

HOUSE BILL 763

K4

6lr2861

By: **Delegate Dumais**

Introduced and read first time: February 8, 2016

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Optional Retirement Allowances –**
3 **Domestic Relations Orders**

4 FOR the purpose of requiring the Board of Trustees for the State Retirement and Pension
5 System to enforce an election of a certain optional retirement allowance in a certain
6 domestic relations order under certain circumstances; providing that a certain
7 election in a certain domestic relations order supersedes a member's election of,
8 receipt of, or failure to elect a certain optional retirement allowance; and generally
9 relating to domestic relations orders and optional retirement allowances for
10 members of the State Retirement and Pension System.

11 BY repealing and reenacting, with amendments,
12 Article – State Personnel and Pensions
13 Section 21–401
14 Annotated Code of Maryland
15 (2015 Replacement Volume)

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

18 **Article – State Personnel and Pensions**

19 21–401.

20 (a) (1) Subject to paragraph (2) of this subsection **AND SUBSECTION (E) OF**
21 **THIS SECTION**, instead of the basic allowance provided under the State system of a
22 member, the member may elect a reduced allowance to be paid as one of the options under
23 § 21–403 of this subtitle.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

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

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

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

9 (c) **[A] EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, A**
10 **member who has elected an optional form of allowance may change the election only if the**
11 **member notifies the Board of Trustees before the first allowance payment normally**
12 **becomes due.**

13 (d) **[If] EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, IF** a
14 **member dies before the effective date of retirement, the Board of Trustees shall pay the**
15 **benefits payable on the member's behalf as if the member had not elected an optional form**
16 **of allowance.**

17 **(E) (1) THE BOARD OF TRUSTEES SHALL ENFORCE AN ELECTION OF AN**
18 **OPTIONAL FORM OF ALLOWANCE AS PROVIDED UNDER A DOMESTIC RELATIONS**
19 **ORDER INVOLVING A MEMBER IF THE BOARD OF TRUSTEES:**

20 **(I) HAS DETERMINED THAT THE DOMESTIC RELATIONS ORDER**
21 **IS AN ELIGIBLE DOMESTIC RELATIONS ORDER; OR**

22 **(II) HAS ISSUED A NOTICE OF ADMINISTRATION**
23 **ACKNOWLEDGING THE ELECTION.**

24 **(2) AN ENFORCEABLE DOMESTIC RELATIONS ORDER UNDER THIS**
25 **SUBSECTION SUPERSEDES A MEMBER'S ELECTION OF, RECEIPT OF, OR FAILURE TO**
26 **ELECT AN OPTIONAL FORM OF ALLOWANCE UNDER THIS SECTION.**

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
28 1, 2016.