

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

(iii) an individual 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)] (3) The Board of Trustees shall reduce an individual's allowance by the amount that the sum of the individual's initial annual basic allowance and the individual's annual compensation exceeds the average final compensation used to compute the basic allowance.~~

(c) An individual who is receiving a service retirement allowance or a vested allowance and who is reemployed by a participating employer may not receive creditable service or eligibility service during the period of reemployment.

(d) The individual's compensation during the period of reemployment may not be subject to the employer pickup provisions of § 21-303 of this article or any reduction or deduction as a member contribution for pension or retirement purposes.

(e) The State Retirement Agency shall institute appropriate reporting procedures with the affected payroll systems to ensure compliance with this section.

(f) (1) Immediately on the employment of any individual receiving a service retirement allowance or a vested allowance, a participating employer shall notify the State Retirement Agency of the type of employment and the anticipated earnings of the individual.

(2) At least once each year, in a format specified by the State Retirement Agency, each participating employer shall provide the State Retirement Agency with a list of all employees included on any payroll of the employer, the Social Security numbers of the employees, and their earnings for that year.

(G) AT THE REQUEST OF THE STATE RETIREMENT AGENCY, A UNIT OF STATE GOVERNMENT SHALL CERTIFY TO THE STATE RETIREMENT AGENCY THAT THE INDIVIDUAL WAS NOT EMPLOYED BY ANY UNIT OF STATE GOVERNMENT AT THE TIME OF THE INDIVIDUAL'S LAST SEPARATION FROM EMPLOYMENT BEFORE THE INDIVIDUAL COMMENCED RECEIVING A SERVICE RETIREMENT ALLOWANCE OR A VESTED ALLOWANCE.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - State Personnel and Pensions

22-406.

(b) ~~(2)~~ (4) This Except for an individual whose allowance is subject to a reduction as provided under paragraphs (1)(i) and (3) of this subsection, the reduction of an allowance under this subsection does not apply to:

(vi) a retiree of the Teachers' Retirement System who: