

(VI) OPTION 6. UPON THE DEATH OF A RETIREE WHO HAS ELECTED THIS OPTION, ONE HALF OF THE REDUCED ALLOWANCE SHALL BE CONTINUED THROUGHOUT THE LIFE OF AND PAID TO THE RETIREE'S DESIGNATED BENEFICIARY. HOWEVER, IF THE DESIGNATED BENEFICIARY PREDECEASES THE RETIREE, THEN FROM THE DATE OF DEATH OF THE DESIGNATED BENEFICIARY, THE RETIREE SHALL RECEIVE THE ALLOWANCE AS IF NO OPTIONAL FORM OF PAYMENT WAS ELECTED AT THE TIME OF RETIREMENT.

(3) (I) ON THE DEATH OF A RETIREE WHOSE DESIGNATED BENEFICIARY HAS PREDECEASED THE RETIREE OR WHO HAS NOT SELECTED AN OPTION, THE PORTION OF THE ALLOWANCE THAT IS DUE FOR THE MONTH IN WHICH THE RETIREE DIES SHALL BE PAID TO THE RETIREE'S ESTATE.

(II) ON THE DEATH OF A DESIGNATED BENEFICIARY WHO IS RECEIVING PAYMENTS FOR LIFE, THE PORTION OF THE ALLOWANCE THAT IS DUE FOR THE MONTH IN WHICH THE BENEFICIARY DIES SHALL BE PAID TO THE BENEFICIARY'S ESTATE.

(4) IF A RETIREE ELECTS TO CHANGE A DESIGNATED BENEFICIARY, THE ALLOWANCE SHALL BE RECOMPUTED ON THE VALUE OF THE BALANCE IN THE RETIREE'S RESERVES AT THE TIME THE CHANGE IN BENEFICIARY IS MADE.

COMMITTEE NOTE: This section formerly appeared as Art. 73B, § 86(8).

The changes made in this section conform it to § 2-407 of this article.

### 3-408. EMPLOYMENT OF RETIREES.

(A) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, A RETIREE WHO IS RECEIVING A SERVICE RETIREMENT ALLOWANCE MAY ACCEPT TEMPORARY EMPLOYMENT OR ENTER INTO A CONTRACT FOR PERSONAL SERVICES WITH THE STATE, LOCAL SCHOOL SYSTEM, LIBRARY, COMMUNITY COLLEGE OR A PARTICIPATING MUNICIPAL CORPORATION IN WHICH ALL OR PART OF THE COMPENSATION FOR THE EMPLOYMENT OR SERVICES COMES FROM STATE FUNDS.

(2) TO RECEIVE A SERVICE RETIREMENT ALLOWANCE WITHOUT REDUCTION, THE RETIREE SHALL IMMEDIATELY NOTIFY THE BOARD OF TRUSTEES OF THE RETIREE'S INTENTION TO ACCEPT THE EMPLOYMENT AND SPECIFY THE COMPENSATION TO BE RECEIVED FOR THE EMPLOYMENT.

(3) THE RETIREMENT ALLOWANCE RECEIVABLE BY THE RETIREE, COMPUTED WITHOUT OPTIONAL MODIFICATION, PLUS THE ANNUAL REMUNERATION FOR THE POSITION, SHALL NOT EXCEED THE AVERAGE FINAL COMPENSATION UPON WHICH SUCH RETIREMENT ALLOWANCE WAS BASED. HOWEVER, THERE SHALL BE NO LIMITATION