

limitation on earnings of retirees under the Workforce Reduction Act who are reemployed.

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 22-406(b) and 23-407(b)

Annotated Code of Maryland

(1994 Volume and 1996 Supplement)

BY repealing and reenacting, with amendments,

Chapter 353 of the Acts of the General Assembly of 1996

Section 3(2)

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.

(b) (1) This subsection does not apply to:

(i) a retiree who has been retired for more than 10 years;

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

(iii) a retiree 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 Teachers' Retirement System:

1. who retired and was reemployed by a participating employer other than the State on or before September 30, 1994; and

2. whose employment compensation does not derive, in whole or in part, from State funds.

(2) The Board of Trustees shall reduce a retiree's retirement allowance:

(I) 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; OR

(II) FOR A RETIREE WHO RETIRED UNDER THE WORKFORCE REDUCTION ACT (CHAPTER 353 OF THE ACTS OF 1996), BY THE AMOUNT THAT THE SUM OF THE RETIREE'S ANNUAL COMPENSATION AND THE RETIREE'S ANNUAL BASIC ALLOWANCE AT THE TIME OF RETIREMENT, INCLUDING THE INCENTIVE PROVIDED BY THE WORKFORCE REDUCTION ACT, EXCEEDS THE AVERAGE FINAL COMPENSATION USED TO COMPUTE THE BASIC ALLOWANCE.