

5-408. REDUCTION OF ALLOWANCE ON WAIVER OF REPAYMENT OF ACCUMULATED CONTRIBUTIONS OR LUMP SUM SETTLEMENT.

IF A MEMBER RESTORED TO SERVICE IS CREDITED WITH PRIOR ELIGIBILITY SERVICE AND DOES NOT REPAY, WITH INTEREST, ANY ACCUMULATED CONTRIBUTIONS OR LUMP SUM SETTLEMENT RECEIVED ON THE MEMBER'S PRIOR TERMINATION OF SERVICE, THE MEMBER'S ALLOWANCE SHALL BE REDUCED BY THE ACTUARIAL EQUIVALENT OF THE CONTRIBUTIONS AND INTEREST TO DATE OF RETIREMENT THAT ARE NOT REPAID.

COMMITTEE NOTE: This section is new language derived without substantive change from the second sentence of former Art. 73B, § 144(7).

The first sentence of former § 144(7) is deleted as unnecessary since the member's prior creditable service would be automatically restored once the eligibility service is restored.

5-409. OPTIONAL BENEFITS.

(A) (1) INSTEAD OF THE ALLOWANCES PAYABLE UNDER THIS SUBTITLE, ANY MEMBER MAY ELECT A REDUCED ALLOWANCE OF EQUIVALENT ACTUARIAL VALUE IN ONE OF THE OPTIONAL FORMS SET OUT IN SUBSECTION (B)(2) OF THIS SECTION.

(2) THE ELECTION OF THE OPTION SHALL BE:

(I) MADE BEFORE THE FIRST PAYMENT OF THE ALLOWANCE NORMALLY BECOMES DUE;

(II) MADE ON THE FORM PROVIDED FOR THAT PURPOSE;
AND

(III) FILED WITH THE BOARD OF TRUSTEES.

(3) IF A MEMBER DIES PRIOR TO THE EFFECTIVE DATE OF RETIREMENT, THE ELECTION SHALL BE VOID, AND THE BENEFITS PAYABLE SHALL BE THE SAME AS THOUGH THE ELECTION HAD NOT BEEN FILED.

(4) A MEMBER WHO HAS ELECTED AN OPTIONAL BENEFIT MAY CHANGE THIS ELECTION BY NOTIFYING THE BOARD OF TRUSTEES, BUT A CHANGE MAY NOT BE MADE AFTER THE FIRST PAYMENT OF THE RETIREE'S ALLOWANCE NORMALLY BECOMES DUE.

(B) (1) IN THIS SUBSECTION, "DESIGNATED BENEFICIARY" MEANS THE PERSON THE RETIREE HAS NOMINATED BY A WRITTEN DESIGNATION THAT HAS BEEN DULY ACKNOWLEDGED AND FILED WITH THE BOARD OF TRUSTEES.

(2) THE OPTIONS THAT A MEMBER MAY ELECT UNDER SUBSECTION (A) OF THIS SECTION ARE: