

23-407.

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

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

(ii) 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.

(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.

**Chapter 353 of the Acts of 1996**

SECTION 3. AND BE IT FURTHER ENACTED, That:

(2) If a retiree who retires under this Act is reemployed in a permanent, temporary, or contractual position with a participating employer, [in addition to any other reduction in the retiree's retirement allowance required under State law,] the retiree's retirement allowance shall be reduced by the amount [it exceeds the retirement allowance the retiree would otherwise have received] 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 THIS ACT, EXCEEDS THE AVERAGE FINAL COMPENSATION USED TO COMPUTE THE BASIC ALLOWANCE;

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1997.

Approved April 29, 1997.