

FOR the purpose of allowing certain individuals who are former members of the Employees' and Teachers' Retirement and Pension Systems and who are eligible to receive a vested retirement allowance, to elect to receive a lump-sum payment of the vested retirement allowance under certain circumstances; and generally relating to the distribution of a vested retirement allowance to former members of the Employees' and Teachers' Retirement and Pension Systems.

BY adding to

Article – State Personnel and Pensions

Section 29–302.1 and 29–303.1

- Annotated Code of Maryland

(1997 Replacement Volume and 2002 Supplement)

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 30–307(d)

Annotated Code of Maryland

(1997 Replacement Volume and 2002 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**

29–302.1.

(A) THIS SECTION APPLIES ONLY TO AN INDIVIDUAL WHO :

(1) IS A FORMER MEMBER OF:

(I) THE EMPLOYEES' RETIREMENT SYSTEM; OR

(II) THE TEACHERS' RETIREMENT SYSTEM;

~~(2) IS A MEMBER OF THE OPTIONAL RETIREMENT PROGRAM;~~

(3) (2) IS ELIGIBLE TO RECEIVE A VESTED ALLOWANCE UNDER § 29–302 OF THIS SUBTITLE; AND

(4) (3) HAS NOT ELECTED TO RECEIVE A BENEFIT UNDER § 29–302 OF THIS SUBTITLE.

(B) NOTWITHSTANDING § 29–302 OF THIS SUBTITLE, AN INDIVIDUAL UNDER SUBSECTION (A) OF THIS SECTION MAY ELECT A LUMP-SUM PAYMENT EQUAL TO THE PRESENT VALUE OF THE INDIVIDUAL'S VESTED ALLOWANCE IF:

(1) THE VESTED ALLOWANCE IS LESS THAN \$50 A MONTH;

(2) (1) THE INDIVIDUAL IS NOT A MEMBER OF THE OPTIONAL RETIREMENT PROGRAM AND HAS TERMINATED ANY EMPLOYMENT WITH A PARTICIPATING EMPLOYER FOR THE STATE; OR