

HOUSE BILL 1064

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CF SB 478

By: **Delegates Krebs, Afzali, Aumann, Ghrist, Kittleman, McComas, Morgan, Saab, Szeliga, Vogt, and West**

Introduced and read first time: February 8, 2017

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Guaranteed Retirement Income Plan**
3 **and Retirement Savings Plan**

4 FOR the purpose of altering certain local employer contributions for members of the
5 Teachers' Pension System; establishing a guaranteed retirement income plan and a
6 retirement savings plan under the State Retirement and Pension System; requiring
7 that certain members of the Employees' Pension System or the Teachers' Pension
8 System become members of the guaranteed retirement income plan or the retirement
9 savings plan on a certain date; requiring that certain individuals who are employed
10 by certain participating employers on or after a certain date become members of the
11 guaranteed retirement income plan or the retirement savings plan; providing that
12 certain individuals are not eligible to participate in the optional retirement program
13 on or after a certain date; providing that certain provisions of this Act do not apply
14 to certain participating governmental units; requiring the Board of Trustees of the
15 State Retirement and Pension System to administer a guaranteed retirement income
16 plan and a retirement savings plan; requiring certain participating employees to
17 contribute a certain percentage of the participating employee's regular earnings to
18 the guaranteed retirement income plan; providing that certain participating
19 employees who rejoin employment with certain participating employers after certain
20 military service shall be credited certain contributions; requiring certain
21 contributions on behalf of certain participating employees of the guaranteed
22 retirement income plan; requiring that certain participating employees of the
23 guaranteed retirement income plan receive certain credited service for certain
24 service; providing that certain participating employees of the guaranteed retirement
25 income plan have a certain vested interest in certain contributions after a certain
26 period of time; providing for the normal retirement age and eligibility to receive a
27 normal retirement in the guaranteed retirement income plan; providing that certain
28 participating employees of the guaranteed retirement income plan may receive
29 certain retirement benefit distributions in a certain manner; providing for certain
30 disability benefits for certain participating employees of the guaranteed retirement

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 income plan; providing for certain death benefits for certain participating employees
2 of the guaranteed retirement income plan; requiring certain participating employees
3 to contribute a certain percentage of the participating employee's regular earnings
4 to the retirement savings plan; requiring certain contributions on behalf of certain
5 participating employees of the retirement savings plan; providing that certain
6 participating employees of the retirement savings plan shall forfeit any interest in
7 certain contributions under certain circumstances; providing that certain
8 participating employees of the retirement savings plan may make certain annual
9 additions under certain circumstances; requiring that certain annual additions be
10 treated in a certain manner; requiring the Board of Trustees to provide certain
11 participating employees of the retirement savings plan with certain investment
12 options; authorizing certain participating employees of the retirement savings plan
13 to direct certain investments in a certain manner; requiring the Board of Trustees to
14 maintain certain accounts in a certain manner for certain participating employees of
15 the retirement savings plan; requiring that certain participating employees who
16 participate in the retirement savings plan and who rejoin employment with certain
17 participating employers after certain military service shall receive certain service
18 credit for that military service; requiring that certain participating employees of the
19 retirement savings plan receive certain creditable service for certain service;
20 providing for the benefits that a participating employee in the retirement savings
21 plan will receive on reaching normal retirement age; providing that certain
22 participating employees of the retirement savings plan have a certain vested interest
23 in certain contributions after a certain period of time; providing for certain disability
24 benefits for certain participating employees of the retirement savings plan; providing
25 for certain death benefits for certain participating employees of the retirement
26 savings plan; requiring that certain participating employees of the retirement
27 savings plan may designate certain beneficiaries in a certain manner; requiring
28 certain participating employees of the retirement savings plan to forfeit certain
29 contributions under certain circumstances; authorizing the Board of Trustees to
30 reinstate certain forfeited contributions in a certain manner for certain participating
31 employees of the retirement savings plan; providing that certain participating
32 employees of the retirement savings plan may receive certain retirement benefit
33 distributions in a certain manner; requiring that certain contributions made by the
34 State to the retirement savings plan on behalf of certain participating employees are
35 subject to appropriation; providing that certain participating employees of the
36 retirement savings plan may request certain decisions in writing by the Board of
37 Trustees; requiring the Board of Trustees to respond to certain requests in a certain
38 manner; requiring the Board of Trustees to submit a certain annual report to the
39 Senate Budget and Taxation Committee and the House Appropriations Committee;
40 requiring the Board of Trustees to provide certain information to the public and
41 certain participating employees; creating a certain trust as part of the retirement
42 savings plan; providing for the powers and duties of the Board of Trustees with
43 respect to the investments of the retirement savings plan; specifying the duties of
44 the Board of Trustees with respect to the participating employees of the retirement
45 savings plan; prohibiting the Board of Trustees from making certain types of
46 investments or engaging in certain transactions; authorizing the Board of Trustees
47 to appoint certain investment managers; providing that the State assumes no

1 contractual obligation to continue the retirement savings plan and may amend it
2 periodically; providing that the State may terminate the retirement savings plan;
3 providing that the rights of certain participating employees of the retirement savings
4 plan are not subject to certain legal actions; providing that certain participating
5 employees of the retirement savings plan may be subject to certain legal actions
6 under certain circumstances; defining certain terms; providing for the delayed
7 effective date of this Act; and generally relating to establishing a guaranteed
8 retirement income plan and a retirement savings plan within the State Retirement
9 and Pension System.

10 BY adding to

11 Article – State Personnel and Pensions

12 Section 20–101(t–1) and (l–1) and 21–304(b)(4)(iv); 33–101 through 33–403 to be
13 under the new title “Title 33. Guaranteed Retirement Income Plan”; and
14 33A–101 through 33A–505 to be under the new title “Title 33A. Retirement
15 Savings Plan”

16 Annotated Code of Maryland

17 (2015 Replacement Volume and 2016 Supplement)

18 BY repealing and reenacting, with amendments,

19 Article – State Personnel and Pensions

20 Section 21–304(b)(4)(iii), 23–203, 23–204(c), 23–208, and 30–302

21 Annotated Code of Maryland

22 (2015 Replacement Volume and 2016 Supplement)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

24 That the Laws of Maryland read as follows:

25 **Article – State Personnel and Pensions**

26 20–101.

27 **(T–1) “GUARANTEED RETIREMENT INCOME PLAN” MEANS THE**
28 **GUARANTEED RETIREMENT INCOME PLAN UNDER TITLE 33 OF THIS ARTICLE.**

29 **(LL–1) “RETIREMENT SAVINGS PLAN” MEANS THE RETIREMENT SAVINGS**
30 **PLAN UNDER TITLE 33A OF THIS ARTICLE.**

31 21–304.

32 (b) (4) (iii) [Beginning in fiscal year 2017] **FOR FISCAL YEARS 2017 AND**
33 **2018**, each local employer shall pay to the Board of Trustees its local share equal to the
34 normal contribution rate for the Teachers’ Retirement System and the Teachers’ Pension
35 System multiplied by the aggregate annual earnable compensation of the local employees
36 of that local employer.

1 **(IV) BEGINNING IN FISCAL YEAR 2019, EACH LOCAL EMPLOYER**
2 **SHALL PAY TO THE BOARD OF TRUSTEES ITS LOCAL SHARE EQUAL TO THE NORMAL**
3 **CONTRIBUTION RATE FOR THE TEACHERS' RETIREMENT SYSTEM MULTIPLIED BY**
4 **THE AGGREGATE ANNUAL EARNABLE COMPENSATION OF THE LOCAL EMPLOYEES**
5 **OF THAT LOCAL EMPLOYER WHO ARE MEMBERS OF THE TEACHERS' RETIREMENT**
6 **SYSTEM.**

7 23-203.

8 **(A) (1) Except as provided in § 23-204 of this subtitle AND SUBSECTION**
9 **(B)(2) OF THIS SECTION,** an individual described in § 23-201(a) of this subtitle who
10 becomes an employee of a participating employer on or after January 1, 1980, **AND ON OR**
11 **BEFORE MAY 31, 2018,** or who transfers membership from the Employees' Retirement
12 System **ON OR BEFORE MAY 31, 2018,** is a member of the Employees' Pension System as
13 a condition of employment.

14 **(2) AN INDIVIDUAL DESCRIBED IN § 23-201(A) OF THIS SUBTITLE,**
15 **OTHER THAN AN EMPLOYEE OF A PARTICIPATING GOVERNMENTAL UNIT, WHO IS A**
16 **MEMBER OF THE EMPLOYEES' PENSION SYSTEM ON MAY 31, 2018, AND REMAINS A**
17 **MEMBER OF THE EMPLOYEES' PENSION SYSTEM ON JUNE 1, 2018:**

18 **(I) SHALL MAKE A ONETIME IRREVOCABLE ELECTION UNDER §**
19 **33-203 OF THIS ARTICLE TO BECOME A MEMBER OF THE GUARANTEED RETIREMENT**
20 **INCOME PLAN UNDER TITLE 33 OF THIS ARTICLE OR UNDER § 33A-202 OF THIS**
21 **ARTICLE TO BECOME A MEMBER OF THE RETIREMENT SAVINGS PLAN UNDER TITLE**
22 **33A OF THIS ARTICLE; AND**

23 **(II) IS NOT A MEMBER OF THE EMPLOYEES' PENSION SYSTEM**
24 **ON OR AFTER JULY 1, 2018.**

25 **(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,**
26 **AN INDIVIDUAL WHO IS NOT A MEMBER OF THE EMPLOYEES' PENSION SYSTEM ON**
27 **MAY 31, 2018, IS NOT ELIGIBLE FOR MEMBERSHIP IN THE EMPLOYEES' PENSION**
28 **SYSTEM.**

29 **(2) AN INDIVIDUAL IS A MEMBER OF THE EMPLOYEES' PENSION**
30 **SYSTEM IF THE INDIVIDUAL COMMENCES EMPLOYMENT ON OR AFTER JUNE 1, 2018,**
31 **FOR A PARTICIPATING GOVERNMENTAL UNIT THAT ELECTED TO JOIN THE**
32 **EMPLOYEES' PENSION SYSTEM ON OR BEFORE MAY 31, 2018.**

33 23-204.

34 **(c) (1) [Subject] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
35 **SUBSECTION AND SUBJECT to paragraph [(2)] (3) of this subsection, membership in the**

1 Employees' Pension System is optional for an individual described in § 23–201(a)(2)(iv) of
2 this subtitle who is elected or appointed as the Baltimore City Sheriff **ON OR BEFORE MAY**
3 **31, 2018.**

4 (2) **AN INDIVIDUAL DESCRIBED IN § 23–201(A)(2)(IV) OF THIS**
5 **SUBTITLE WHO IS A MEMBER OF THE EMPLOYEES' PENSION SYSTEM ON MAY 31,**
6 **2018, AND REMAINS AS THE BALTIMORE CITY SHERIFF ON JUNE 1, 2018:**

7 (I) **SHALL MAKE AN ELECTION UNDER § 33–203 OF THIS**
8 **ARTICLE TO BECOME A MEMBER OF THE GUARANTEED RETIREMENT INCOME PLAN**
9 **UNDER TITLE 33 OF THIS ARTICLE OR UNDER § 33A–202 OF THIS ARTICLE TO**
10 **BECOME A MEMBER OF THE RETIREMENT SAVINGS PLAN UNDER TITLE 33A OF THIS**
11 **ARTICLE; AND**

12 (II) **IS NOT A MEMBER OF THE EMPLOYEES' PENSION SYSTEM**
13 **ON OR AFTER JULY 1, 2018.**

14 (3) (I) An individual who is elected or appointed as the Baltimore City
15 Sheriff **ON OR BEFORE MAY 31, 2018**, and who does not elect to join the Employees'
16 Pension System is a member of the Law Enforcement Officers' Pension System under Title
17 26 of this article as a condition of employment.

