

(II) USED TO INCREASE THE DROP MEMBER'S AVERAGE FINAL COMPENSATION EXCEPT AS PROVIDED IN SUBSECTION (K) OF THIS SECTION.

(5) DURING THE PERIOD THAT A DROP MEMBER PARTICIPATES IN THE DROP, THE DROP MEMBER SHALL:

(I) CONTINUE TO RECEIVE COMPENSATION, HEALTH INSURANCE, AND OTHER BENEFIT OPTIONS ESTABLISHED UNDER THE STATE EMPLOYEE AND RETIREE HEALTH AND WELFARE BENEFIT PROGRAM ADMINISTERED BY THE SECRETARY OF THE DEPARTMENT OF BUDGET AND MANAGEMENT, AND ANY OTHER BENEFITS AS AN EMPLOYEE OF THE STATE;

(II) BE SUBJECT TO THE PERSONNEL LAW, REGULATIONS, AND POLICIES APPLICABLE TO AN EMPLOYEE OF THE STATE AGENCY FOR WHICH THE MEMBER IS EMPLOYED; AND

(III) RECEIVE RETIREMENT BENEFITS ONLY TO THE EXTENT PROVIDED IN THIS SECTION.

(6) THE BOARD OF TRUSTEES IS NOT REQUIRED TO ESTABLISH AN INDIVIDUAL DROP ACCOUNT FOR EACH DROP MEMBER.

(7) EACH YEAR, THE BOARD OF TRUSTEES SHALL PROVIDE A DROP MEMBER WITH A WRITTEN ACCOUNTING OF THE DROP MEMBER'S ACCOUNT BALANCE IN THE DROP.

(I) (1) SUBJECT TO PARAGRAPHS (2), (3), AND (4) OF THIS SUBSECTION, ON TERMINATION OF A DROP MEMBER'S PARTICIPATION IN THE DROP, THE BOARD OF TRUSTEES SHALL PAY TO THE DROP MEMBER OR, IF THE DROP MEMBER HAS DIED, THE DESIGNATED BENEFICIARY OF THE DROP MEMBER, THE AMOUNT ACCRUED IN THE DROP FOR THE DROP MEMBER UNDER SUBSECTION (H)(2) OF THIS SECTION, REDUCED BY ANY WITHHOLDING TAXES REMITTED TO THE INTERNAL REVENUE SERVICE OR OTHER TAXING AUTHORITY, IN A LUMP SUM.

(2) THE DESIGNATED BENEFICIARY OF A DROP MEMBER IS:

(I) THE DROP MEMBER'S SURVIVING SPOUSE;

(II) IF THERE IS NOT A SURVIVING SPOUSE OR IF THE SURVIVING SPOUSE DIES BEFORE THE YOUNGEST CHILD IS 18 YEARS OLD, EACH CHILD OF THE DECEASED DROP MEMBER WHO IS UNDER 18 YEARS OLD; OR

(III) IF THERE IS NOT A SURVIVING SPOUSE OR A CHILD WHO IS UNDER 18 YEARS OLD, THE PERSON NAMED AS A BENEFICIARY IN AN ACKNOWLEDGED WRITTEN DESIGNATION FILED WITH THE BOARD OF TRUSTEES BY THE DROP MEMBER.

(3) A DROP MEMBER OR DESIGNATED BENEFICIARY OF A DROP MEMBER MAY DIRECT THE BOARD OF TRUSTEES TO PAY ALL OR A PORTION OF THE AMOUNT ACCRUED FOR THE DROP MEMBER'S BENEFIT UNDER SUBSECTION (H)(2) OF THIS SECTION DIRECTLY TO THE CUSTODIAN OF AN ELIGIBLE RETIREMENT PLAN AS PROVIDED IN TITLE 21, SUBTITLE 6 OF THIS ARTICLE.