

(3) Except for an individual whose allowance is subject to a reduction as provided under paragraph (1) 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 and who is reemployed on a temporary or contractual basis; [or]

(ii) 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

(iii) AN INDIVIDUAL WHO HAS BEEN RETIRED FOR 9 YEARS, BEGINNING ON JANUARY 1 AFTER THE DATE THE INDIVIDUAL RETIRES.

37-101.

(d) "Contributory system" means a State or local retirement or pension system, other than the State Contributory Employees' Pension System, the State Contributory Law Enforcement Officers' Pension System, or the State Contributory Teachers' Pension System, under which member contributions are deducted from all compensation.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - State Personnel and Pensions

29-115.

(a) (1) This section applies only to a disability retiree who is not eligible to receive a normal service retirement.

(2) This section does not apply to a disability retiree of the State Police Retirement System or the Law Enforcement Officers' Pension System if the retiree 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.

(b) (1) (i) Except as provided in subsection (a)(2) of this section, the Board of Trustees shall, after giving notice, temporarily suspend the retiree's allowance if the retiree:

1. began receiving a disability retirement allowance on or after July 1, 1998; and

2. is employed by a participating employer at an annual compensation that is at least equal to the retiree's average final compensation at retirement.

(ii) A temporary suspension under this subsection shall begin as of the date the retiree is reemployed by a participating employer under subparagraph (i)2 of this paragraph.