

Chapter 212

(Senate Bill 477)

AN ACT concerning

State Retirement and Pension System – Reemployment of Ordinary Disability Retirees – Earnings Limitation

FOR the purpose of exempting from a certain reemployment earnings limitation certain retirees whose average final compensation was less than a certain amount and who are reemployed while receiving an ordinary disability retirement allowance from the State Retirement and Pension System; making stylistic changes; and generally relating to the reemployment earnings limitation for ordinary disability retirees in the State Retirement and Pension System.

BY repealing and reenacting, with amendments,
 Article – State Personnel and Pensions
 Section 29–116
 Annotated Code of Maryland
 (2015 Replacement Volume)

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

Article – State Personnel and Pensions

29–116.

(a) This section does not apply to a **DISABILITY** retiree [who is]:

(1) **(I) WHO IS** a retiree of:

~~(i)~~ **1.** the State Police Retirement System;

~~(ii)~~ **2.** the Law Enforcement Officers' Pension System;

~~(iii)~~ **3.** the Local Fire and Police System; or

~~(iv)~~ **4.** the Employees' Retirement System or the Employees' Pension System, if at the time of retirement the retiree was a law enforcement officer for a participating employer under § 26–201(a) of this article; and

~~(2)~~ **(II) WHO IS** reemployed by a participating employer in any position other than a probationary status law enforcement officer, a law enforcement officer, or chief, as defined in § 3–101 of the Public Safety Article; **OR**

~~(3)~~ **(2)** **(I)** WHOSE AVERAGE FINAL COMPENSATION WAS LESS THAN \$25,000; AND

(II) WHO IS REEMPLOYED BY A PARTICIPATING EMPLOYER.

(b) The Board of Trustees shall reduce the pension of a retiree on ordinary disability if:

(1) the retiree is under normal retirement age;

(2) the medical board certifies in a report to the Board of Trustees that the retiree is employed by a participating employer at an annual compensation that is greater than the difference between:

(i) the retiree's retirement allowance at retirement; and

(ii) the retiree's average final compensation plus \$5,000;

(3) the Board of Trustees agrees with the medical board's report; and

(4) the retiree's allowance has not been temporarily suspended as provided in § 29–115 of this subtitle.

(c) The Board of Trustees shall reduce the pension of a retiree who has been receiving an ordinary disability retirement allowance for:

(1) less than 10 years, by \$1 for every \$2 that the retiree's current compensation exceeds the limit under subsection (b) of this section; or

(2) at least 10 years, by \$1 for every \$5 that the retiree's current compensation exceeds the limit under subsection (b) of this section.

(d) The pension to be reduced under this section is the pension at retirement without any cost-of-living adjustment.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, April 26, 2016.