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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	
1 AN ACT concerning	
2 Judges' Retirement System - Death Benefits - Multiple Beneficiaries	
FOR the purpose of providing certain members and certain retirees of the Judges' Retirement System with the option of designating multiple beneficiaries for certain death benefits; creating a lump-sum death benefit for certain beneficiaries of certain members of the Judges' Retirement System; and generally relating to death benefits of certain members and certain retirees of 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)	
 BY repealing and reenacting, with amendments, Article - State Personnel and Pensions Section 21-403(a), 27-403, and 27-405 Annotated Code of Maryland (1997 Replacement Volume and 2001 Supplement) 	

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) Subject to paragraph (2) of this subsection, instead of the basic (1) 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. Paragraph (1) of this subsection applies to a member of: 6 (2) 7 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 Under Option 1, if a retiree dies before receiving payments equal to (a) (1) 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)]to the designated beneficiary; or (I) if there is no designated beneficiary, to the retiree's estate. 16 [(2)](II)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 EOUAL SHARES TO EACH OF THE DESIGNATED 25 BENEFICIARIES. 26 27-403. [On] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, 27 (a) 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. IF AT THE TIME OF DEATH THE MEMBER DOES NOT HAVE A 31 (I) 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

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1 2	2. AN AMOUNT EQUAL TO THE MEMBER'S ANNUAL SALARY AT THE TIME OF DEATH.
	(II) IF A MEMBER HAS DESIGNATED MORE THAN ONE BENEFICIARY, THE LUMP-SUM DEATH BENEFIT PROVIDED IN ITEM (I) OF THIS PARAGRAPH SHALL BE DIVIDED EQUALLY AMONG THE BENEFICIARIES.
8	(b) On the death of a former member or retiree, the Board of Trustees shall pay to the surviving spouse, when the surviving spouse is at least 50 years old, 50% of the retirement allowance that would be payable were the former member or retiree alive and eligible to receive a retirement allowance.
10 11	(c) (1) This subsection applies to a member, former member, or retiree who at the time of death:
12	(i) does not have a spouse; and
13	(ii) has a child under the age of 18 years.
16	(2) Until each child reaches the age of 18 years, the Board of Trustees shall pay to the surviving children of the member, former member, or retiree who are under the age of 18 years the retirement allowance that would have been paid to a surviving spouse under subsection (a) or (b) of this section.
	(3) If the Board of Trustees pays an allowance to more than one child, the Board of Trustees shall divide the allowance equally among the children who are under the age of 18 years.
21	27-405.
24	(a) If a member's service is terminated by death and the member leaves no [spouse or] SPOUSE, child under the age of 18 years, OR DESIGNATED BENEFICIARY OR BENEFICIARIES, the member's accumulated contributions shall be paid to the member's estate.
28	(b) (1) At the time of termination of service, or within 6 months thereafter, but before receiving payment of a retirement allowance, a former member may elect to withdraw in a single payment the former member's accumulated contributions from the dates of payment.
	(2) If the former member elects to withdraw the accumulated contributions, the former member has no further rights under the Judges' Retirement System.
33 34	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2002.