

SENATE BILL 908

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3lr3170
CF HB 1426

By: **Senator Robey**

Introduced and read first time: February 11, 2013

Assigned to: Rules

Re-referred to: Budget and Taxation, February 21, 2013

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 20, 2013

CHAPTER _____

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; requiring the
13 Department of Natural Resources to submit certain reports by a certain date to
14 certain committees; and generally relating to reemployment of retirees of the
15 Law Enforcement Officers' Pension System.

16 BY repealing and reenacting, with amendments,
17 Article – State Personnel and Pensions
18 Section 26–403
19 Annotated Code of Maryland
20 (2009 Replacement Volume and 2012 Supplement)

21 BY adding to
22 Article – State Personnel and Pensions

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 Section 26–403.1
2 Annotated Code of Maryland
3 (2009 Replacement Volume and 2012 Supplement)

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

6 **Article – State Personnel and Pensions**

7 26–403.

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

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

14 (c) The retiree’s compensation during the period of reemployment may not be
15 subject to the employer pickup provisions of § 21–303 of this article or any reduction or
16 deduction as a member contribution for pension or retirement purposes.

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

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

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

26 (f) An individual who is rehired under this section may not be rehired within
27 45 days of the date the individual retired if:

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

32 (2) (i) at the time of retirement, the individual was a member of
33 the Law Enforcement Officers’ Pension System as an employee of a withdrawn
34 governmental unit; and

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

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

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

16 (H) ON OR BEFORE SEPTEMBER 1 OF EACH YEAR, THE SECRETARY OF
17 NATURAL RESOURCES SHALL SUBMIT A REPORT, IN ACCORDANCE WITH §
18 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO THE JOINT COMMITTEE ON
19 PENSIONS THAT PROVIDES:

20 (1) THE NUMBER OF RETIREES REHIRED BY THE NATURAL
21 RESOURCES POLICE FORCE ON A CONTRACTUAL BASIS AT A RANK OF OFFICER
22 OR OFFICER FIRST CLASS;

23 (2) THE ANNUAL SALARY OF EACH REHIRED RETIREE AT THE
24 TIME OF RETIREMENT AND THE CURRENT ANNUAL SALARY OF EACH REHIRED
25 RETIREE;

26 (3) THE NUMBER OF NATURAL RESOURCES POLICE EMPLOYEES
27 HIRED WHO ARE NOT RETIREES; AND

28 (4) THE ANNUAL SALARY OF EACH NATURAL RESOURCES POLICE
29 EMPLOYEE WHO IS HIRED.

30 **26-403.1.**

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

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

1 **(II) WHILE REEMPLOYED AS DESCRIBED IN ITEM (I) OF THIS**
2 **PARAGRAPH THE RETIREE IS TOTALLY AND PERMANENTLY INCAPACITATED**
3 **FOR DUTY IN THE COURSE OF THE ACTUAL PERFORMANCE OF DUTY WITHOUT**
4 **WILLFUL NEGLIGENCE BY THE RETIREE; AND**

5 **(III) THE MEDICAL BOARD CERTIFIES THAT:**

6 1. **THE RETIREE IS TOTALLY INCAPACITATED,**
7 **EITHER MENTALLY OR PHYSICALLY, FOR THE FURTHER PERFORMANCE OF**
8 **DUTY;**

9 2. **THE RETIREE'S INCAPACITY IS LIKELY TO BE**
10 **PERMANENT; AND**

11 3. **THE RETIREE SHOULD CEASE REEMPLOYMENT.**

12 **(2) THE NORMAL SERVICE RETIREMENT ALLOWANCE THAT A**
13 **RETIREE DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION IS**
14 **RECEIVING AT THE TIME THE RETIREE IS DETERMINED TO BE DISABLED UNDER**
15 **THIS SUBSECTION SHALL BE READJUSTED TO EQUAL TWO-THIRDS OF THE**
16 **RETIREE'S AVERAGE FINAL COMPENSATION AT THE TIME THE RETIREE**
17 **RETIRED, WITH ACCUMULATED COST-OF-LIVING ADJUSTMENTS FROM THE**
18 **DATE THE RETIREE RETIRED.**

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

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

23 **(II) DIES WITHOUT WILLFUL NEGLIGENCE BY THE RETIREE;**
24 **AND**

25 **(III) IS KILLED IN THE COURSE OF THE ACTUAL**
26 **PERFORMANCE OF DUTY.**

27 **(2) WHEN THE BOARD OF TRUSTEES RECEIVES PROOF OF DEATH**
28 **OF A RETIREE AND FINDS THAT THE DEATH HAS OCCURRED IN THE MANNER**
29 **DESCRIBED IN PARAGRAPH (1) OF THIS SUBSECTION, THE BOARD OF TRUSTEES**
30 **SHALL PAY THE BALANCE OF THE RETIREE'S ACCUMULATED CONTRIBUTIONS**
31 **AND A SPECIAL DEATH BENEFIT ALLOWANCE EQUAL TO TWO-THIRDS OF THE**
32 **RETIREE'S AVERAGE FINAL COMPENSATION AT THE TIME OF RETIREMENT,**
33 **WITH ACCUMULATED COST-OF-LIVING ADJUSTMENTS FROM THE DATE THE**
34 **RETIREE RETIRED:**

1 (I) TO THE SURVIVING SPOUSE;

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

5 (III) IF THERE IS NO SURVIVING SPOUSE OR CHILDREN
6 YOUNGER THAN 18 YEARS OF AGE, TO THE RETIREE'S DEPENDENT PARENT TO
7 CONTINUE AS THE BOARD OF TRUSTEES MAY DIRECT FOR THE REST OF THE
8 PARENT'S LIFE.

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

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

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.