18 (II) **AN INDIVIDUAL WHO IS ELECTED AS THE BALTIMORE CITY**
19 **SHERIFF ON OR AFTER JUNE 1, 2018, AND WHO DOES NOT ELECT TO JOIN THE**
20 **RETIREMENT SAVINGS PLAN UNDER TITLE 33A OF THIS ARTICLE OR THE**
21 **GUARANTEED RETIREMENT INCOME PLAN UNDER TITLE 33 OF THIS ARTICLE, IS A**
22 **MEMBER OF THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM UNDER TITLE**
23 **26 OF THIS ARTICLE AS A CONDITION OF EMPLOYMENT.**

24 [(3)] (4) (I) To elect to be a member of the Employees' Pension System
25 **ON OR BEFORE MAY 31, 2018**, under this subsection, an individual shall make the
26 election at commencement of employment by filing a written application with the Board of
27 Trustees on a form that the Board of Trustees provides.

28 [(4)] (II) An individual who does not elect membership within 6 months of
29 the date the individual begins serving as the Baltimore City Sheriff shall become a member
30 of the Law Enforcement Officers' Pension System.

31 23–208.

32 (A) (1) Except as provided in § 23–209 of this subtitle, an individual described
33 in § 23–206(a) of this subtitle who becomes employed by a participating employer on or
34 after January 1, 1980, **AND ON OR BEFORE MAY 31, 2018**, or who transfers membership

1 from the Teachers' Retirement System **ON OR BEFORE MAY 31, 2018**, is a member of the
2 Teachers' Pension System as a condition of employment.

3 **(2) AN INDIVIDUAL DESCRIBED IN § 23-206(A) OF THIS SUBTITLE**
4 **WHO IS A MEMBER OF THE TEACHERS' PENSION SYSTEM ON MAY 31, 2018, AND WHO**
5 **REMAINS A MEMBER OF THE TEACHERS' PENSION SYSTEM ON JUNE 1, 2018:**

6 **(I) SHALL MAKE AN ELECTION UNDER § 33-203 OF THIS**
7 **ARTICLE TO BECOME A MEMBER OF THE GUARANTEED RETIREMENT INCOME PLAN**
8 **UNDER TITLE 33 OF THIS ARTICLE OR UNDER § 33A-202 OF THIS ARTICLE TO**
9 **BECOME A MEMBER OF THE RETIREMENT SAVINGS PLAN UNDER TITLE 33A OF THIS**
10 **ARTICLE; AND**

11 **(II) IS NOT A MEMBER OF THE TEACHERS' PENSION SYSTEM ON**
12 **OR AFTER JULY 1, 2018.**

13 **(B) AN INDIVIDUAL WHO IS NOT A MEMBER OF THE TEACHERS' PENSION**
14 **SYSTEM ON MAY 31, 2018, IS NOT ELIGIBLE FOR MEMBERSHIP IN THE TEACHERS'**
15 **PENSION SYSTEM.**

16 30-302.

17 (a) **(1) [An] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
18 **SUBSECTION, AN election to participate in the program shall be made by an eligible**
19 **employee within 1 year of first becoming an eligible employee of an employing institution.**

20 **(2) AN INDIVIDUAL WHO DOES NOT ELECT TO PARTICIPATE IN THE**
21 **PROGRAM ON OR BEFORE MAY 31, 2018, IS NOT ELIGIBLE FOR MEMBERSHIP IN THE**
22 **PROGRAM.**

23 (b) An eligible employee's election to participate in the program is a one-time
24 irrevocable election.

25 **TITLE 33. GUARANTEED RETIREMENT INCOME PLAN.**

26 **SUBTITLE 1. DEFINITIONS; SCOPE OF TITLE.**

27 **33-101.**

28 **(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
29 **INDICATED.**

30 **(B) (1) "ELIGIBLE EMPLOYEE" MEANS AN INDIVIDUAL WHO IS**
31 **DESCRIBED IN:**

1 (I) § 23-201(A) OF THIS ARTICLE OTHER THAN AN EMPLOYEE
2 OF A PARTICIPATING GOVERNMENTAL UNIT; OR

3 (II) § 23-206(A) OF THIS ARTICLE.

4 (2) "ELIGIBLE EMPLOYEE" DOES NOT INCLUDE AN INDIVIDUAL WHO,
5 ON OR BEFORE MAY 31, 2018, IS A MEMBER OF THE OPTIONAL RETIREMENT
6 PROGRAM UNDER TITLE 30 OF THIS ARTICLE.

7 (C) "PARTICIPATING EMPLOYEE" MEANS AN ELIGIBLE EMPLOYEE WHO
8 PARTICIPATES IN THE GUARANTEED RETIREMENT INCOME PLAN.

9 (D) "PARTICIPATING EMPLOYEE'S MEMBER CONTRIBUTIONS ACCOUNT"
10 MEANS THE PORTION OF A PARTICIPATING EMPLOYEE'S ACCOUNT BALANCE IN THE
11 GUARANTEED RETIREMENT INCOME PLAN THAT IS ATTRIBUTABLE TO MEMBER
12 CONTRIBUTIONS, INCLUDING ANY CONTRIBUTIONS PICKED UP BY THE STATE
13 UNDER § 21-313 OF THIS ARTICLE AND ANY GAINS OR LOSSES ATTRIBUTABLE TO
14 THOSE CONTRIBUTIONS.

15 (E) "REGULAR EARNINGS" MEANS GROSS PAY FOR ACTUAL HOURS WORKED
16 EXCLUSIVE OF OVERTIME, WITHOUT REDUCTION FOR MEMBER CONTRIBUTIONS
17 THAT ARE PICKED UP BY THE STATE UNDER § 21-313 OF THIS ARTICLE OR
18 CONTRIBUTIONS TO ANY STATE DEFERRED COMPENSATION PLAN UNDER TITLE 32
19 OR TITLE 35 OF THIS ARTICLE.

20 (F) "RETIREMENT ACCOUNTS" MEANS THE PARTICIPATING EMPLOYEE'S
21 MEMBER CONTRIBUTIONS ACCOUNT, AN EMPLOYER CONTRIBUTIONS ACCOUNT,
22 AND ANY ROLLOVER CONTRIBUTIONS ACCOUNT.

23 (G) "ROLLOVER CONTRIBUTIONS" MEANS THAT PORTION OF A
24 PARTICIPATING EMPLOYEE'S ACCOUNT BALANCE IN THE GUARANTEED
25 RETIREMENT INCOME PLAN THAT IS ATTRIBUTABLE TO ANY ASSETS TRANSFERRED
26 OR ROLLED OVER TO THE GUARANTEED RETIREMENT INCOME PLAN FROM
27 ANOTHER QUALIFIED PENSION OR PROFIT SHARING PLAN UNDER THE INTERNAL
28 REVENUE CODE.

29 (H) "VALUATION DATE" MEANS THE LAST BUSINESS DAY OF MARCH, JUNE,
30 SEPTEMBER, AND DECEMBER OF EACH PLAN YEAR, AND ANY OTHER DATE THE
31 BOARD OF TRUSTEES ESTABLISHES IN A UNIFORM AND NONDISCRIMINATORY
32 MANNER FOR DETERMINING THE FAIR MARKET VALUE OF THE ASSETS OF THE
33 GUARANTEED RETIREMENT INCOME PLAN.

1 **33-102.**

2 **THIS TITLE DOES NOT APPLY TO ANY PARTICIPATING GOVERNMENTAL UNIT**
3 **THAT PARTICIPATES IN THE EMPLOYEES' PENSION SYSTEM UNDER TITLE 31 OF**
4 **THIS ARTICLE.**

5 **SUBTITLE 2. ESTABLISHMENT; ADMINISTRATION; PARTICIPATION.**

6 **33-201.**

7 **THERE IS A GUARANTEED RETIREMENT INCOME PLAN.**

8 **33-202.**

9 **(A) (1) THE BOARD OF TRUSTEES SHALL:**

10 **(I) ADMINISTER THE GUARANTEED RETIREMENT INCOME**
11 **PLAN;**

12 **(II) DECIDE THE ELIGIBILITY OF ANY PARTICIPATING**
13 **EMPLOYEE AND THE RIGHTS OF ANY PARTICIPATING EMPLOYEE OR BENEFICIARY**
14 **TO RECEIVE BENEFITS;**

15 **(III) COMPUTE THE AMOUNT OF BENEFITS PAYABLE TO ANY**
16 **PARTICIPATING EMPLOYEE OR BENEFICIARY; AND**

17 **(IV) AUTHORIZE DISBURSEMENTS OF BENEFITS.**

18 **(2) A DETERMINATION BY THE BOARD OF TRUSTEES ON ANY MATTER**
19 **WITHIN ITS AUTHORITY UNDER THIS PLAN IS FINAL AND BINDING ON ALL**
20 **INTERESTED PARTIES.**

21 **(B) THE BOARD OF TRUSTEES SHALL ADOPT REGULATIONS TO CARRY OUT**
22 **THE PROVISIONS OF THIS TITLE.**

23 **33-203.**

24 **(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, AN**
25 **INDIVIDUAL IS A PARTICIPATING EMPLOYEE OF THE GUARANTEED RETIREMENT**
26 **INCOME PLAN AS A CONDITION OF EMPLOYMENT IF THE INDIVIDUAL:**

27 **(1) COMMENCES EMPLOYMENT AS AN ELIGIBLE EMPLOYEE ON OR**
28 **AFTER JUNE 1, 2018; OR**

1 **(2) (I) WAS A MEMBER OF THE EMPLOYEES' PENSION SYSTEM OR**
2 **TEACHERS' PENSION SYSTEM ON OR BEFORE MAY 31, 2018, AND BECOMES AN**
3 **ELIGIBLE EMPLOYEE ON JUNE 1, 2018; AND**

4 **(II) 1. ON OR BEFORE JUNE 15, 2018, ELECTS TO**
5 **PARTICIPATE IN THE GUARANTEED RETIREMENT INCOME PLAN; OR**

6 **2. DOES NOT MAKE AN ELECTION ON OR BEFORE JUNE**
7 **15, 2018, TO PARTICIPATE IN THE GUARANTEED RETIREMENT INCOME PLAN UNDER**
8 **THIS TITLE OR THE RETIREMENT SAVINGS PLAN UNDER TITLE 33A OF THIS**
9 **ARTICLE.**

10 **(B) (1) THIS SUBSECTION APPLIES TO AN ELIGIBLE EMPLOYEE WHO:**

11 **(I) COMMENCES EMPLOYMENT WITH A PARTICIPATING**
12 **EMPLOYER ON OR AFTER JUNE 1, 2018; AND**

13 **(II) BEFORE JUNE 1, 2018, WAS NOT A MEMBER OF THE**
14 **EMPLOYEES' PENSION SYSTEM OR TEACHERS' PENSION SYSTEM.**

15 **(2) AN ELIGIBLE EMPLOYEE MAY PARTICIPATE IN THE GUARANTEED**
16 **RETIREMENT INCOME PLAN UNDER THIS TITLE OR THE RETIREMENT SAVINGS PLAN**
17 **UNDER TITLE 33A OF THIS ARTICLE.**

18 **(3) AN ELIGIBLE EMPLOYEE SHALL MAKE A ONETIME IRREVOCABLE**
19 **ELECTION AT COMMENCEMENT OF EMPLOYMENT TO PARTICIPATE IN EITHER THE**
20 **GUARANTEED RETIREMENT INCOME PLAN UNDER THIS TITLE OR THE RETIREMENT**
21 **SAVINGS PLAN UNDER TITLE 33A OF THIS ARTICLE.**

22 **(4) IF AN ELIGIBLE EMPLOYEE ELECTS TO PARTICIPATE IN THE**
23 **GUARANTEED RETIREMENT INCOME PLAN, PARTICIPATION SHALL BEGIN ON THE**
24 **FIRST PAY PERIOD AFTER AN ELIGIBLE EMPLOYEE HAS COMPLETED 180 DAYS OF**
25 **FULL-TIME EMPLOYMENT WITH A PARTICIPATING EMPLOYER.**

26 **SUBTITLE 3. CONTRIBUTIONS; SERVICE CREDIT; VESTING.**

27 **33-301.**

28 **(A) A PARTICIPATING EMPLOYEE IN THE GUARANTEED RETIREMENT**
29 **INCOME PLAN SHALL CONTRIBUTE 4% OF THE PARTICIPATING EMPLOYEE'S**
30 **REGULAR EARNINGS LESS THAN OR EQUAL TO THE SOCIAL SECURITY WAGE BASE**

1 AND 8% OF THE PARTICIPATING REGULAR EARNINGS THAT EXCEED THE SOCIAL
2 SECURITY WAGE BASE.

3 (B) (1) TO THE EXTENT ALLOWED UNDER § 414(H)(2) OF THE INTERNAL
4 REVENUE CODE, THE EMPLOYER SHALL PICK UP AS DESCRIBED IN § 21-313 OF THIS
5 ARTICLE MEMBER CONTRIBUTIONS TO THE GUARANTEED RETIREMENT INCOME
6 PLAN.

7 (2) A PARTICIPATING EMPLOYEE IS 100% VESTED IN THE
8 PARTICIPATING EMPLOYEE'S MEMBER CONTRIBUTIONS.

9 (C) (1) WHEN A PARTICIPATING EMPLOYEE REJOINS EMPLOYMENT WITH
10 A PARTICIPATING EMPLOYER AFTER MILITARY SERVICE THAT QUALIFIES UNDER
11 TITLE 38 OF THIS ARTICLE AS CREDITABLE SERVICE, THE BOARD OF TRUSTEES
12 SHALL CREDIT THE PARTICIPATING EMPLOYEE WITH THE AMOUNT THAT THE
13 PARTICIPATING EMPLOYEE WOULD HAVE CONTRIBUTED IF THE PARTICIPATING
14 EMPLOYEE HAD WORKED FOR A PARTICIPATING EMPLOYER DURING MILITARY
15 SERVICE.

16 (2) (I) CONTRIBUTION CREDITS FOR MILITARY SERVICE UNDER
17 PARAGRAPH (1) OF THIS SUBSECTION SHALL BE BASED ON THE REGULAR EARNINGS
18 THE PARTICIPATING EMPLOYEE WOULD HAVE EARNED DURING MILITARY SERVICE.

19 (II) IF THE REGULAR EARNINGS ARE NOT REASONABLY
20 ASCERTAINABLE, THE CREDIT SHALL BE BASED ON THE PARTICIPATING
21 EMPLOYEE'S REGULAR EARNINGS DURING A PERIOD IMMEDIATELY PRECEDING THE
22 MILITARY SERVICE.

23 (III) A PARTICIPATING EMPLOYEE MAY NOT RECEIVE ANY
24 RETROACTIVE CREDITED INTEREST ON THE CONTRIBUTION CREDITS.

25 (3) (I) A PARTICIPATING EMPLOYEE IN THE GUARANTEED
26 RETIREMENT INCOME PLAN SHALL RECEIVE CREDITED INTEREST AT AN ANNUAL
27 RATE OF 5% ON THE PARTICIPATING EMPLOYEE'S MEMBER CONTRIBUTIONS IN THE
28 PARTICIPATING EMPLOYEE'S GUARANTEED RETIREMENT INCOME PLAN ACCOUNT.

29 (II) IF THE ANNUAL 5% INTEREST RATE DOES NOT COMPLY
30 WITH APPLICABLE LAW, THE THIRD SEGMENT RATE DESCRIBED IN § 430(H)(2)(C)
31 OF THE INTERNAL REVENUE CODE OR ANY SUCCESSOR PROVISION SHALL APPLY.

32 (III) INTEREST SHALL BE CREDITED TO A PARTICIPATING
33 EMPLOYEE'S GUARANTEED RETIREMENT INCOME PLAN ACCOUNT BALANCE ON A
34 MONTHLY BASIS AS OF THE LAST DAY OF THE MONTH.

1 (4) (I) A PARTICIPATING EMPLOYEE WHO ENDS EMPLOYMENT
2 WITH A PARTICIPATING EMPLOYER AND IS NOT VESTED UNDER § 33-304 OF THIS
3 SUBTITLE SHALL RECEIVE A DISTRIBUTION OF THE PARTICIPATING EMPLOYEE'S
4 GUARANTEED RETIREMENT INCOME PLAN ACCOUNT BALANCE ATTRIBUTABLE TO
5 MEMBER CONTRIBUTIONS UNDER SUBSECTION (A) OF THIS SECTION AND INTEREST
6 ON THOSE CONTRIBUTIONS AS SOON AS REASONABLY FEASIBLE AFTER THE
7 PARTICIPATING EMPLOYEE SUBMITS A PROPERLY COMPLETED DISTRIBUTION
8 FORM.

9 (II) ANY DEATH BENEFITS SHALL BE PAID UNDER § 33-403 OF
10 THIS TITLE.

11 (III) ANY INDEBTEDNESS TO THE STATE SHALL BE SUBTRACTED
12 FROM THE PARTICIPATING EMPLOYEE'S DISTRIBUTION UNDER SUBPARAGRAPH (I)
13 OF THIS PARAGRAPH.

14 **33-302.**

15 (A) (1) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, EACH
16 PAY PERIOD, THE EMPLOYER SHALL CONTRIBUTE TO EACH PARTICIPATING
17 EMPLOYEE'S GUARANTEED RETIREMENT INCOME PLAN ACCOUNT AN AMOUNT
18 EQUAL TO 8% OF THE PARTICIPATING EMPLOYEE'S REGULAR EARNINGS.

19 (2) (I) INTEREST SHALL BE CREDITED BY THE STATE AT AN
20 ANNUAL RATE OF 5% ON THE EMPLOYER CONTRIBUTIONS.

21 (II) IF THE ANNUAL 5% INTEREST RATE DOES NOT COMPLY
22 WITH APPLICABLE LAW, THE THIRD SEGMENT RATE DESCRIBED IN § 430(H)(2)(C)
23 OF THE INTERNAL REVENUE CODE OR ANY SUCCESSOR PROVISION SHALL APPLY.

24 (III) INTEREST SHALL BE CREDITED TO A PARTICIPATING
25 EMPLOYEE'S GUARANTEED RETIREMENT INCOME PLAN ACCOUNT BALANCE ON A
26 MONTHLY BASIS AS OF THE LAST DAY OF THE MONTH.

27 (B) (1) WHEN A PARTICIPATING EMPLOYEE REJOINS EMPLOYMENT WITH
28 A PARTICIPATING EMPLOYER AFTER MILITARY SERVICE THAT QUALIFIES UNDER
29 TITLE 38 OF THIS ARTICLE AS CREDITABLE SERVICE, THE BOARD OF TRUSTEES
30 SHALL CREDIT THE PARTICIPATING EMPLOYEE THE AMOUNT THAT THE EMPLOYER
31 WOULD HAVE CONTRIBUTED TO THE PARTICIPATING EMPLOYEE'S GUARANTEED
32 RETIREMENT INCOME PLAN ACCOUNT IF THE PARTICIPATING EMPLOYEE WORKED
33 FOR A PARTICIPATING EMPLOYER DURING MILITARY SERVICE.

1 **(2) THE EMPLOYER CONTRIBUTIONS UNDER PARAGRAPH (1) OF THIS**
2 **SUBSECTION SHALL BE BASED ON THE REGULAR EARNINGS THE PARTICIPATING**
3 **EMPLOYEE WOULD HAVE EARNED DURING MILITARY SERVICE.**

4 **(3) IF THE PARTICIPATING EMPLOYEE'S REGULAR EARNINGS ARE**
5 **NOT REASONABLY ASCERTAINABLE, THE EMPLOYER CONTRIBUTIONS SHALL BE**
6 **BASED ON THE PARTICIPATING EMPLOYEE'S REGULAR EARNINGS DURING A PERIOD**
7 **IMMEDIATELY PRECEDING MILITARY SERVICE.**

8 **(4) THE PARTICIPATING EMPLOYEE MAY NOT RECEIVE ANY**
9 **RETROACTIVE CREDITED INTEREST ON THE EMPLOYER CONTRIBUTION CREDITS.**

10 **(5) FOR ANY PARTICIPATING EMPLOYEE WHO RECEIVED AN**
11 **EMPLOYER CONTRIBUTION TO THE PARTICIPATING EMPLOYEE'S GUARANTEED**
12 **RETIREMENT INCOME PLAN ACCOUNT UNDER SUBSECTION (A) OF THIS SECTION,**
13 **INTEREST SHALL BE CREDITED AT AN ANNUAL RATE OF 5%.**

14 **(6) IF THE ANNUAL 5% INTEREST RATE DOES NOT COMPLY WITH**
15 **APPLICABLE LAW, THE THIRD SEGMENT RATE DESCRIBED IN § 430(H)(2)(C) OF THE**
16 **INTERNAL REVENUE CODE OR ANY SUCCESSOR PROVISION SHALL APPLY.**

17 **(7) INTEREST SHALL BE CREDITED TO A PARTICIPATING EMPLOYEE'S**
18 **GUARANTEED RETIREMENT INCOME PLAN ACCOUNT BALANCE ON A MONTHLY BASIS**
19 **AS OF THE LAST DAY OF THE MONTH.**

20 **(c) (1) (i) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE**
21 **MEANINGS INDICATED.**

22 **(ii) "LOCAL EMPLOYEE" HAS THE MEANING STATED IN §**
23 **21-304(A) OF THIS ARTICLE.**

24 **(iii) "LOCAL EMPLOYER" HAS THE MEANING STATED IN §**
25 **21-304(A) OF THIS ARTICLE.**

26 **(2) THE EMPLOYER CONTRIBUTIONS REQUIRED UNDER SUBSECTION**
27 **(A) OF THIS SECTION FOR LOCAL EMPLOYEES SHALL BE PAID:**

28 **(i) 50% BY THE STATE; AND**

29 **(ii) 50% BY THE LOCAL EMPLOYER OF THE LOCAL EMPLOYEE.**

30 **33-303.**

1 **(A) (1) A PARTICIPATING EMPLOYEE SHALL RECEIVE 1 YEAR OF**
2 **CREDITED SERVICE FOR EACH YEAR OF SERVICE WHILE PARTICIPATING IN THE**
3 **GUARANTEED RETIREMENT INCOME PLAN.**

4 **(2) EACH YEAR OF SERVICE IN THE GUARANTEED RETIREMENT**
5 **INCOME PLAN ENDS ON THE ANNIVERSARY OF THE PARTICIPATING EMPLOYEE'S**
6 **DATE OF INITIAL PARTICIPATION IN THE GUARANTEED RETIREMENT INCOME PLAN.**

7 **(B) CREDITED SERVICE INCLUDES ANY PERIOD OF SERVICE IN THE ARMED**
8 **FORCES OF THE UNITED STATES OR A STATE MILITIA OR ANY OTHER MILITARY**
9 **SERVICE COVERED UNDER THE UNIFORMED SERVICES EMPLOYMENT AND**
10 **REEMPLOYMENT RIGHTS ACT OF 1994, 38 U.S.C. § 4301 ET SEQ., IF THE MEMBER:**

11 **(1) WAS A PARTICIPATING EMPLOYEE OF THE GUARANTEED**
12 **RETIREMENT INCOME PLAN WHEN THE MILITARY SERVICE BEGAN; AND**

13 **(2) APPLIED FOR REEMPLOYMENT OR RETURNED TO EMPLOYMENT**
14 **WITH A PARTICIPATING EMPLOYER:**

15 **(I) WITHIN 1 YEAR AFTER DISCHARGE FROM THE MILITARY**
16 **SERVICE AND WITHOUT ANY OTHER EMPLOYMENT AFTER DISCHARGE FROM THE**
17 **MILITARY SERVICE;**

18 **(II) WITHIN 2 YEARS AFTER COMPLETION OF MILITARY SERVICE**
19 **IF THE PARTICIPATING EMPLOYEE WAS HOSPITALIZED OR CONVALESCING FROM AN**
20 **ILLNESS OR INJURY INCURRED OR AGGRAVATED DURING MILITARY SERVICE; OR**

21 **(III) MORE THAN 2 YEARS AFTER COMPLETION OF MILITARY**
22 **SERVICE IF CIRCUMSTANCES BEYOND THE CONTROL OF THE PARTICIPATING**
23 **EMPLOYEE MADE IT IMPOSSIBLE OR UNREASONABLE FOR THE PARTICIPATING**
24 **EMPLOYEE TO APPLY FOR REEMPLOYMENT WITHIN 2 YEARS.**

25 **(C) THE TOTAL PERIOD OF MILITARY SERVICE MAY NOT EXCEED 5 YEARS,**
26 **EXCLUDING PERIODS OF MILITARY SERVICE DESCRIBED UNDER TITLE 38, CHAPTER**
27 **43, § 4312(C)(1) THROUGH (4) OF UNITED STATES CODE.**

28 **(D) A PARTICIPATING EMPLOYEE WHO DOES NOT BECOME A MEMBER OF**
29 **THE GUARANTEED RETIREMENT INCOME PLAN SOLELY BECAUSE THE EMPLOYEE**
30 **WAS CALLED TO ACTIVE DUTY BEFORE COMPLETING 180 DAYS OF EMPLOYMENT**
31 **WITH A PARTICIPATING EMPLOYER SHALL BE ELIGIBLE TO RECEIVE MEMBER**
32 **CONTRIBUTIONS AND EMPLOYER CONTRIBUTIONS UNDER §§ 33-301 AND 33-302 OF**
33 **THIS SUBTITLE, RESPECTIVELY, IF THE PARTICIPATING EMPLOYEE ELECTS TO**

1 PARTICIPATE IN THE GUARANTEED RETIREMENT INCOME PLAN ON
2 REEMPLOYMENT.

3 **33-304.**

4 (A) A PARTICIPATING EMPLOYEE HAS A 100% VESTED INTEREST IN THE
5 PARTICIPATING EMPLOYEE'S EMPLOYER CONTRIBUTIONS AND THE CREDITED
6 INTEREST ON THE PARTICIPATING EMPLOYEE'S MEMBER CONTRIBUTIONS AFTER
7 THE MEMBER ATTAINS 3 YEARS OF CREDITED SERVICE.

8 (B) A PARTICIPATING EMPLOYEE WHO IS NOT 100% VESTED IN
9 ACCORDANCE WITH SUBSECTION (A) OF THIS SECTION SHALL BECOME 100%
10 VESTED IN THE PARTICIPATING EMPLOYEE'S EMPLOYER CONTRIBUTIONS AND THE
11 INTEREST ON THE EMPLOYER CONTRIBUTIONS FROM THE EFFECTIVE DATE OF A
12 TERMINATION OF THE GUARANTEED RETIREMENT INCOME PLAN OR ON DEATH OR
13 DISABILITY.

14 (C) A PARTICIPATING EMPLOYEE WHO TERMINATES EMPLOYMENT WITH A
15 PARTICIPATING EMPLOYER AND IS NOT VESTED IN ANY EMPLOYER CONTRIBUTIONS
16 OR THE CREDITED INTEREST ON THE EMPLOYER CONTRIBUTIONS SHALL FORFEIT
17 THE EMPLOYER CONTRIBUTIONS PLUS THE INTEREST ON THE EMPLOYER
18 CONTRIBUTIONS.

19 **SUBTITLE 4. BENEFITS.**

20 **33-401.**

21 (A) FOR NORMAL RETIREMENT, A GUARANTEED RETIREMENT INCOME
22 PLAN PARTICIPATING EMPLOYEE SHALL BE AT LEAST 62 YEARS OLD WITH 3 YEARS
23 OF CREDITED SERVICE.

24 (B) THERE IS NO EARLY RETIREMENT PROVISION UNDER THE GUARANTEED
25 RETIREMENT INCOME PLAN.

26 (C) A PARTICIPATING EMPLOYEE WHO RETIRES ON OR AFTER THE
27 PARTICIPATING EMPLOYEE'S NORMAL RETIREMENT DATE MAY RECEIVE THAT
28 PARTICIPATING EMPLOYEE'S VESTED GUARANTEED RETIREMENT INCOME PLAN
29 ACCOUNT BALANCE.

30 (D) (1) A PARTICIPATING EMPLOYEE MAY RECEIVE A DISTRIBUTION
31 WHEN THE PARTICIPATING EMPLOYEE TERMINATES EMPLOYMENT WITH A
32 PARTICIPATING EMPLOYER.

1 **(2) (i) A PARTICIPATING EMPLOYEE MAY ELECT A DISTRIBUTION**
2 **FROM THE GUARANTEED RETIREMENT INCOME PLAN OF A PARTICIPATING**
3 **EMPLOYEE'S VESTED GUARANTEED RETIREMENT INCOME PLAN ACCOUNT**
4 **BALANCE.**

5 **(ii) 1. UNLESS A PARTICIPATING EMPLOYEE ELECTS AN**
6 **ANNUITY UNDER SUBPARAGRAPH (iii) OF THIS PARAGRAPH, A PARTICIPATING**
7 **EMPLOYEE SHALL RECEIVE THE PARTICIPATING EMPLOYEE'S VESTED**
8 **GUARANTEED RETIREMENT INCOME PLAN ACCOUNT BALANCE IN A SINGLE LUMP**
9 **SUM.**

10 **2. THE PARTICIPATING EMPLOYEE MAY HAVE THE LUMP**
11 **SUM PAID UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH AS A DIRECT**
12 **ROLLOVER TO AN ELIGIBLE RETIREMENT PLAN AS DEFINED IN THE INTERNAL**
13 **REVENUE CODE.**

14 **(iii) 1. A PARTICIPATING EMPLOYEE MAY ELECT TO RECEIVE**
15 **THE PARTICIPATING EMPLOYEE'S GUARANTEED RETIREMENT INCOME PLAN**
16 **ACCOUNT BALANCE PAID IN:**

17 **A. A SINGLE LIFE ANNUITY PAYABLE TO THE**
18 **PARTICIPATING EMPLOYEE DURING THE LIFE OF THAT PARTICIPATING EMPLOYEE;**
19 **OR**

20 **B. A JOINT AND SURVIVOR ANNUITY PAYABLE TO THE**
21 **PARTICIPATING EMPLOYEE OVER THE PARTICIPATING EMPLOYEE'S LIFETIME AND,**
22 **AT THE PARTICIPATING EMPLOYEE'S DEATH, PAYABLE TO A DESIGNATED**
23 **BENEFICIARY LIMITED TO A SPOUSE OR CHILD.**

24 **2. PAYMENTS UNDER THIS SUBPARAGRAPH SHALL BE**
25 **MADE FOR THE DESIGNATED BENEFICIARY'S LIFETIME IN THE AMOUNT PAYABLE TO**
26 **THE PARTICIPATING EMPLOYEE OR ANOTHER AMOUNT ELECTED BY THE**
27 **PARTICIPATING EMPLOYEE, BUT NOT LESS THAN 10% OF THE AMOUNT PAYABLE TO**
28 **THE PARTICIPATING EMPLOYEE.**

29 **(e) (1) THE DISTRIBUTION OF A PARTICIPATING EMPLOYEE'S**
30 **GUARANTEED RETIREMENT INCOME PLAN ACCOUNT BALANCE SHALL BE MADE NO**
31 **LATER THAN APRIL 1 OF THE CALENDAR YEAR AFTER THE LATER OF THE CALENDAR**
32 **YEAR IN WHICH THE PARTICIPATING EMPLOYEE REACHES THE AGE OF 70 1/2 YEARS**
33 **OR THE CALENDAR YEAR IN WHICH THE PARTICIPATING EMPLOYEE TERMINATES**
34 **EMPLOYMENT.**

1 **(2) IF THE PARTICIPATING EMPLOYEE DOES NOT ELECT A FORM OF**
2 **DISTRIBUTION UNDER SUBSECTION (D) OF THIS SECTION, THE DISTRIBUTION SHALL**
3 **BE MADE IN ACCORDANCE WITH SUBSECTION (D)(2)(II) OF THIS SECTION.**

4 **(3) IF THE PARTICIPATING EMPLOYEE DIES BEFORE BEGINNING TO**
5 **RECEIVE BENEFITS, THE PARTICIPATING EMPLOYEE'S DESIGNATED BENEFICIARY**
6 **SHALL RECEIVE A DISTRIBUTION IN ACCORDANCE WITH SUBSECTION (D)(2)(II) OF**
7 **THIS SECTION AS SOON AS PRACTICABLE AFTER THE PARTICIPATING EMPLOYEE'S**
8 **DEATH, BUT NOT LATER THAN DECEMBER 31 OF THE YEAR CONTAINING THE FIFTH**
9 **ANNIVERSARY OF THE PARTICIPATING EMPLOYEE'S DEATH.**

10 **33-402.**

11 **(A) IF A PARTICIPATING EMPLOYEE INCURS A DISABILITY BEFORE**
12 **TERMINATION FROM EMPLOYMENT WITH A PARTICIPATING EMPLOYER THAT MAKES**
13 **THE PARTICIPATING EMPLOYEE UNABLE TO ENGAGE IN ANY SUBSTANTIAL GAINFUL**
14 **ACTIVITY BY REASON OF ANY MEDICALLY DETERMINABLE PHYSICAL OR MENTAL**
15 **IMPAIRMENT THAT CAN BE EXPECTED TO RESULT IN DEATH OR THAT HAS LASTED**
16 **OR CAN BE EXPECTED TO LAST FOR A CONTINUOUS PERIOD OF NOT LESS THAN 12**
17 **MONTHS, THE DISABLED PARTICIPATING EMPLOYEE SHALL REMAIN A**
18 **PARTICIPATING EMPLOYEE IN THE GUARANTEED RETIREMENT INCOME PLAN AS**
19 **PROVIDED IN THIS SECTION.**

20 **(B) ALL AMOUNTS CREDITED TO THE PARTICIPATING EMPLOYEE'S**
21 **GUARANTEED RETIREMENT INCOME PLAN ACCOUNT, INCLUDING EMPLOYER**
22 **CONTRIBUTIONS, ARE 100% VESTED REGARDLESS OF THE PARTICIPATING**
23 **EMPLOYEE'S CREDITABLE SERVICE.**

24 **(C) THE PARTICIPATING EMPLOYEE SHALL PARTICIPATE IN THE**
25 **GUARANTEED RETIREMENT INCOME PLAN UNDER THIS TITLE UNTIL THE**
26 **PARTICIPATING EMPLOYEE DIES, REACHES NORMAL RETIREMENT AGE, OR**
27 **RECOVERS FROM THE DISABILITY.**

28 **(D) IN DETERMINING THE CREDIT AMOUNT OF EMPLOYER CONTRIBUTIONS**
29 **UNDER § 33-302 OF THIS TITLE, THE PARTICIPATING EMPLOYEE'S REGULAR**
30 **EARNINGS INCLUDES THE REGULAR EARNINGS THE PARTICIPATING EMPLOYEE**
31 **WOULD HAVE RECEIVED FOR THE YEAR IF THE PARTICIPATING EMPLOYEE WERE**
32 **PAID FOR THE FULL YEAR AT THE RATE OF COMPENSATION PAID IN THE PAY PERIOD**
33 **IMMEDIATELY BEFORE THE PARTICIPATING EMPLOYEE BECAME DISABLED.**

34 **(E) THE PARTICIPATING EMPLOYEE MAY NOT RECEIVE A DISTRIBUTION**
35 **DURING ANY PERIOD IN WHICH THE PARTICIPATING EMPLOYEE RECEIVES AN**
36 **EMPLOYER CONTRIBUTION CREDIT.**

1 (F) THE PARTICIPATING EMPLOYEE MAY NOT MAKE MEMBER
2 CONTRIBUTIONS UNDER § 33-301 OF THIS TITLE DURING THE DISABILITY
3 PARTICIPATION.

4 33-403.

5 (A) (1) IF A PARTICIPATING EMPLOYEE DIES BEFORE RECEIVING THE
6 PARTICIPATING EMPLOYEE'S GUARANTEED RETIREMENT INCOME PLAN ACCOUNT,
7 THE GUARANTEED RETIREMENT INCOME PLAN ACCOUNT BALANCE SHALL BE
8 DISTRIBUTED TO THE PARTICIPATING EMPLOYEE'S DESIGNATED BENEFICIARY IN
9 ACCORDANCE WITH § 33-401(D)(2)(II) OF THIS SUBTITLE AS SOON AS PRACTICABLE
10 AFTER THE PARTICIPATING EMPLOYEE'S DEATH, BUT NOT LATER THAN DECEMBER
11 31 OF THE YEAR CONTAINING THE FIFTH ANNIVERSARY OF THE PARTICIPATING
12 EMPLOYEE'S DEATH.

13 (2) A PARTICIPATING EMPLOYEE MAY NAME A PRIMARY
14 BENEFICIARY OR BENEFICIARIES AND CONTINGENT BENEFICIARY OR
15 BENEFICIARIES ON A DESIGNATION OF BENEFICIARIES FORM FILED WITH THE
16 STATE RETIREMENT AGENCY.

17 (3) IF A PARTICIPATING EMPLOYEE NAMES TWO OR MORE PERSONS
18 AS BENEFICIARIES, THE PERSONS ARE CONSIDERED COBENEFICIARIES AND SHARE
19 THE BENEFIT EQUALLY UNLESS THE PARTICIPATING EMPLOYEE SPECIFIES
20 OTHERWISE ON THE DESIGNATION OF BENEFICIARIES FORM.

21 (4) A PARTICIPATING EMPLOYEE MAY CHANGE ANY NAMED
22 BENEFICIARY BY COMPLETING A NEW DESIGNATION OF BENEFICIARIES FORM.

23 (5) THE CONSENT OF THE BENEFICIARY OR BENEFICIARIES IS NOT
24 REQUIRED TO NAME OR CHANGE A BENEFICIARY.

25 (6) THE DESIGNATION IS EFFECTIVE WHEN THE PARTICIPATING
26 EMPLOYEE SIGNS THE FORM EVEN IF THE PARTICIPATING EMPLOYEE IS NOT LIVING
27 WHEN THE STATE RETIREMENT AGENCY RECEIVES THE REQUEST, BUT WITHOUT
28 PREJUDICE FOR ANY PAYMENTS MADE BEFORE THE STATE RETIREMENT AGENCY
29 RECEIVED THE REQUEST.

30 (B) (1) IF A PARTICIPATING EMPLOYEE DIES WITHOUT DESIGNATING A
31 SURVIVING BENEFICIARY OR THE DESIGNATION IS NOT ENFORCEABLE, THE
32 SURVIVING SPOUSE, OR, IF THERE IS NO SURVIVING SPOUSE, EACH SURVIVING
33 CHILD, SHARING EQUALLY WITH ANY OTHER SURVIVING CHILD, IS THE DESIGNATED
34 BENEFICIARY.

1 **(2) IF NO SPOUSE OR CHILD SURVIVES A PARTICIPATING EMPLOYEE**
2 **WHO LEFT NO ENFORCEABLE BENEFICIARY DESIGNATION, THE PARTICIPATING**
3 **EMPLOYEE’S ESTATE IS THE DESIGNATED BENEFICIARY.**

4 **TITLE 33A. RETIREMENT SAVINGS PLAN.**

5 **SUBTITLE 1. DEFINITIONS; SCOPE OF TITLE.**

6 **33A-101.**

7 **(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
8 **INDICATED.**

9 **(B) “ACCOUNT BALANCE” MEANS THE BALANCE CREDITED TO THE**
10 **RETIREMENT ACCOUNT OF A PARTICIPATING EMPLOYEE UNDER THE RETIREMENT**
11 **SAVINGS PLAN AS OF THE VALUATION DATE PRECEDING THE DATE OF DISTRIBUTION**
12 **DETERMINED WITHOUT REGARD TO VESTING, INCLUDING:**

13 **(1) ANY PARTICIPATING EMPLOYEE CONTRIBUTIONS, INCLUDING**
14 **CONTRIBUTIONS PICKED UP BY THE STATE UNDER § 21-313 OF THIS ARTICLE;**

15 **(2) EMPLOYER CONTRIBUTIONS; AND**

16 **(3) ROLLOVER CONTRIBUTIONS.**

17 **(C) (1) “ELIGIBLE EMPLOYEE” MEANS AN INDIVIDUAL WHO IS**
18 **DESCRIBED IN:**

19 **(I) § 23-201(A) OF THIS ARTICLE OTHER THAN AN EMPLOYEE**
20 **OF A PARTICIPATING GOVERNMENTAL UNIT; OR**

21 **(II) § 23-206(A) OF THIS ARTICLE.**

22 **(2) “ELIGIBLE EMPLOYEE” DOES NOT INCLUDE AN INDIVIDUAL WHO**
23 **ON OR BEFORE MAY 31, 2018, IS A MEMBER OF THE OPTIONAL RETIREMENT**
24 **PROGRAM UNDER TITLE 30 OF THIS ARTICLE.**

25 **(D) “EMPLOYEE ORGANIZATION” MEANS ANY ORGANIZATION THAT:**

26 **(1) ADMITS EMPLOYEES TO MEMBERSHIP;**

27 **(2) HAS AS A PRIMARY PURPOSE THE REPRESENTATION OF**
28 **EMPLOYEES IN COLLECTIVE BARGAINING; AND**

1 **(3) IS CERTIFIED AS AN EMPLOYEE ORGANIZATION UNDER**
2 **APPLICABLE LAW.**

3 **(E) “INVESTMENT MANAGER” MEANS A PERSON OR ENTITY WHO:**

4 **(1) EXERCISES DISCRETION TO MANAGE ALL OR PART OF THE ASSETS**
5 **OF AN INSTITUTIONAL INVESTOR; AND**

6 **(2) IS A FIDUCIARY AS DEFINED IN § 21–201 OF THIS ARTICLE.**

7 **(F) “NORMAL RETIREMENT DATE” MEANS THE FIRST DAY AFTER THE**
8 **MONTH IN WHICH THE PARTICIPATING EMPLOYEE REACHES THE AGE OF 62 YEARS.**

9 **(G) “PARTICIPATING EMPLOYEE” MEANS AN ELIGIBLE EMPLOYEE WHO**
10 **PARTICIPATES IN THE RETIREMENT SAVINGS PLAN.**

11 **(H) “PARTICIPATING EMPLOYEE’S MEMBER CONTRIBUTIONS ACCOUNT”**
12 **MEANS THE PORTION OF A PARTICIPATING EMPLOYEE’S ACCOUNT BALANCES IN THE**
13 **RETIREMENT SAVINGS PLAN THAT IS ATTRIBUTABLE TO MEMBER CONTRIBUTIONS,**
14 **INCLUDING ANY CONTRIBUTIONS PICKED UP BY THE STATE UNDER § 21–313 OF**
15 **THIS ARTICLE AND ANY GAINS OR LOSSES ATTRIBUTABLE TO THOSE**
16 **CONTRIBUTIONS.**

17 **(I) “PLAN YEAR” MEANS THE 12–MONTH PERIOD BEGINNING JANUARY 1**
18 **AND ENDING ON DECEMBER 31 EACH YEAR.**

19 **(J) “REGULAR EARNINGS” MEANS GROSS PAY FOR ACTUAL HOURS WORKED**
20 **EXCLUSIVE OF OVERTIME, WITHOUT REDUCTION FOR MEMBER CONTRIBUTIONS**
21 **THAT ARE PICKED UP BY THE STATE UNDER § 21–313 OF THIS ARTICLE OR**
22 **CONTRIBUTIONS TO ANY STATE DEFERRED COMPENSATION PLAN UNDER TITLE 32**
23 **OR TITLE 35 OF THIS ARTICLE.**

24 **(K) “RETIREMENT ACCOUNTS” MEANS THE PARTICIPATING EMPLOYEE’S**
25 **MEMBER CONTRIBUTIONS ACCOUNT, AN EMPLOYER CONTRIBUTIONS ACCOUNT,**
26 **AND ANY ROLLOVER CONTRIBUTIONS ACCOUNT.**

27 **(L) “ROLLOVER CONTRIBUTIONS” MEANS THAT PORTION OF A**
28 **PARTICIPATING EMPLOYEE’S ACCOUNT BALANCE IN THE RETIREMENT SAVINGS**
29 **PLAN THAT IS ATTRIBUTABLE TO ANY ASSETS TRANSFERRED OR ROLLED OVER TO**
30 **THE RETIREMENT SAVINGS PLAN FROM ANOTHER QUALIFIED PENSION OR PROFIT**
31 **SHARING PLAN UNDER THE INTERNAL REVENUE CODE.**

1 **(M) “VALUATION DATE” MEANS THE LAST BUSINESS DAY OF MARCH, JUNE,**
2 **SEPTEMBER, AND DECEMBER OF EACH PLAN YEAR, AND ANY OTHER DATE THE**
3 **BOARD OF TRUSTEES ESTABLISHES IN A UNIFORM AND NONDISCRIMINATORY**
4 **MANNER FOR DETERMINING THE FAIR MARKET VALUE OF THE ASSETS OF THE**
5 **RETIREMENT SAVINGS PLAN.**

6 **33A-102.**

7 **THIS TITLE DOES NOT APPLY TO ANY PARTICIPATING GOVERNMENTAL UNIT**
8 **THAT PARTICIPATES IN THE EMPLOYEES’ PENSION SYSTEM UNDER TITLE 31 OF**
9 **THIS ARTICLE.**

10 **SUBTITLE 2. ESTABLISHMENT; PARTICIPATION.**

11 **33A-201.**

12 **THERE IS A RETIREMENT SAVINGS PLAN.**

13 **33A-202.**

14 **(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, AN**
15 **INDIVIDUAL IS A PARTICIPATING EMPLOYEE OF THE RETIREMENT SAVINGS PLAN AS**
16 **A CONDITION OF EMPLOYMENT IF THE INDIVIDUAL:**

17 **(1) COMMENCES EMPLOYMENT AS AN ELIGIBLE EMPLOYEE ON OR**
18 **AFTER JUNE 1, 2018; OR**

19 **(2) (I) WAS A MEMBER OF THE EMPLOYEES’ PENSION SYSTEM OR**
20 **THE TEACHERS’ PENSION SYSTEM OF THIS ARTICLE ON OR BEFORE MAY 31, 2018,**
21 **AND BECOMES AN ELIGIBLE EMPLOYEE ON JUNE 1, 2018; AND**

22 **(II) ON OR BEFORE JUNE 15, 2018, ELECTS TO PARTICIPATE IN**
23 **THE RETIREMENT SAVINGS PLAN.**

24 **(B) (1) THIS SUBSECTION APPLIES TO AN ELIGIBLE EMPLOYEE WHO:**

25 **(I) COMMENCES EMPLOYMENT WITH A PARTICIPATING**
26 **EMPLOYER ON OR AFTER JUNE 1, 2018; AND**

27 **(II) BEFORE JUNE 1, 2018, WAS NOT A MEMBER OF THE**
28 **EMPLOYEES’ PENSION SYSTEM OR THE TEACHERS’ PENSION SYSTEM.**

1 **(2) A PARTICIPATING EMPLOYEE IS FULLY VESTED IN THE AMOUNT**
2 **OF THE PARTICIPATING EMPLOYEE'S MEMBER CONTRIBUTIONS ACCOUNT.**

3 **(C) WITH THE WRITTEN CONSENT OF THE BOARD OF TRUSTEES, A**
4 **PARTICIPATING EMPLOYEE MAY TRANSFER OR ROLLOVER TO THE RETIREMENT**
5 **SAVINGS PLAN ANY INTEREST IN ANY OTHER QUALIFIED RETIREMENT PLAN UNDER**
6 **THE INTERNAL REVENUE CODE.**

7 **(D) (1) (I) THE STATE SHALL ALLOCATE THE ROLLOVER**
8 **CONTRIBUTIONS MADE ON BEHALF OF EACH PARTICIPATING EMPLOYEE TO A**
9 **ROLLOVER CONTRIBUTIONS ACCOUNT THE BOARD OF TRUSTEES ESTABLISHES FOR**
10 **THAT PARTICIPATING EMPLOYEE.**

11 **(II) ANY AMOUNTS ALLOCATED TO EACH ROLLOVER**
12 **CONTRIBUTIONS ACCOUNT SHALL BE FURTHER ALLOCATED TO SUBACCOUNTS TO**
13 **REFLECT THE PROPORTIONATE AMOUNT OF EACH ACCOUNT INVESTED IN EACH OF**
14 **THE APPLICABLE INVESTMENT FUNDS BY THE PARTICIPATING EMPLOYEE.**

15 **(2) A PARTICIPATING EMPLOYEE IS FULLY VESTED IN THE AMOUNT**
16 **OF THE ROLLOVER CONTRIBUTIONS ACCOUNT.**

17 **33A-302.**

18 **(A) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, THE**
19 **EMPLOYER SHALL CONTRIBUTE TO THE RETIREMENT SAVINGS PLAN IN QUARTERLY**
20 **INSTALLMENTS, ON BEHALF OF EACH PARTICIPATING EMPLOYEE, AN AMOUNT**
21 **EQUAL TO 8% OF THAT PARTICIPATING EMPLOYEE'S REGULAR EARNINGS DURING A**
22 **PLAN YEAR.**

23 **(B) (1) (I) THE RETIREMENT SAVINGS PLAN SHALL ALLOCATE THE**
24 **EMPLOYER CONTRIBUTIONS MADE ON BEHALF OF EACH PARTICIPATING EMPLOYEE**
25 **TO AN EMPLOYER CONTRIBUTIONS ACCOUNT THE BOARD OF TRUSTEES**
26 **ESTABLISHES FOR THE PARTICIPATING EMPLOYEE.**

27 **(II) ANY AMOUNTS ALLOCATED TO THE EMPLOYER**
28 **CONTRIBUTIONS ACCOUNT SHALL BE FURTHER ALLOCATED TO SUBACCOUNTS TO**
29 **REFLECT THE PROPORTIONATE AMOUNT OF EACH ACCOUNT INVESTED IN EACH OF**
30 **THE APPLICABLE INVESTMENT FUNDS.**

31 **(2) AS OF EACH VALUATION DATE, THE BOARD OF TRUSTEES SHALL**
32 **VALUE THE EMPLOYER CONTRIBUTIONS ACCOUNT OF EACH PARTICIPATING**

1 EMPLOYEE ON A CURRENT MARKET VALUE BASIS BY THE PARTICIPATING
2 EMPLOYEE.

3 (3) (I) A PARTICIPATING EMPLOYEE WHO ENDS EMPLOYMENT
4 WITH A PARTICIPATING EMPLOYER AND WHO IS NOT VESTED IN THE EMPLOYER
5 CONTRIBUTIONS ACCOUNT SHALL FORFEIT THE FULL ACCOUNT BALANCE IN THE
6 EMPLOYER CONTRIBUTIONS ACCOUNT.

7 (II) THE BOARD OF TRUSTEES SHALL CONSIDER ALL
8 FORFEITURES ARISING DURING THE PLAN YEAR UNDER THE RETIREMENT SAVINGS
9 PLAN IN DETERMINING THE EMPLOYER CONTRIBUTIONS AND SHALL USE THE
10 FORFEITURES AS PROVIDED IN § 33A-402(D) OF THIS TITLE.

11 (C) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE
12 MEANINGS INDICATED.

13 (II) "LOCAL EMPLOYEE" HAS THE MEANING STATED IN §
14 21-304(A) OF THIS ARTICLE.

15 (III) "LOCAL EMPLOYER" HAS THE MEANING STATED IN §
16 21-304(A) OF THIS ARTICLE.

17 (2) THE EMPLOYER CONTRIBUTIONS REQUIRED UNDER SUBSECTION
18 (A) OF THIS SECTION FOR LOCAL EMPLOYEES SHALL BE PAID:

19 (I) 50% BY THE STATE; AND

20 (II) 50% BY THE LOCAL EMPLOYER OF THE LOCAL EMPLOYEE.

21 33A-303.

22 (A) (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, TO THE
23 EXTENT REQUIRED UNDER THE INTERNAL REVENUE CODE THE ANNUAL ADDITIONS
24 DESCRIBED IN THIS SECTION THAT ARE ALLOCATED IN ANY CALENDAR YEAR TO THE
25 RETIREMENT ACCOUNTS OF ANY PARTICIPATING EMPLOYEE MAY NOT EXCEED THE
26 LESSER OF:

27 (I) ANY LIMITS IMPOSED BY THE INTERNAL REVENUE
28 SERVICE; OR

29 (II) 100% OF THE PARTICIPATING EMPLOYEE'S REGULAR
30 EARNINGS.

1 **(2) FOR PURPOSES OF THIS SECTION, THE ANNUAL ADDITION SHALL**
2 **EQUAL:**

3 **(I) EMPLOYER CONTRIBUTIONS;**

4 **(II) REQUIRED MEMBER CONTRIBUTIONS; AND**

5 **(III) FORFEITURES, BUT ONLY IF THE RETIREMENT SAVINGS**
6 **PLAN PERMITS FORFEITURES TO BE ADDED TO THE PARTICIPATING EMPLOYEE'S**
7 **ACCOUNT.**

8 **(3) (I) EMPLOYER CONTRIBUTIONS THAT ARE ALLOCATED TO**
9 **EMPLOYER CONTRIBUTIONS ACCOUNTS OF PARTICIPATING EMPLOYEES SHALL BE**
10 **CARRIED OVER TO SUBSEQUENT YEARS AND ALLOCATED IN ORDER OF TIME TO THE**
11 **EMPLOYER CONTRIBUTIONS ACCOUNTS THAT WOULD HAVE RECEIVED THE**
12 **CONTRIBUTIONS BUT FOR THE LIMITATIONS IN THIS SECTION.**

13 **(II) IF A PARTICIPATING EMPLOYEE WHOSE EMPLOYER**
14 **CONTRIBUTIONS ARE CARRIED OVER IS NOT A PARTICIPATING EMPLOYEE IN**
15 **SUBSEQUENT YEARS, THAT PORTION OF THE CARRYOVER CONTRIBUTIONS**
16 **ATTRIBUTABLE TO THE PARTICIPATING EMPLOYEE SHALL BE ALLOCATED TO THE**
17 **EMPLOYER CONTRIBUTIONS ACCOUNTS OF ALL PARTICIPATING EMPLOYEES.**

18 **(III) AMOUNTS CARRIED OVER SHALL BE ALLOCATED TO A**
19 **SUSPENSE ACCOUNT THAT SHALL BE INVESTED IN A FUND DEEMED PRUDENT BY**
20 **THE BOARD OF TRUSTEES.**

21 **(IV) ANY EARNINGS OF THE SUSPENSE ACCOUNT SHALL BE**
22 **ALLOCATED RATABLY AMONG THE EMPLOYER CONTRIBUTIONS ACCOUNTS OF ALL**
23 **THE PARTICIPATING EMPLOYEES EXCEPT AS OTHERWISE PROVIDED IN THIS**
24 **SECTION.**

25 **(B) FOR PURPOSES OF THE RETIREMENT SAVINGS PLAN, ONLY THE FIRST**
26 **\$200,000 OF A PARTICIPATING EMPLOYEE'S REGULAR EARNINGS, OR ANY OTHER**
27 **AMOUNT PERMITTED UNDER § 401(A)(17) OF THE INTERNAL REVENUE CODE SHALL**
28 **BE TAKEN INTO ACCOUNT.**

29 **33A-304.**

30 **(A) (1) (I) A PARTICIPATING EMPLOYEE SHALL DIRECT THAT**
31 **EMPLOYER AND MEMBER CONTRIBUTIONS ALLOCATED TO THE PARTICIPATING**
32 **EMPLOYEE'S RETIREMENT ACCOUNTS BE INVESTED IN ONE OR MORE OF THE**
33 **INVESTMENT FUNDS SELECTED BY THE BOARD OF TRUSTEES.**

1 (II) THE INVESTMENT FUND OPTIONS SELECTED BY THE BOARD
2 OF TRUSTEES SHALL CONFORM TO ALL APPLICABLE REQUIREMENTS OF THE
3 INTERNAL REVENUE CODE.

4 (2) A PARTICIPATING EMPLOYEE SHALL ALLOCATE CONTRIBUTIONS
5 AMONG THE INVESTMENT FUNDS ONLY IN PERCENTAGES OF THE VALUE OF THE
6 ACCOUNT BALANCES OF THE PARTICIPATING EMPLOYEE, AS DETERMINED BY THE
7 BOARD OF TRUSTEES.

8 (3) (I) A PARTICIPATING EMPLOYEE'S DIRECTION OF INVESTMENT
9 SHALL REMAIN IN EFFECT UNTIL THE PARTICIPATING EMPLOYEE CHANGES THE
10 DIRECTION.

11 (II) IF A PARTICIPATING EMPLOYEE DOES NOT PROVIDE A
12 VALID DIRECTION OF INVESTMENT, THE ACCOUNT BALANCES OF THE
13 PARTICIPATING EMPLOYEE, TO THE EXTENT THEY ARE NOT GOVERNED BY A VALID
14 DIRECTION OF INVESTMENT, SHALL BE INVESTED IN AN APPROPRIATE INVESTMENT
15 OPTION SELECTED BY THE BOARD OF TRUSTEES.

16 (B) (1) (I) A PARTICIPATING EMPLOYEE OR FORMER PARTICIPATING
17 EMPLOYEE MAY CHANGE THE ALLOCATION OF THE PARTICIPATING EMPLOYEE'S
18 ACCOUNT BALANCES AMONG THE INVESTMENT FUNDS BY GIVING WRITTEN NOTICE
19 OF THE REQUESTED CHANGE AT A TIME SET BY THE BOARD OF TRUSTEES.

20 (II) THE CHANGES WILL TAKE EFFECT ON THE DATE OR DATES
21 SET BY THE BOARD OF TRUSTEES.

22 (2) A PARTICIPATING EMPLOYEE OR FORMER PARTICIPATING
23 EMPLOYEE MAY DESIGNATE THAT THE CHANGE OF THE ALLOCATION AMONG
24 INVESTMENT FUNDS IS EFFECTIVE AS TO ONE OR BOTH OF:

25 (I) THE PARTICIPATING EMPLOYEE'S OR FORMER
26 PARTICIPATING EMPLOYEE'S ACCOUNT BALANCES ON THE EFFECTIVE DATE OF THE
27 CHANGE; OR

28 (II) THE PARTICIPATING EMPLOYEE'S MEMBER
29 CONTRIBUTIONS AND EMPLOYER CONTRIBUTIONS MADE AFTER THE EFFECTIVE
30 DATE OF THE CHANGE.

31 (C) (1) THE BOARD OF TRUSTEES SHALL MAINTAIN PRO RATA ACCOUNTS
32 OF A COMMINGLED FUND OR SEPARATE AND DISTINCT ACCOUNTS FOR EACH
33 PARTICIPATING EMPLOYEE.

1 **(2) IF THE BOARD OF TRUSTEES ESTABLISHES PRO RATA ACCOUNTS,**
2 **THE BOARD OF TRUSTEES MAY ALLOCATE REALIZED AND UNREALIZED GAINS AND**
3 **LOSSES, USING THE RATIO THAT THE PORTION OF THE ACCOUNT BALANCE OF A**
4 **PARTICIPATING EMPLOYEE ALLOCATED TO AN INVESTMENT FUND BEARS TO THE**
5 **PORTION OF THE ACCOUNT BALANCES OF ALL PARTICIPATING EMPLOYEES**
6 **ALLOCATED TO THE INVESTMENT FUND AS OF THE PREVIOUS VALUATION DATE.**

7 **(3) IF THE BOARD OF TRUSTEES ESTABLISHES SEPARATE AND**
8 **DISTINCT ACCOUNTS, THE BOARD OF TRUSTEES SHALL DETERMINE THE VALUE OF**
9 **AN INDIVIDUAL ACCOUNT SOLELY WITH RESPECT TO THE ACTIVITY WITHIN EACH**
10 **PARTICIPATING EMPLOYEE'S ACCOUNT AND UNREALIZED GAINS TO A**
11 **PARTICIPATING EMPLOYEE'S ACCOUNT.**

12 **(4) THE BOARD OF TRUSTEES MAY DEDUCT OPERATING EXPENSES**
13 **FROM THE REALIZED AND UNREALIZED GAINS BEFORE ALLOCATION.**

14 **SUBTITLE 4. CREDITABLE SERVICE; BENEFITS.**

15 **33A-401.**

16 **(A) (1) A PARTICIPATING EMPLOYEE'S CREDITABLE SERVICE IS THE**
17 **TOTAL SERVICE THE PARTICIPATING EMPLOYEE RENDERED UNDER THE**
18 **RETIREMENT SAVINGS PLAN.**

19 **(2) A PARTICIPATING EMPLOYEE SHALL RECEIVE 1 YEAR OF**
20 **CREDITABLE SERVICE FOR EACH YEAR OF SERVICE.**

21 **(3) EACH YEAR OF SERVICE ENDS ON THE ANNIVERSARY OF THE DATE**
22 **THE PARTICIPATING EMPLOYEE STARTED WORKING FOR THE PARTICIPATING**
23 **EMPLOYER.**

24 **(B) (1) SERVICE WITH A PARTICIPATING EMPLOYER INCLUDES ANY**
25 **PERIOD OF COMPULSORY OR VOLUNTARY SERVICE IN THE ARMED FORCES OF THE**
26 **UNITED STATES, A STATE MILITIA, OR ANY OTHER MILITARY SERVICE COVERED**
27 **UNDER THE UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS**
28 **ACT OF 1994, 38 U.S.C. § 4301 ET SEQ., IF THE PARTICIPATING EMPLOYEE:**

29 **(I) WAS A MEMBER OF THE RETIREMENT SAVINGS PLAN WHEN**
30 **THE MILITARY SERVICE BEGAN; AND**

31 **(II) APPLIED FOR REEMPLOYMENT OR RETURNED TO SERVICE**
32 **WITH THE PARTICIPATING EMPLOYER:**

1 1. WITHIN 1 YEAR AFTER DISCHARGE FROM THE
2 MILITARY SERVICE, AND THE PARTICIPATING EMPLOYEE DOES NOT TAKE OTHER
3 EMPLOYMENT;

4 2. WITHIN 2 YEARS AFTER COMPLETING MILITARY
5 SERVICE IF THE MEMBER WAS HOSPITALIZED OR CONVALESCING FROM AN ILLNESS
6 OR INJURY INCURRED OR AGGRAVATED DURING MILITARY SERVICE, AND THE
7 PARTICIPATING EMPLOYEE DOES NOT TAKE OTHER EMPLOYMENT; OR

8 3. MORE THAN 2 YEARS AFTER COMPLETING MILITARY
9 SERVICE IF CIRCUMSTANCES BEYOND THE CONTROL OF THE PARTICIPATING
10 EMPLOYEE MAKE IT IMPOSSIBLE OR UNREASONABLE FOR THE PARTICIPATING
11 EMPLOYEE TO APPLY FOR REEMPLOYMENT WITHIN 2 YEARS, AND THE
12 PARTICIPATING EMPLOYEE DOES NOT TAKE OTHER EMPLOYMENT.

13 (2) A PARTICIPATING EMPLOYEE'S TOTAL PERIOD OF MILITARY
14 SERVICE MAY NOT EXCEED 5 YEARS, NOT INCLUDING ANY PERIOD OF MILITARY
15 SERVICE DESCRIBED UNDER TITLE 38, CHAPTER 43, § 4312(C)(1) THROUGH (4) OF
16 THE UNITED STATES CODE.

17 (C) A PARTICIPATING EMPLOYEE WHO DID NOT BECOME A MEMBER OF THE
18 RETIREMENT SAVINGS PLAN SOLELY BECAUSE THE PARTICIPATING EMPLOYEE WAS
19 CALLED TO ACTIVE DUTY BEFORE COMPLETING 180 DAYS OF EMPLOYMENT WITH A
20 PARTICIPATING EMPLOYER SHALL BE ELIGIBLE TO RECEIVE CONTRIBUTIONS
21 UNDER SUBTITLE 3 OF THIS TITLE IF THE PARTICIPATING EMPLOYEE BECOMES A
22 PARTICIPATING EMPLOYEE IN THE RETIREMENT SAVINGS PLAN ON
23 REEMPLOYMENT.

24 **33A-402.**

25 (A) (1) (I) A PARTICIPATING EMPLOYEE WHO RETIRES ON OR AFTER
26 THE PARTICIPATING EMPLOYEE'S NORMAL RETIREMENT DATE MAY RECEIVE THE
27 PARTICIPATING EMPLOYEE'S TOTAL ACCOUNT BALANCES IN THE RETIREMENT
28 SAVINGS PLAN.

29 (II) THE BOARD OF TRUSTEES SHALL DISTRIBUTE THE VALUE
30 OF THE PARTICIPATING EMPLOYEE'S ACCOUNT BALANCES TO THE PARTICIPATING
31 EMPLOYEE IN ACCORDANCE WITH THIS SECTION.

32 (2) IF A PARTICIPATING EMPLOYEE'S NORMAL RETIREMENT DATE
33 OCCURS BEFORE THE PARTICIPATING EMPLOYEE'S SEPARATION FROM SERVICE
34 WITH A PARTICIPATING EMPLOYER, ALL AMOUNTS CREDITED TO THE

1 PARTICIPATING EMPLOYEE'S EMPLOYER CONTRIBUTIONS ACCOUNT ARE 100%
2 VESTED REGARDLESS OF THE PARTICIPATING EMPLOYEE'S YEARS OF CREDITABLE
3 SERVICE.

4 (3) IF A PARTICIPATING EMPLOYEE'S EMPLOYMENT CONTINUES
5 AFTER THE PARTICIPATING EMPLOYEE'S NORMAL RETIREMENT DATE, THE
6 PARTICIPATING EMPLOYEE SHALL CONTINUE TO PARTICIPATE IN THE RETIREMENT
7 SAVINGS PLAN AND THE DISTRIBUTION OF THE PARTICIPATING EMPLOYEE'S
8 BENEFITS SHALL BEGIN IN ACCORDANCE WITH SUBSECTION (I) OF THIS SECTION.

9 (B) (1) IF A PARTICIPATING EMPLOYEE INCURS A DISABILITY BEFORE
10 RETIREMENT OR OTHER SEPARATION FROM SERVICE THAT MAKES THE
11 PARTICIPATING EMPLOYEE UNABLE TO ENGAGE IN ANY SUBSTANTIAL GAINFUL
12 ACTIVITY BY REASON OF ANY MEDICALLY DETERMINABLE PHYSICAL OR MENTAL
13 IMPAIRMENT THAT CAN BE EXPECTED TO RESULT IN DEATH OR THAT HAS LASTED
14 OR CAN BE EXPECTED TO LAST FOR A CONTINUOUS PERIOD OF NOT LESS THAN 12
15 MONTHS, THE DISABLED PARTICIPATING EMPLOYEE SHALL REMAIN A
16 PARTICIPATING EMPLOYEE IN THE RETIREMENT SAVINGS PLAN AS PROVIDED IN
17 THIS SUBSECTION.

18 (2) ALL AMOUNTS CREDITED TO THE PARTICIPATING EMPLOYEE'S
19 RETIREMENT SAVINGS ACCOUNT, INCLUDING EMPLOYER CONTRIBUTIONS, ARE
20 100% VESTED REGARDLESS OF THE PARTICIPATING EMPLOYEE'S YEARS OF
21 CREDITABLE SERVICE.

22 (3) THE PARTICIPATING EMPLOYEE SHALL REMAIN A PARTICIPATING
23 EMPLOYEE IN THE RETIREMENT SAVINGS PLAN UNDER THIS SECTION UNTIL THE
24 PARTICIPATING EMPLOYEE DIES, REACHES THE NORMAL RETIREMENT DATE, OR
25 RECOVERS FROM THE DISABILITY.

26 (4) IN DETERMINING THE AMOUNT OF THE EMPLOYER
27 CONTRIBUTION UNDER SUBTITLE 3 OF THIS TITLE, THE PARTICIPATING
28 EMPLOYEE'S REGULAR EARNINGS MEANS THE REGULAR EARNINGS THE
29 PARTICIPATING EMPLOYEE WOULD HAVE RECEIVED FOR THE YEAR IF THE
30 PARTICIPATING EMPLOYEE WAS PAID FOR THE FULL YEAR AT THE RATE OF
31 COMPENSATION PAID IN THE PAY PERIOD IMMEDIATELY BEFORE THE
32 PARTICIPATING EMPLOYEE BECAME DISABLED.

33 (5) THE PARTICIPATING EMPLOYEE MAY NOT RECEIVE A
34 DISTRIBUTION DURING ANY PERIOD IN WHICH THE PARTICIPATING EMPLOYEE
35 RECEIVES EMPLOYER CONTRIBUTIONS.

