

SENATE BILL 171

Unofficial Copy
K4

2002 Regular Session
2lr1387
CF 2lr1388

By: **The President (Judicial Compensation Commission)**

Introduced and read first time: January 16, 2002

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: February 20, 2002

CHAPTER 301

1 AN ACT concerning

2 **Judges' Retirement System - Death Benefits - Multiple Beneficiaries**

3 FOR the purpose of providing certain members and certain retirees of the Judges'
4 Retirement System with the option of designating multiple beneficiaries for
5 certain death benefits; creating a lump-sum death benefit for certain
6 beneficiaries of certain members of the Judges' Retirement System; and
7 generally relating to death benefits of certain members and certain retirees of
8 the Judges' Retirement System.

9 BY repealing and reenacting, without amendments,
10 Article - State Personnel and Pensions
11 Section 21-401(a)
12 Annotated Code of Maryland
13 (1997 Replacement Volume and 2001 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article - State Personnel and Pensions
16 Section 21-403(a), 27-403, and 27-405
17 Annotated Code of Maryland
18 (1997 Replacement Volume and 2001 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, That the Laws of Maryland read as follows:

1 **Article - State Personnel and Pensions**

2 21-401.

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

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

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

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

11 21-403.

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

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

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

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

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

26 27-403.

27 (a) (1) [On] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
28 ON the death of a member, the Board of Trustees shall pay to the surviving spouse
29 50% of the retirement allowance that would be payable were the member alive and
30 eligible to receive a retirement allowance.

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

35 1. THE MEMBER'S ACCUMULATED CONTRIBUTIONS; AND

