

SB 196 FAV Testimony.pdf

Uploaded by: Senator Gallion

Position: FAV

JASON C. GALLION
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Education, Energy, and
the Environment Committee



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

January 23rd, 2024

The Honorable Guy Guzzone, Chair

Senate Budget & Taxation Committee

RE: SB143 – Teachers’ Retirement and Pension Systems - Reemployment

Position: **Favorable**

Dear Chairman Guzzone,

This legislation would clarify an exemption that currently exists for public school employees and expand that exemption to include central office employees. Currently, a local school system can rehire a maximum of five individuals in any school who are retirees of the Teachers’ Retirement System.

SB 143 simply removes the “at any school” language, extending the benefit to central office employees.

We arrived at this legislation from a constituent who was employed in the accounting department at Harford County Public Schools central office. She was recently retired when the COVID pandemic started and when staffing shortages started affecting the school system she decided to go back to work to help in their time of need.

Unfortunately, for her good deed she is faced with losing a substantial chunk of her retirement. Through working with the helpful folks at the SRA, we arrived at SB 143 that will apply retroactively and help my constituent save her hard-earned retirement funds. The bill is expected to apply in only a limited number of circumstances, it has no discernible effect on State pension liabilities or contribution rates and no effect on revenues.

I respectfully urge the committee for a swift and favorable vote on SB 143.

Sincerely,

A handwritten signature in blue ink that reads "Jason Gallion".

Jason Gallion

Senator, District 35

SRA narrative for Sen. Gallion (002).pdf

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I retired from Harford County Public Schools Payroll Department in June 2017 after 33 years of service. I was called back to the Payroll Department November- 2020 to fill in for a Payroll Specialist out on FMLA. That job ended February 2021.

I was contacted again in February 2022 to come in and assist with the workload while a new person was hired/trained. The new hire resigned June 2022. During this time, I was working in person every day helping to free up the Payroll Specialists to do training. It took until the end of September 2022 for the second new hire to come on board. So the training process began again. A Payroll Specialist isn't fully trained until they have worked a full school year/fiscal year. This resulted in my working more hours than originally planned in person. Eventually, I was afforded the capability to work remotely which cut down on my hours.

The work I am doing is processing the special program pay for school staff working above and beyond the school day to bring the students up to speed from when instruction went virtual. The processing of the special program pay put a hardship on the Payroll Department. The special program pay is a direct result of the pandemic. Most of the funds used to pay the special programs came from the federal government.

This created a problem for me with the State Retirement Agency. When you retire, you sign lots of papers. One of them for the SRA limiting your earnings for the first 5 years after retirement when working for an entity that pays into the SRA system. I did not remember this rule and was not reminded of it until I exceeded my limitations.

I tried to appeal to the SRA to no avail. SRA has exceptions to the rule if I worked in a school or if I was a teacher or administrator. I feel this practice is discriminatory. A lot of rules were bent due to the pandemic. Why not this one?

My penalty is to pay approximately \$14,000 back to the SRA. I could have paid one lump sum but opted for the SRA to adjust my retirement pay over the next year by half to recoup the amount.

I am still working part time for Harford County Public Schools Payroll Department as they are still inundated with special program pay to process and will be beginning training on a new processing system.

SB143.Reemploy.24.pdf

Uploaded by: Virginia Crespo

Position: FAV



Maryland Retired School Personnel Association

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Senate Bill 143
In Support Of
Teachers' Retirement and Pension System - Reemployment
Senate Budget and Taxation Committee
Hearing: January 25, 2024 9:30 am

Dear Honorable Senator Guy Guzzone, Chair, and Senator Jim Rosapepe, Vice Chair, and other distinguished Budget and Taxation Committee members,

The Maryland Retired School Personnel Association (MRSPA) supports and requests a favorable report on SB 143 Teachers' Retirement and Pension Systems - Reemployment.

This legislation clarifies Reemployment and gives an exemption from reemployment earnings offsets for retirees of the Teachers' Retirement and Pension Systems. We believe that this is a timely decision, as it is becoming more difficult to hire certified staff.

The bill broadens the ability of schools boards to rehire retired teachers "at any school".

The need for these rehires is becoming greater as school employees are resigning or retiring and leaving school systems in Maryland as well as across the country.

On behalf of the almost 12,000 members of the Maryland Retired School Personnel Association we urge a favorable report on SB 143.

Sincerely,

Carla J. Duls
President

Virginia G. Crespo
Legislative Aide