

basis, without any reduction in [retirement] THE allowance, if the [retiree] INDIVIDUAL immediately notifies the Board of Trustees:

(1) of the [retiree's] INDIVIDUAL'S intention to accept the employment;
and

(2) of the compensation that the [retiree] INDIVIDUAL will receive.

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

(i) [a retiree] AN INDIVIDUAL who has been retired for more than 10 years;

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

(iii) [a retiree] 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; 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] AN INDIVIDUAL'S allowance:

(i) by the amount that the sum of the [retiree's] INDIVIDUAL'S INITIAL annual basic allowance[, at the time of retirement,] and the [retiree's] INDIVIDUAL'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.

(c) [A reemployed retiree] 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 [retiree's] 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.