SENATE BILL 345

CF HB 382 By: Senator Peters (Chair, Joint Committee on Pensions) Introduced and read first time: January 28, 2016 Assigned to: Budget and Taxation Committee Report: Favorable Senate action: Adopted Read second time: February 16, 2016 CHAPTER AN ACT concerning State Retirement and Pension System - Optional Retirement Allowances -**Designated Beneficiaries** FOR the purpose of repealing as redundant certain language relating to members of the Judges' Retirement System designating multiple beneficiaries under a certain optional retirement allowance in the State Retirement and Pension System; clarifying that certain members of the State Retirement and Pension System may designate multiple beneficiaries under certain optional retirement allowances; and generally relating to optional retirement allowances for members of the State Retirement and Pension System. BY repealing and reenacting, with amendments, Article – State Personnel and Pensions Section 21-403(a) and (d) Annotated Code of Maryland (2015 Replacement Volume) SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND. That the Laws of Maryland read as follows: **Article - State Personnel and Pensions**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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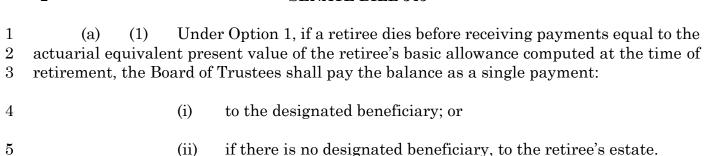
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21-403.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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- 6 (2) (i) At the time of retirement, a member [of the Judges' Retirement 7 System described in § 21–401(a)(2) of this subtitle] may designate more than one 8 beneficiary for the optional benefit provided in paragraph (1) of this subsection.
- 9 (ii) If, at the time of retirement, a member [of the Judges' 10 Retirement System] does designate more than one beneficiary for the optional benefit 11 provided in paragraph (1) of this subsection, the single payment will be paid in equal shares 12 to each of the designated beneficiaries.
- 13 (d) (1) Under Option 4, if a retiree dies before receiving payments equal to the value of the retiree's accumulated contributions at the time of retirement, the Board of Trustees shall pay the balance as a single payment:
- 16 [(1)] (I) to the designated beneficiary; or
- 17 [(2)] (II) if there is no designated beneficiary, to the retiree's estate.
- 18 **(2) (I)** AT THE TIME OF RETIREMENT, A MEMBER 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 DOES 22 DESIGNATE MORE THAN ONE BENEFICIARY FOR THE OPTIONAL BENEFIT PROVIDED 23 IN PARAGRAPH (1) OF THIS SUBSECTION, THE SINGLE PAYMENT WILL BE PAID IN 24 EQUAL SHARES TO EACH OF THE DESIGNATED BENEFICIARIES.
- 25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 26 1, 2016.