

employment with a participating employer on a permanent, temporary, or contractual basis, without any reduction in [retirement] THE allowance, if:

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

(2) the [retiree] INDIVIDUAL specifies the compensation to be received.

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

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

(ii) [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.

(2) The Board of Trustees shall reduce [a retiree's retirement] AN INDIVIDUAL'S allowance 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.

(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.

(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 [retiree] 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 [retiree] 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.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1998.

Approved May 21, 1998.