

(1997 Replacement Volume and 2001 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

21-401.

(a) (1) Subject to paragraph (2) of this subsection, instead of the basic allowance provided under the State system of a member, the member may elect a reduced allowance to be paid as one of the options under § 21-403 of this subtitle.

(2) Paragraph (1) of this subsection applies to a member of:

(i) the Law Enforcement Officers' Pension System or State Police Retirement System only if, at retirement, the member does not have a spouse; and

(ii) the Judges' Retirement System only if, at retirement, the member does not have a spouse or child under the age of 18 years.

21-403.

(a) (1) Under Option 1, if a retiree dies before receiving payments equal to the actuarial equivalent present value of the retiree's basic allowance computed at the time of retirement, the Board of Trustees shall pay the balance as a single payment:

[(1)] (I) to the designated beneficiary; or

[(2)] (II) if there is no designated beneficiary, to the retiree's estate.

(2) (I) AT THE TIME OF RETIREMENT, A MEMBER OF THE JUDGES' RETIREMENT SYSTEM DESCRIBED IN § 21-401(A)(2) OF THIS ARTICLE MAY DESIGNATE MORE THAN ONE BENEFICIARY FOR THE OPTIONAL BENEFIT PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION.

(II) IF, AT THE TIME OF RETIREMENT, A MEMBER OF THE JUDGES' RETIREMENT SYSTEM DOES DESIGNATE MORE THAN ONE BENEFICIARY FOR THE OPTIONAL BENEFIT PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION, THE SINGLE PAYMENT WILL BE PAID IN EQUAL SHARES TO EACH OF THE DESIGNATED BENEFICIARIES.

27-403.

(a) (1) [On] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, ON the death of a member, the Board of Trustees shall pay to the surviving spouse 50% of the retirement allowance that would be payable were the member alive and eligible to receive a retirement allowance.

(2) (I) IF AT THE TIME OF DEATH THE MEMBER DOES NOT HAVE A SURVIVING SPOUSE, THE BOARD OF TRUSTEES SHALL PAY TO THE MEMBER'S DESIGNATED BENEFICIARY OR BENEFICIARIES A LUMP-SUM DEATH BENEFIT CONSISTING OF THE SUM OF: