Preamble

WHEREAS, Chapters 704 and 705 of the Acts of 1994 each amended a section of the State Personnel and Pensions Article that was repealed by Chapter 703 of the Acts of 1994; and

WHEREAS, As a result of inconsistencies among those three enactments, it is not clear that, as intended by the General Assembly under Chapter 704, retirees of the Employees' Pension System or the Employees' Retirement System who are serving in an elected position as an official of a local government or as a constitutional officer of a county are not subject to an offset of their retirement allowance; and

WHEREAS, It is necessary to clarify these provisions of law to accomplish the legislative objectives intended under these enactments Chapter 703 of the Acts of 1994 altered §§ 22-406 and 23-407 of the State Personnel and Pensions Article to allow retirees of the State Retirement and Pension System to return to permanent employment with a participating employer and to continue to receive their retirement allowance, providing the sum of their earnings and retirement allowance do not exceed their average final compensation; and

WHEREAS, Chapter 703 also repealed §§ 22-407 and 23-408 of the State Personnel and Pensions Article, under which retirees of the State systems who returned to permanent positions were prevented from receiving their retirement allowance during the time they were reemployed by a participating employer; and

WHEREAS, Chapter 704 of the Acts of 1994 amended §§ 22–407 and 23–408 which were repealed by Chapter 703, in order to exempt retirees receiving a retirement allowance who are reemployed as elected county officials or constitutional officers from provisions which prevented permanent employees from receiving both a salary and a retirement allowance, replacing temporary provisions passed every 2 years since 1985 for the same purpose; and

WHEREAS, Because the two sections were repealed, the application of the new language provided by Chapter 704 makes reemployed elected county officials or constitutional officers subject to the limitation that their salary and pension may not exceed their average final compensation as stipulated in §§ 22-406 and 23-407; and

WHEREAS, Chapter 705 of the Acts of 1994 amended § 22-407 to discourage retirees from accepting reemployment solely to transfer from the Retirement System to the Pension System for the purpose of receiving a transfer refund, and, thus, because of the repeal of § 22-407 by Chapter 703, the application of Chapter 705 is in question; and

WHEREAS, These inconsistencies resulting from the enactments of Chapters 703, 704, and 705 of the Acts of 1994 unintentionally interfere with the implementation of those Acts; and

WHEREAS, The Attorney General stated that the repeal of §§ 22-407 and 23-408 of the State Personnel and Pensions Article and the resulting inconsistencies necessitate the need for clarifying, corrective legislation; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows: