

(2) WITH DEATH ARISING OUT OF OR IN THE COURSE OF THE ACTUAL PERFORMANCE OF DUTY.

(B) WHEN THE BOARD OF TRUSTEES RECEIVES PROOF OF DEATH OF A MEMBER AND FINDS THAT THE DEATH HAS OCCURRED IN THE MANNER DESCRIBED IN SUBSECTION (A) OF THIS SECTION, THE BOARD OF TRUSTEES SHALL PAY:

(1) IF THE MEMBER IS SURVIVED BY A SPOUSE OR A CHILD UNDER THE AGE OF 18 YEARS:

(I) THE MEMBER'S ACCUMULATED CONTRIBUTIONS TO THE DESIGNATED BENEFICIARY, OR OTHERWISE TO THE MEMBER'S ESTATE; AND

(II) AN ALLOWANCE OF TWO-THIRDS OF THE MEMBER'S AVERAGE FINAL COMPENSATION:

1. TO THE SURVIVING SPOUSE; OR

2. IF THERE IS NO SURVIVING SPOUSE OR IF THE SURVIVING SPOUSE DIES BEFORE THE YOUNGEST CHILD OF THE MEMBER IS 18 YEARS OLD, TO ANY CHILDREN OF THE DECEASED MEMBER WHO ARE UNDER THE AGE OF 18 YEARS; OR

(2) IF THE MEMBER IS NOT SURVIVED BY A SPOUSE OR A CHILD UNDER THE AGE OF 18 YEARS, THE DEATH BENEFIT UNDER § 29-202 OF THIS SUBTITLE.

(C) IF THE BOARD OF TRUSTEES PAYS AN ALLOWANCE UNDER THIS SECTION TO MORE THAN ONE CHILD, THE BOARD OF TRUSTEES SHALL DIVIDE THE ALLOWANCE AMONG THE CHILDREN UNDER THE AGE OF 18 YEARS IN A MANNER THAT PROVIDES FOR PAYMENTS TO CONTINUE UNTIL EACH CHILD DIES OR BECOMES 18 YEARS OLD.

29-205.

(a) This section applies to the surviving spouse of an individual who died while employed as a member of:

(1) the Correctional Officers' Retirement System;

(2) the Employees' Retirement System;

(3) the Local Fire and Police System, if the member had transferred from the Employees' Retirement System; or

(4) the Teachers' Retirement System.

(b) [A] EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, A surviving spouse may elect to receive one of the following:

(1) the death benefit, under § 29-202 of this subtitle; or

(2) an allowance equal to the amount payable under Option 2 as described in § 21-403 of this article, if:

(i) the spouse is the sole primary designated beneficiary; and