

SECTION ~~2~~ 3 AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2001.

Approved May 18, 2001.

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**CHAPTER 723**

**(House Bill 1336)**

AN ACT concerning

**Retirement and Pensions - Payments of Allowances into Trusts**

FOR the purpose of authorizing the payment of certain allowances from the State Retirement and Pension System to be paid into a trust if the designated beneficiary is a minor or an individual with a disability.

BY repealing and reenacting, with amendments,

Article - State Personnel and Pensions

Section 21-402

Annotated Code of Maryland

(1997 Replacement Volume and 2000 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - State Personnel and Pensions**

21-402.

(a) Each optional form of allowance shall be the actuarial equivalent of the basic allowance under the State system of a member.

(b) (1) **[For]** SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, FOR an optional form of allowance providing for payment to a designated beneficiary for life, the designated beneficiary must be an individual.

(2) IF THE DESIGNATED BENEFICIARY IS A MINOR OR AN INDIVIDUAL WITH A DISABILITY, THE ALLOWANCE MAY BE PAID INTO A TRUST FOR THE BENEFIT OF THE INDIVIDUAL.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2001.

Approved May 18, 2001.

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