

## Chapter 190

**(Senate Bill 345)**

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**

21–403.

(a) (1) Under Option 1, if a retiree dies before receiving payments equal to the actuarial equivalent present value of the retiree's basic allowance computed at the time of retirement, the Board of Trustees shall pay the balance as a single payment:

- (i) to the designated beneficiary; or
- (ii) if there is no designated beneficiary, to the retiree's estate.

(2) (i) At the time of retirement, a member [of the Judges' Retirement System described in § 21–401(a)(2) of this subtitle] may designate more than one beneficiary for the optional benefit provided in paragraph (1) of this subsection.

(ii) If, at the time of retirement, a member [of the Judges' Retirement System] does designate more than one beneficiary for the optional benefit provided in paragraph (1) of this subsection, the single payment will be paid in equal shares to each of the designated beneficiaries.

(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:

**[(1)] (I)** to the designated beneficiary; or

**[(2)] (II)** if there is no designated beneficiary, to the retiree's estate.

**(2) (I) AT THE TIME OF RETIREMENT, A MEMBER MAY DESIGNATE MORE THAN ONE BENEFICIARY FOR THE OPTIONAL BENEFIT PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION.**

**(II) IF, AT THE TIME OF RETIREMENT, A MEMBER DOES DESIGNATE MORE THAN ONE BENEFICIARY FOR THE OPTIONAL BENEFIT PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION, THE SINGLE PAYMENT WILL BE PAID IN EQUAL SHARES TO EACH OF THE DESIGNATED BENEFICIARIES.**

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

**Approved by the Governor, April 26, 2016.**