

FOR the purpose of transferring the provision relating to change of beneficiary by a retired member to the proper subsection; and clarifying the provision relating to survivor's benefit.

BY repealing and reenacting, with amendments,

Article 73B - Pensions  
Section 86(6) and (8)(b)  
Annotated Code of Maryland  
(1978 Replacement Volume and 1979 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 73B - Pensions

86.

(6) (a) Upon the receipt of proper proofs of the death of a member in service, and provided that no benefit is payable under [the provisions of subsection (8)(b) of this section,] PARAGRAPH (C) OF THIS SUBSECTION, there shall be paid to the member's estate or to the person [he] THE MEMBER has nominated by written designation duly executed and filed with the board of trustees:

(i) The member's accumulated contributions; and

(ii) If the member has one or more years of creditable service, or dies in the course of the actual performance of duty, an amount equal to the member's earnable compensation at the time of death.

(b) The board of trustees is authorized to take such steps as are necessary to provide the death benefit under this subsection in the form of group life insurance, if in the opinion of the board of trustees, such provision would allow a more favorable tax treatment of the benefit to the beneficiaries there.

(c) [A retired member may elect to change his or her beneficiary, in which event, the allowance for a subsequent election shall be computed on the value of the balance in his or her reserves at the time the change in beneficiary is made.] THE SURVIVING SPOUSE OF A MEMBER WHO DIES IN SERVICE MAY ELECT TO RECEIVE, IN LIEU OF THE LUMP SUM BENEFIT PAYABLE UNDER PARAGRAPH (A) OF THIS SUBSECTION, A MONTHLY ALLOWANCE FOR LIFE EQUAL TO THE AMOUNT PAYABLE UNDER OPTION 2, IF:

(I) THE SPOUSE IS NAMED AS THE SOLE PRIMARY BENEFICIARY; AND