is rehired under this section may not be rehired within  
21 45 days of the date the individual retired if:

22 (1) the individual's current employer is a participating employer other  
23 than the State and is the same participating employer that employed the individual at  
24 the time of the individual's last separation from employment with a participating  
25 employer before the individual commenced receiving a service retirement allowance;

26 (2) (i) at the time of retirement, the individual was a member of  
27 the Law Enforcement Officers' Pension System as an employee of a withdrawn  
28 governmental unit; and

29 (ii) the individual's current employer is the same withdrawn  
30 governmental unit that employed the individual at the time of the individual's last  
31 separation from employment with a withdrawn governmental unit before the  
32 individual commenced receiving a service retirement allowance; or

33 (3) the individual's current employer is any unit of State government  
34 and the individual's employer at the time of the individual's last separation from

1 employment with the State before the individual commenced receiving a service  
2 retirement allowance was also a unit of State government.

3 (G) BEFORE REEMPLOYMENT WITH THE NATURAL RESOURCES POLICE  
4 FORCE ON A CONTRACTUAL BASIS AT A RANK OF OFFICER OR OFFICER FIRST  
5 CLASS, A RETIREE SHALL TERMINATE PARTICIPATION IN THE DEFERRED  
6 RETIREMENT OPTION PROGRAM AND RECEIVE ANY LUMP SUM PAYMENT  
7 ASSOCIATED WITH THE RETIREE'S PARTICIPATION IN THE DEFERRED  
8 RETIREMENT OPTION PROGRAM AS PROVIDED UNDER § 26-401.1(I) OF THIS  
9 SUBTITLE.

10 26-403.1.

11 (A) (1) THIS SUBSECTION APPLIES TO A RETIREE IF:

12 (I) THE RETIREE IS REEMPLOYED WITH THE NATURAL  
13 RESOURCES POLICE FORCE ON A CONTRACTUAL BASIS AT A RANK OF OFFICER  
14 OR OFFICER FIRST CLASS;

15 (II) WHILE REEMPLOYED AS DESCRIBED IN ITEM (I) OF THIS  
16 PARAGRAPH THE RETIREE IS TOTALLY AND PERMANENTLY INCAPACITATED  
17 FOR DUTY IN THE COURSE OF THE ACTUAL PERFORMANCE OF DUTY WITHOUT  
18 WILLFUL NEGLIGENCE BY THE RETIREE; AND

19 (III) THE MEDICAL BOARD CERTIFIES THAT:

20 1. THE RETIREE IS TOTALLY INCAPACITATED,  
21 EITHER MENTALLY OR PHYSICALLY, FOR THE FURTHER PERFORMANCE OF  
22 DUTY;

23 2. THE RETIREE'S INCAPACITY IS LIKELY TO BE  
24 PERMANENT; AND

25 3. THE RETIREE SHOULD CEASE REEMPLOYMENT.

26 (2) THE NORMAL SERVICE RETIREMENT ALLOWANCE THAT A  
27 RETIREE DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION IS  
28 RECEIVING AT THE TIME THE RETIREE IS DETERMINED TO BE DISABLED UNDER  
29 THIS SUBSECTION SHALL BE READJUSTED TO EQUAL TWO-THIRDS OF THE  
30 RETIREE'S AVERAGE FINAL COMPENSATION AT THE TIME THE RETIREE  
31 RETIRED, WITH ACCUMULATED COST-OF-LIVING ADJUSTMENTS FROM THE  
32 DATE THE RETIREE RETIRED.

33 (B) (1) THIS SUBSECTION APPLIES TO A RETIREE WHO:

1                   **(I) DIES WHILE REEMPLOYED WITH THE NATURAL**  
2 **RESOURCES POLICE FORCE ON A CONTRACTUAL BASIS AT A RANK OF OFFICER**  
3 **OR OFFICER FIRST CLASS;**

4                   **(II) DIES WITHOUT WILLFUL NEGLIGENCE BY THE RETIREE;**  
5 **AND**

6                   **(III) IS KILLED IN THE COURSE OF THE ACTUAL**  
7 **PERFORMANCE OF DUTY.**

8                   **(2) WHEN THE BOARD OF TRUSTEES RECEIVES PROOF OF DEATH**  
9 **OF A RETIREE AND FINDS THAT THE DEATH HAS OCCURRED IN THE MANNER**  
10 **DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION, THE BOARD OF TRUSTEES**  
11 **SHALL PAY THE BALANCE OF THE RETIREE'S ACCUMULATED CONTRIBUTIONS**  
12 **AND A SPECIAL DEATH BENEFIT ALLOWANCE EQUAL TO TWO-THIRDS OF THE**  
13 **RETIREE'S AVERAGE FINAL COMPENSATION AT THE TIME OF RETIREMENT,**  
14 **WITH ACCUMULATED COST-OF-LIVING ADJUSTMENTS FROM THE DATE THE**  
15 **RETIREE RETIRED:**

16                   **(I) TO THE SURVIVING SPOUSE;**

17                   **(II) IF THERE IS NO SURVIVING SPOUSE OR IF THE**  
18 **SURVIVING SPOUSE DIES BEFORE THE YOUNGEST CHILD OF THE RETIREE IS 18**  
19 **YEARS OLD, TO ALL CHILDREN UNDER THE AGE OF 18 YEARS; OR**

20                   **(III) IF THERE IS NO SURVIVING SPOUSE OR CHILDREN**  
21 **YOUNGER THAN 18 YEARS OF AGE, TO THE RETIREE'S DEPENDENT PARENT TO**  
22 **CONTINUE AS THE BOARD OF TRUSTEES MAY DIRECT FOR THE REST OF THE**  
23 **PARENT'S LIFE.**

24                   **(3) ANY BENEFITS UNDER TITLE 21, SUBTITLE 4 OF THIS**  
25 **ARTICLE OR § 26-402 OF THIS SUBTITLE MAY NOT BE PAID IF A SPECIAL DEATH**  
26 **BENEFIT IS PAID UNDER PARAGRAPH (2) OF THIS SUBSECTION.**

27                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
28 July 1, 2013.