Chapter 698

(House Bill 774)

AN ACT concerning

State Retirement and Pension System – Reemployment Earnings Limitation – Exemptions

FOR the purpose of increasing the maximum average final compensation that certain retirees of the State Retirement and Pension System must have at the time of retirement in order to be exempt from a certain reemployment earnings limitation; and generally relating to exemptions from a reemployment earnings limitation for retirees of the State Retirement and Pension System.

BY repealing and reenacting, without amendments,

Article – State Personnel and Pensions
Section 22–406(c)(1) and (3), 23–407(c)(1) and (3), and 25–403(a)
Annotated Code of Maryland (2009 Replacement Volume and 2009 Supplement)

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions
Section 22–406(c)(4)(ii) and, 23–407(c)(4)(i), and 25–403(b)(3)
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

22–406.

(c) (1) Except as provided in § 22–407 of this subtitle, the Board of Trustees shall reduce the allowance of an individual who accepts employment as provided under subsection (b) of this section if:

(i) the individual's current employer is a participating employer other than the State and is the same participating employer that employed the individual at the time of the individual's last separation from employment with a participating employer before the individual commenced receiving a service retirement allowance or vested allowance;
(ii) 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 or vested allowance was also a unit of State government; or

(iii) the individual becomes reemployed within 12 months of receiving an early service retirement allowance under § 22–402 of this subtitle.

(3) A reduction of an early service retirement allowance under paragraph (1)(iii) of this subsection shall be applied only until the individual has received an allowance for 12 months.

(4) Except for an individual whose allowance is subject to a reduction as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an allowance under this subsection does not apply to:

(ii) an individual whose average final compensation was less than $25,000 and who is reemployed on a PERMANENT, temporary, or contractual basis;

23–407.

(c) (1) Except as provided in § 23–408 of this subtitle, the Board of Trustees shall reduce the allowance of an individual who accepts employment as provided under subsection (b) of this section if:

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

(ii) 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 or vested allowance was also a unit of State government; or

(iii) the individual becomes reemployed within 12 months of receiving an early service retirement allowance or an early vested allowance computed under § 23–402 of this subtitle.

(3) A reduction of an early service retirement allowance or an early vested allowance under paragraph (1)(iii) of this subsection shall be applied only until the individual has received an allowance for 12 months.
(4) Except for an individual whose allowance is subject to a reduction as provided under paragraphs (1)(iii) and (3) of this subsection, the reduction of an allowance under this subsection does not apply to:

   (i) an individual whose average final compensation was less than \( \$10,000 \) \( \$25,000 \) and who is reemployed on a PERMANENT, temporary, or contractual basis;

25–403.

   (a) Except as provided in subsection (h) of this section, an individual who is receiving a service retirement allowance or vested allowance may accept employment with a participating employer on a permanent, temporary, or contractual basis, if the individual immediately notifies the Board of Trustees:

   (1) of the individual’s intention to accept the employment; and

   (2) of the compensation that the individual will receive.

   (b) (3) The reduction under this subsection does not apply to:

   (i) an individual who has been retired for 9 years, beginning on January 1, after the date the individual retires;

   (ii) an individual whose average final compensation was less than \( \$10,000 \) \( \$25,000 \) and who is reemployed on a PERMANENT, temporary, or contractual basis;

   (iii) an individual who is serving in an elected position as an official of a participating governmental unit or as a constitutional officer for a county that is a participating governmental unit; or

   (iv) a retiree of the Correctional Officers’ Retirement System who is reemployed on a contractual basis for not more than 4 years by the Division of Corrections, the Division of Pretrial Detention and Services, or the Patuxent Institution in the Department of Public Safety and Correctional Services as a correctional officer in a correctional facility defined in § 1–101 of the Correctional Services Article.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2010.

Approved by the Governor, May 20, 2010.