

# SENATE BILL 481

K4

EMERGENCY BILL

11r1941  
CF 11r1942

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By: **Senator Jones–Rodwell (Chair, Joint Committee on Pensions)**

Introduced and read first time: February 4, 2011

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Pensions – Designation of Beneficiary – Powers of Attorney**

3 FOR the purpose of providing that the State Retirement Agency, Board of Trustees,  
4 and several pension systems are not subject to certain provisions of the Estates  
5 and Trusts Article; prohibiting the State Retirement Agency from accepting  
6 certain forms designating a beneficiary executed under a power of attorney  
7 unless the power of attorney contains certain provisions; defining certain terms;  
8 making this Act an emergency measure; and generally relating to acceptance of  
9 powers of attorney by the State Retirement Agency.

10 BY repealing and reenacting, without amendments,  
11 Article – State Personnel and Pensions  
12 Section 20–101(a) and (c)  
13 Annotated Code of Maryland  
14 (2009 Replacement Volume and 2010 Supplement)

15 BY adding to  
16 Article – State Personnel and Pensions  
17 Section 20–210  
18 Annotated Code of Maryland  
19 (2009 Replacement Volume and 2010 Supplement)

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

22 **Article – State Personnel and Pensions**

23 20–101.

24 (a) In this Division II the following words have the meanings indicated.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (cc) "Participant" means a beneficiary, designated beneficiary, former  
2 member, member, or retiree who is or may become eligible to receive a benefit of any  
3 type from the several systems.

4 **20-210.**

5 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE  
6 MEANINGS INDICATED.

7 (2) "AGENT" MEANS A PERSON GRANTED AUTHORITY TO ACT FOR  
8 A PARTICIPANT UNDER A POWER OF ATTORNEY.

9 (3) "DESIGNATION OF BENEFICIARY FORM" MEANS A FORM  
10 AVAILABLE FROM THE STATE RETIREMENT AGENCY FOR THE DESIGNATION OF  
11 ONE OR MORE BENEFICIARIES OR A CHANGE OF DESIGNATION OF BENEFICIARY  
12 BY A MEMBER, FORMER MEMBER, OR RETIREE.

13 (4) "POWER OF ATTORNEY" MEANS A WRITING EXECUTED BY A  
14 PARTICIPANT THAT GRANTS AUTHORITY TO AN AGENT TO ACT ON BEHALF OF  
15 AND IN THE PLACE OF THE PARTICIPANT.

16 (B) THE STATE RETIREMENT AGENCY, BOARD OF TRUSTEES, AND  
17 SEVERAL SYSTEMS ARE NOT SUBJECT TO § 17-104 OF THE ESTATES AND  
18 TRUSTS ARTICLE WITH REGARD TO A POWER OF ATTORNEY AS PROVIDED IN  
19 THIS SECTION.

20 (C) THE STATE RETIREMENT AGENCY MAY NOT ACCEPT A  
21 DESIGNATION OF BENEFICIARY FORM EXECUTED BY AN AGENT OF A MEMBER,  
22 FORMER MEMBER, OR RETIREE UNLESS:

23 (1) A VALID POWER OF ATTORNEY PROPERLY EXECUTED BY THE  
24 MEMBER, FORMER MEMBER, OR RETIREE EXPLICITLY STATES, WITHOUT  
25 RESTRICTION, THAT THE AGENT HAS THE AUTHORITY TO CREATE OR CHANGE A  
26 BENEFICIARY DESIGNATION; OR

27 (2) IF THE DESIGNATION OF BENEFICIARY FORM NAMES THE  
28 AGENT, OR THE AGENT'S SPOUSE OR DEPENDENT, AS A BENEFICIARY, THE  
29 POWER OF ATTORNEY EXPLICITLY STATES, WITHOUT RESTRICTION, THAT:

30 (I) THE AGENT HAS THE AUTHORITY TO DESIGNATE THE  
31 AGENT, OR THE AGENT'S SPOUSE OR DEPENDENT, AS A BENEFICIARY; OR

1                   **(II) THE AGENT HAS THE AUTHORITY TO MAKE A GIFT TO**  
2 **THE AGENT FROM THE PROPERTY OF THE MEMBER, FORMER MEMBER, OR**  
3 **RETIREE.**

4           SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency  
5 measure, is necessary for the immediate preservation of the public health or safety,  
6 has been passed by a ye and nay vote supported by three-fifths of all the members  
7 elected to each of the two Houses of the General Assembly, and shall take effect from  
8 the date it is enacted.