

Chapter 308

(Senate Bill 497)

AN ACT concerning

State Retirement and Pension System – Retiree Death Benefits

FOR the purpose of ~~repealing a certain benefit that is~~ clarifying that certain death benefits are payable on behalf of certain members of the State Retirement and Pension System under certain circumstances; requiring the Board of Trustees of the State Retirement and Pension System to pay a certain death benefit on behalf of certain retirees if the retirees die under certain circumstances; ~~requiring the Board of Trustees to make certain offsets to certain benefits under certain circumstances;~~ providing for the ~~application~~ termination of this Act; and generally relating to death benefits payable on behalf of retirees of the State Retirement and Pension System.

~~BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 21-401
Annotated Code of Maryland
(2009 Replacement Volume and 2009 Supplement)~~

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

~~Article – State Personnel and Pensions~~

~~21-401.~~

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

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

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

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

~~(b) To elect an optional form of allowance, a member shall:~~

~~(1) complete the appropriate form that the Board of Trustees provides; and~~

~~(2) file the form with the Board of Trustees before the first allowance payment normally becomes due.~~

~~(e) A member who has elected an optional form of allowance may change the election only if the member notifies the Board of Trustees before the first allowance payment normally becomes due.~~

~~[(d) If a member dies before the effective date of retirement, the Board of Trustees shall pay the DEATH benefits payable UNDER TITLE 29, SUBTITLE 2, OF THIS ARTICLE on the member's behalf as if the member had not elected an optional form of allowance.]~~

~~(D)(E) (1) THIS SUBSECTION APPLIES TO A RETIREE WHO:~~

~~(I) IS A RETIREE OF THE EMPLOYEES' RETIREMENT SYSTEM, THE TEACHERS' RETIREMENT SYSTEM, THE CORRECTIONAL OFFICERS' RETIREMENT SYSTEM, THE EMPLOYEES' PENSION SYSTEM, OR THE TEACHERS' PENSION SYSTEM;~~

~~(II) DIES ON OR BEFORE 30 DAYS AFTER THE RETIREE'S EFFECTIVE DATE OF RETIREMENT FROM THE STATE SYSTEM OF THE RETIREE THE LAST DAY OF THE MONTH OF THE RETIREE'S EFFECTIVE DATE OF RETIREMENT; AND~~

~~(III) AT THE TIME OF RETIREMENT, SELECTED THE BASIC ALLOWANCE UNDER THE STATE SYSTEM OF THE RETIREE.~~

~~(2) (I) A RETIREE UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE CONSIDERED AS DYING WHILE EMPLOYED AS A MEMBER OF THE STATE SYSTEM FROM WHICH THE RETIREE RETIRED.~~

~~(II) THE BOARD OF TRUSTEES SHALL PAY THE BENEFITS PAYABLE ON THE RETIREE'S BEHALF AS PROVIDED UNDER § 29 202, § 29 205, OR § 29 206 OF THIS ARTICLE.~~

~~(3) THE BOARD OF TRUSTEES SHALL OFFSET ANY RETIREMENT ALLOWANCE PAYMENTS MADE TO THE RETIREE PRIOR TO THE RETIREE'S DEATH AGAINST ANY AMOUNTS PAYABLE UNDER § 29 202, § 29 205, OR § 29 206 OF THIS ARTICLE.~~

~~SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply retroactively and shall be applied to and interpreted to affect the surviving spouse of any retiree who retired on or after March 1, 2008, from the Employees' Pension System and died within 30 days of retiring.~~

(a) This section applies to an individual who:

(1) was an employee of the Maryland Court of Appeals;

(2) on or after March 1, 2008, retired from the Employees' Pension System under Title 23 of the State Personnel and Pensions Article;

(3) at the time of retirement selected the basic allowance from the Employees' Pension System; and

(4) died within 30 days of retiring from the Employees' Pension System.

(b) (1) An individual under subsection (a) of this section shall be considered as dying while employed as a member of the Employees' Pension System.

(2) When the Board of Trustees receives proof of death of the individual, the Board of Trustees shall pay to the individual's surviving spouse, the following:

(i) the individual's member contributions plus interest in the Employees' Pension System; and

(ii) an amount equal to the individual's annual earnable compensation at the time of the individual's retirement.

SECTION ~~2~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2010. *It shall remain effective for a period of 6 months and, at the end of December 31, 2010, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.*

Approved by the Governor, May 4, 2010.