SENATE BILL 488

K4
8lr2371
CF HB 482

By: **Senator McFadden (Chair, Joint Committee on Pensions) and Senators Currie, Kasemeyer, Kramer, Munson, and Robey**
Introduced and read first time: February 1, 2008
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

State Police Retirement System – Survivor Benefits

3 FOR the purpose of altering the survivor benefit for certain beneficiaries of certain
4   retirees of the State Police Retirement System; repealing a supplemental
5   survivor benefit for certain beneficiaries of certain retirees of the State Police
6   Retirement System; and generally relating to survivor benefits for beneficiaries
7   of retirees of the State Police Retirement System.

8 BY repealing and reenacting, with amendments,
9   Article – State Personnel and Pensions
10   Section 24–403
11   Annotated Code of Maryland
12   (2004 Replacement Volume and 2007 Supplement)

13 BY repealing
14   Article – State Personnel and Pensions
15   Section 24–404
16   Annotated Code of Maryland
17   (2004 Replacement Volume and 2007 Supplement)

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

Article – State Personnel and Pensions

21 24–403.

22   (a)   This section applies only to a retiree who has retired with a service
23 retirement allowance or a disability retirement allowance.

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
   [Brackets] indicate matter deleted from existing law.

1   (b)   On the death of a retiree, the Board of Trustees shall pay **[**50%**]** **80%** of
2   the retiree's retirement allowance:

3   (1)   to the surviving spouse; or

4   (2)   if there is not a surviving spouse or if the surviving spouse dies
5   before the youngest child is 18 years old, to any children of the deceased retiree who
6   are under 18 years of age.

7   (c)   If the Board of Trustees pays an allowance to more than one child, the
8   Board of Trustees shall divide the allowance among the children under the age of 18
9   years in a manner that provides for payments to continue until each child dies or
10 becomes 18 years old.

11 **[**24–404.

12   (a)   Subject to subsections (b) through (d) of this section, the Board of
13 Trustees shall pay the following benefits in accordance with Title II of the federal
14 Social Security Act:

15   (1)   if a member dies while employed as a member, child's insurance
16 benefits;

17   (2)   if a retiree dies with a special disability retirement allowance
18 under § 29–111 of this article:

19   (i)   surviving spouse's insurance benefits;

20   (ii)   child's insurance benefits; or

21   (iii)   parents' insurance benefits; or

22   (3)   if a retiree dies with a service retirement allowance or an ordinary
23 disability retirement allowance under § 29–107 of this article:

24   (i)   surviving spouse's insurance benefits;

25   (ii)   child's insurance benefits;

26   (iii)   mother's insurance benefits;

27   (iv)   parents' insurance benefits; or

28   (v)   other death benefits payable under Title II of the federal
29 Social Security Act.

1   (b)   A payment under subsection (a)(1) or (2) of this section may not be made
2   if, under Title II of the federal Social Security Act:

3   (1)   the surviving spouse is eligible to receive surviving spouse's
4   insurance benefits;

5   (2)   the child is eligible to receive child's insurance benefits; or

6   (3)   the parent is eligible to receive parents' insurance benefits.

7   (c)   The Board of Trustees shall make a payment under this section:

8   (1)   after receiving proof of death of the member or retiree;

9   (2)   in accordance with Title II of the federal Social Security Act in
10   effect at the time of initial eligibility; and

11   (3)   without any cost–of–living adjustment that the federal government
12   may provide.

13   (d)   The monthly earnings used in the federal Social Security Act
14   computation of benefits under this section shall be the lesser of:

15   (1)   one–twelfth of the member's average final compensation; or

16   (2)   the maximum Social Security monthly earnings that may be used
17   in the computation.**]**

18   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19   July 1, 2008.