

6-412. VESTED ALLOWANCE.

(A) ANY MEMBER WHOSE SERVICE IS TERMINATED ON OR AFTER JULY 1, 1989, OTHER THAN BY DEATH OR RETIREMENT AFTER THE MEMBER HAS ATTAINED 5 OR MORE YEARS OF CREDITABLE SERVICE MAY ELECT TO RECEIVE A VESTED ALLOWANCE. A MEMBER SHALL BE DEEMED TO HAVE ELECTED A VESTED ALLOWANCE, UNLESS THE MEMBER REQUESTS THE RETURN OF THE ACCUMULATED CONTRIBUTIONS WITHIN 2 YEARS OF THE TERMINATION. THE VESTED ALLOWANCE IS A DEFERRED ALLOWANCE COMMENCING AT AGE 50 AND SHALL BE COMPUTED AS ONE FORTY-FIFTH OF THE MEMBER'S AVERAGE FINAL COMPENSATION FOR EACH OF THE FIRST TWENTY-FIVE YEARS OF CREDITABLE SERVICE, AND ONE NINETIETH OF THE MEMBER'S AVERAGE FINAL COMPENSATION FOR EACH YEAR AFTER THE FIRST TWENTY-FIVE YEARS OF CREDITABLE SERVICE. THE VESTED ALLOWANCE MAY BE IN ONE OF THE OPTIONAL FORMS SET FORTH IN § 6-406 OF THIS SUBTITLE.

(B) ANY MEMBER WHO TERMINATED SERVICE PRIOR TO JULY 1, 1990, SHALL HAVE ANY UNUSED SICK LEAVE REPORTED BY THE MEMBER'S EMPLOYER AT TERMINATION INCLUDED AS CREDITABLE SERVICE IN THE COMPUTATION OF THE VESTED ALLOWANCE.

(C) IF THE PERSON WHO HAS ELECTED A VESTED ALLOWANCE REQUESTS THE RETURN OF THE PERSON'S CONTRIBUTIONS BEFORE THE FIRST PAYMENT OF THE VESTED ALLOWANCE COMMENCES, THE AMOUNT OF THE ACCUMULATED CONTRIBUTIONS SHALL BE RETURNED AND NO FURTHER BENEFIT SHALL BE DUE OR BECOME PAYABLE ON ACCOUNT OF PREVIOUS MEMBERSHIP.

COMMITTEE NOTE: This section formerly appeared as Art. 88B, § 53(q)(1), (2), and (3).

The clause "before the first payment of the vested allowance commences" is substituted for "prior to the person's effective retirement date" to clarify that a former member who is eligible to receive a vested allowance does not "retire".

The only other changes are stylistic.

6-413. DEATH BENEFIT FOR FORMER MEMBERS.

UPON RECEIPT OF PROPER PROOF OF THE DEATH OF A FORMER MEMBER WHO HAS ELECTED A VESTED ALLOWANCE AND WHOSE DEATH OCCURS BEFORE PAYMENT OF THE VESTED ALLOWANCE COMMENCES, THE AMOUNT OF THE FORMER MEMBER'S ACCUMULATED CONTRIBUTIONS SHALL BE PAID TO THE BENEFICIARY THE FORMER MEMBER HAS NOMINATED BY WRITTEN DESIGNATION DULY EXECUTED AND FILED WITH THE BOARD OF TRUSTEES OR, IF THERE BE NO DESIGNATED BENEFICIARY, THEN TO THE FORMER MEMBER'S ESTATE.