

(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.

(C) LIMITATION ON LENGTH OF EMPLOYMENT.

FOR PURPOSES OF THIS SECTION, EMPLOYMENT IS NOT ON A TEMPORARY BASIS IF, IN ANY 12-MONTH PERIOD, A RETIREE WORKS:

(1) FULL TIME FOR MORE THAN 6 MONTHS; OR

(2) PART TIME FOR THE EQUIVALENT OF MORE THAN 6 MONTHS OF FULL-TIME WORK.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 73B, § 6-409.

In subsection (a) of this section, the phrase "accept employment with a participating employer on a temporary basis" is substituted for the former phrase "accept temporary employment" 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 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.

In subsection (b)(2) of this section, the word "annual" is added to modify "basic allowance" to clarify that the annual figure is used to compare to the annual compensation of the retiree.

Also in subsection (b)(2) of this section, the requirement that "[t]he Board of Trustees ... reduce a retiree's retirement allowance" is substituted for the limitation on the retirement allowance in the first sentence, and the determination of the allowable earnings of a retiree in the third sentence, of former Art. 73B, § 6-409 for clarity and to more accurately reflect current practice - *i.e.*, when a retiree's salary exceeds the allowed amount, the Board of Trustees correspondingly offsets the service retirement allowance.