

The fourth sentence of former Art. 73B, § 2-409(b) is deleted as unnecessary because retirement allowances generally continue for the life of the retiree.

Defined terms: "Allowance" § 20-101

"Board of Trustees" § 20-101

"Retirement allowance" § 20-101

22-406. EFFECT OF EMPLOYMENT OF RETIREE — AS TEMPORARY OR CONTRACTUAL EMPLOYEE.

(A) IN GENERAL.

SUBJECT TO SUBSECTION (B) OF THIS SECTION, A RETIREE WHO IS RECEIVING A SERVICE RETIREMENT ALLOWANCE MAY ACCEPT EMPLOYMENT WITH A PARTICIPATING EMPLOYER ON A TEMPORARY OR CONTRACTUAL BASIS, WITHOUT ANY REDUCTION IN RETIREMENT ALLOWANCE, IF THE RETIREE IMMEDIATELY NOTIFIES THE BOARD OF TRUSTEES:

- (1) OF THE RETIREE'S INTENTION TO ACCEPT THE EMPLOYMENT; AND
- (2) OF THE COMPENSATION THAT THE RETIREE WILL RECEIVE.

(B) LIMITATION ON EARNINGS; REDUCTION OF RETIREMENT ALLOWANCE.

(1) THIS SUBSECTION DOES NOT APPLY TO A RETIREE WHO HAS BEEN RETIRED FOR MORE THAN 10 YEARS.

(2) THE BOARD OF TRUSTEES SHALL REDUCE A RETIREE'S RETIREMENT ALLOWANCE BY THE AMOUNT THAT THE SUM OF THE RETIREE'S ANNUAL BASIC ALLOWANCE, AT THE TIME OF RETIREMENT, AND THE RETIREE'S ANNUAL COMPENSATION EXCEEDS THE AVERAGE FINAL COMPENSATION USED TO COMPUTE THE BASIC ALLOWANCE.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 73B, §§ 2-411(a) and 3-408(a).

In subsection (a) of this section, the phrase "accept employment ... on a temporary or contractual basis" is substituted for the former phrase "accept temporary employment or enter into a contract for personal services" for brevity and to conform to Division I of this article.

Also in subsection (a) of this section, the former phrase "in which all or part of the compensation for the employment or services comes from State funds" is deleted for accuracy and consistency. The State Personnel and Pensions Article Review Committee notes, for the consideration of the General Assembly, that whether a retiree's service retirement allowance is affected is determined by whether the employer participates in the several systems, not by whether the particular position is funded with State funds. In many instances, it is impractical to determine whether a particular position is paid out of State funds. The deletion of this phrase is consistent with the practice of the Board of Trustees.