(2) This section does not include provisions similar to § 2–413(e)(2) or (3) since these provisions would not apply to members of this system, since they apply to retirees who retired before July 1, 1973, or July 1, 1958, respectively, and this system was established July 1, 1974.

7–410. DEATH BENEFIT FOR MEMBERS IN SERVICE.

(A) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, UPON THE RECEIPT OF PROPER PROOF OF DEATH OF A MEMBER IN SERVICE, THE BOARD OF TRUSTEES SHALL PAY TO THE PERSON THE MEMBER HAS NOMINATED BY WRITTEN DESIGNATION DULY EXECUTED AND FILED WITH THE BOARD OF TRUSTEES OR, IN THE ABSENCE OF WRITTEN DESIGNATION, TO THE MEMBER'S ESTATE:

(1) THE MEMBER'S ACCUMULATED CONTRIBUTIONS; AND

(2) IF THE MEMBER HAS 1 OR MORE YEARS OF CREDITABLE SERVICE OR DIES IN THE COURSE OF THE ACTUAL PERFORMANCE OF DUTY, AN AMOUNT EQUAL TO THE MEMBER'S ANNUAL EARNABLE COMPENSATION AT THE TIME OF DEATH.

(B) THE BOARD OF TRUSTEES IS AUTHORIZED TO TAKE THE STEPS NECESSARY TO PROVIDE THE DEATH BENEFIT UNDER THIS SUBSECTION IN THE FORM OF GROUP LIFE INSURANCE, IF, IN THE OPINION OF THE BOARD OF TRUSTEES, THAT PROVISION WOULD ALLOW A MORE FAVORABLE TAX TREATMENT OF THE BENEFIT TO THE BENEFICIARIES.

(C) THE SURVIVING SPOUSE OF A MEMBER WHO DIES IN SERVICE MAY ELECT TO RECEIVE, IN LIEU OF THE LUMP SUM BENEFIT PAYABLE UNDER SUBSECTION (A) OF THIS SECTION, A MONTHLY ALLOWANCE FOR LIFE EQUAL TO THE AMOUNT PAYABLE UNDER OPTION 2, IF:

(1) THE SPOUSE IS NAMED AS THE SOLE PRIMARY BENEFICIARY; AND

(2) THE MEMBER:

(I) WAS ELIGIBLE TO RETIRE; OR

(II) HAD AT LEAST 15 YEARS OF CREDITABLE SERVICE AND WAS 55 YEARS OLD OR OLDER.

COMMITTEE NOTE: This section formerly appeared as the first sentence of Art. 73B, § 156(d). New language that is derived from the provision concerning the death benefit for any member in service for the Employees' Retirement System under § 2–417 of this article is substituted for the former provision to replace the former cross–reference.