1 **(6) THE PARTICIPATING EMPLOYEE MAY NOT MAKE ANY MEMBER**
2 **CONTRIBUTIONS UNDER SUBTITLE 3 OF THIS TITLE DURING THE PERIOD OF**
3 **DISABILITY PARTICIPATION IN THE RETIREMENT SAVINGS PLAN.**

4 **(C) (1) IF A PARTICIPATING EMPLOYEE DIES BEFORE RECEIVING THE**
5 **PARTICIPATING EMPLOYEE'S TOTAL ACCOUNT BALANCES IN THE RETIREMENT**
6 **SAVINGS PLAN, THE BOARD OF TRUSTEES SHALL DISTRIBUTE THE VALUE OF THE**
7 **PARTICIPATING EMPLOYEE'S ACCOUNT BALANCES TO THE PARTICIPATING**
8 **EMPLOYEE'S BENEFICIARY UNDER THIS SECTION.**

9 **(2) IF A PARTICIPATING EMPLOYEE DIES BEFORE THE**
10 **PARTICIPATING EMPLOYEE'S SEPARATION FROM SERVICE, ALL AMOUNTS CREDITED**
11 **TO THE PARTICIPATING EMPLOYEE'S EMPLOYER CONTRIBUTIONS ACCOUNT ARE**
12 **100% VESTED REGARDLESS OF THE PARTICIPATING EMPLOYEE'S YEARS OF**
13 **CREDITABLE SERVICE.**

14 **(3) (I) A PARTICIPATING EMPLOYEE MAY NAME A PRIMARY**
15 **BENEFICIARY OR BENEFICIARIES AND CONTINGENT BENEFICIARY OR**
16 **BENEFICIARIES ON A DESIGNATION OF BENEFICIARIES FORM FILED WITH THE**
17 **BOARD OF TRUSTEES.**

18 **(II) IF A PARTICIPATING EMPLOYEE NAMES TWO OR MORE**
19 **PERSONS AS BENEFICIARIES, THE PERSONS ARE CONSIDERED COBENEFICIARIES**
20 **AND SHARE THE BENEFIT EQUALLY UNLESS THE PARTICIPATING EMPLOYEE**
21 **SPECIFIES OTHERWISE ON THE DESIGNATION OF BENEFICIARIES FORM.**

22 **(III) A PARTICIPATING EMPLOYEE MAY CHANGE ANY NAMED**
23 **BENEFICIARY BY COMPLETING A NEW DESIGNATION OF BENEFICIARIES FORM.**

24 **(IV) THE CONSENT OF THE BENEFICIARY OR BENEFICIARIES IS**
25 **NOT REQUIRED TO NAME OR CHANGE A BENEFICIARY.**

26 **(V) THE DESIGNATION IS EFFECTIVE WHEN THE**
27 **PARTICIPATING EMPLOYEE SIGNS THE FORM EVEN IF THE PARTICIPATING**
28 **EMPLOYEE IS NOT ALIVE WHEN THE BOARD OF TRUSTEES RECEIVES THE REQUEST,**
29 **BUT WITHOUT PREJUDICE FOR ANY PAYMENTS MADE BEFORE THE BOARD OF**
30 **TRUSTEES RECEIVED THE REQUEST.**

31 **(4) (I) IF A PARTICIPATING EMPLOYEE DIES WITHOUT**
32 **DESIGNATING A SURVIVING BENEFICIARY OR THE DESIGNATION IS NOT**
33 **ENFORCEABLE UNDER PARAGRAPH (5) OF THIS SUBSECTION, THE SURVIVING**
34 **SPOUSE, OR, IF THERE IS NO SURVIVING SPOUSE, EACH SURVIVING CHILD, SHARING**
35 **EQUALLY WITH ANY OTHER SURVIVING CHILD, IS THE DESIGNATED BENEFICIARY.**

1 **(II) IF NO SPOUSE OR CHILD SURVIVES AND A PARTICIPATING**
2 **EMPLOYEE LEAVES NO ENFORCEABLE BENEFICIARY DESIGNATION, THE**
3 **PARTICIPATING EMPLOYEE'S ESTATE IS THE DESIGNATED BENEFICIARY.**

4 **(5) A BENEFICIARY DESIGNATION IS NOT ENFORCEABLE IF:**

5 **(I) THE DESIGNATED BENEFICIARY:**

6 1. **PREDECEASES THE MEMBER;**

7 2. **DISCLAIMS THE BENEFIT; OR**

8 3. **IS NOT AN IDENTIFIABLE PERSON; OR**

9 **(II) THE DESIGNATION IS LEGALLY VOID FOR ANY REASON.**

10 **(D) (1) IF A PARTICIPATING EMPLOYEE SEPARATES FROM SERVICE WITH**
11 **A PARTICIPATING EMPLOYER FOR ANY REASON OTHER THAN NORMAL RETIREMENT,**
12 **DISABILITY RETIREMENT, OR DEATH, THE BOARD OF TRUSTEES SHALL DISTRIBUTE**
13 **TO THE PARTICIPATING EMPLOYEE THE VESTED PORTION OF THE PARTICIPATING**
14 **EMPLOYEE'S ACCOUNT BALANCES IN ACCORDANCE WITH THIS SECTION.**

15 **(2) (I) A PARTICIPATING EMPLOYEE IS 100% VESTED IN ALL**
16 **PARTICIPATING EMPLOYEE CONTRIBUTIONS ACCOUNTS AND ROLLOVER**
17 **CONTRIBUTIONS ACCOUNTS AT ALL TIMES.**

18 **(II) THE VESTED INTEREST IN A PARTICIPATING EMPLOYEE'S**
19 **EMPLOYER CONTRIBUTIONS ACCOUNT SHALL BE A PERCENTAGE OF THE ACCOUNT,**
20 **DETERMINED ON THE BASIS OF THE PARTICIPATING EMPLOYEE'S YEARS OF**
21 **CREDITABLE SERVICE AS FOLLOWS:**

22 1. **0% VESTED IF THE PARTICIPATING EMPLOYEE HAS**
23 **ACCRUED LESS THAN 3 YEARS; AND**

24 2. **100% VESTED IF THE PARTICIPATING EMPLOYEE HAS**
25 **ACCRUED AT LEAST 3 YEARS.**

26 **(3) (I) IF A PARTICIPATING EMPLOYEE HAS NO VESTED INTEREST**
27 **IN THE EMPLOYER CONTRIBUTIONS ACCOUNT AT THE TIME OF THE PARTICIPATING**
28 **EMPLOYEE'S SEPARATION FROM SERVICE, THE PARTICIPATING EMPLOYEE SHALL**
29 **FORFEIT THE ENTIRE EMPLOYER CONTRIBUTIONS ACCOUNT AS OF THE DATE OF**
30 **SEPARATION FROM SERVICE.**

1 **(II) 1. THE BOARD OF TRUSTEES SHALL ALLOW A ONETIME**
2 **REINSTATEMENT OF THE FORFEITED EMPLOYER CONTRIBUTIONS TO AN EMPLOYEE**
3 **WHO IS REEMPLOYED BY THE PARTICIPATING EMPLOYER WITHIN 12 MONTHS OF**
4 **SEPARATION AND AGAIN BECOMES A MEMBER OF THE RETIREMENT SAVINGS PLAN.**

5 **2. THE AMOUNT REINSTATED BY THE BOARD OF**
6 **TRUSTEES SHALL BE EQUAL TO THE VALUE OF THE EMPLOYER CONTRIBUTIONS**
7 **ACCOUNT, INCLUDING INVESTMENT GAINS AND LOSSES, AS OF THE DATE OF THE**
8 **PARTICIPATING EMPLOYEE'S SEPARATION FROM SERVICE.**

9 **(III) THE BOARD OF TRUSTEES SHALL USE THE FORFEITURES**
10 **TO PAY THE OPERATING EXPENSES OF THE RETIREMENT SAVINGS PLAN OR TO**
11 **REDUCE THE AMOUNT OF COUNTY CONTRIBUTIONS.**

12 **(E) (1) IF A PARTICIPATING EMPLOYEE IS EMPLOYED BY A**
13 **PARTICIPATING EMPLOYER, NO DISTRIBUTION IS PERMITTED.**

14 **(2) DISTRIBUTIONS SHALL BE MADE ONLY ON A PARTICIPATING**
15 **EMPLOYEE'S DEATH, RETIREMENT, DISABILITY RETIREMENT, OR SEPARATION**
16 **FROM SERVICE.**

17 **(F) (1) THE BOARD OF TRUSTEES SHALL PAY, AT THE REQUEST OF THE**
18 **PARTICIPATING EMPLOYEE OR THE DESIGNATED BENEFICIARY, THE**
19 **PARTICIPATING EMPLOYEE'S ACCOUNT BALANCES IN THE RETIREMENT SAVINGS**
20 **PLAN ON RETIREMENT, DISABILITY RETIREMENT, DEATH, OR SEPARATION FROM**
21 **SERVICE.**

22 **(2) UNLESS THE PARTICIPATING EMPLOYEE ELECTS AN OPTIONAL**
23 **METHOD OF DISTRIBUTION UNDER PARAGRAPH (3) OF THIS SUBSECTION, THE**
24 **NORMAL METHOD OF DISTRIBUTION SHALL BE A LUMP SUM DISTRIBUTION.**

25 **(3) (I) A PARTICIPATING EMPLOYEE MAY ELECT, SUBJECT TO THE**
26 **CONDITIONS OF THIS PARAGRAPH, TO USE THE ENTIRE ACCOUNT BALANCES TO BUY**
27 **AN ANNUITY PAYABLE IN ONE OF THE FOLLOWING ACTUARIALLY EQUIVALENT**
28 **METHODS:**

29 **1. A JOINT AND SURVIVOR ANNUITY PAYABLE FOR THE**
30 **LIFE OF THE PARTICIPATING EMPLOYEE, WITH A SURVIVOR'S ANNUITY PAYABLE**
31 **FOR THE LIFE OF THE PARTICIPATING EMPLOYEE'S SPOUSE IN AN AMOUNT AT LEAST**
32 **EQUAL TO ONE-HALF OF THE AMOUNT OF THE ANNUITY PAYABLE DURING THE**
33 **JOINT LIVES OF THE PARTICIPATING EMPLOYEE AND THE PARTICIPATING**
34 **EMPLOYEE'S SPOUSE;**

1 **2. A SINGLE LIFE ANNUITY PAYABLE FOR THE LIFETIME**
2 **OF THE PARTICIPATING EMPLOYEE; OR**

3 **3. A PERIOD CERTAIN ANNUITY IN WHICH A CERTAIN**
4 **NUMBER OF PAYMENTS ARE GUARANTEED REGARDLESS OF WHEN THE**
5 **PARTICIPATING EMPLOYEE DIES.**

6 **(II) 1. IF BENEFITS UNDER THE RETIREMENT SAVINGS PLAN**
7 **ARE PAYABLE AS AN ANNUITY, THE BOARD OF TRUSTEES SHALL USE THE ACCOUNT**
8 **BALANCES OF THE PARTICIPATING EMPLOYEE TO BUY AN ANNUITY CONTRACT**
9 **FROM AN INSURANCE COMPANY AUTHORIZED TO DO BUSINESS IN THE STATE.**

10 **2. THE CONTRACT UNDER SUBSUBPARAGRAPH 1 OF**
11 **THIS SUBPARAGRAPH SHALL PROVIDE FOR PAYMENT IN THE METHOD CHOSEN BY**
12 **THE PARTICIPATING EMPLOYEE.**

13 **(III) A PARTICIPATING EMPLOYEE MAY ELECT TO HAVE THE**
14 **ENTIRE ACCOUNT BALANCES PAID IN INSTALLMENTS ON A MONTHLY OR AN ANNUAL**
15 **BASIS OVER A PERIOD SELECTED BY THE PARTICIPATING EMPLOYEE, SUBJECT TO**
16 **APPLICABLE RESTRICTIONS IN THE INTERNAL REVENUE CODE AND ITS**
17 **CORRESPONDING REGULATIONS.**

18 **(G) (1) NOTWITHSTANDING ANY PROVISION OF LAW THAT WOULD**
19 **OTHERWISE LIMIT A PARTICIPATING EMPLOYEE'S ELECTION UNDER THIS SECTION,**
20 **A PARTICIPATING EMPLOYEE OR DESIGNATED BENEFICIARY MAY ELECT IN ANY**
21 **MANNER PRESCRIBED BY THE BOARD OF TRUSTEES AT ANY TIME TO HAVE ANY**
22 **PORTION OF AN ELIGIBLE ROLLOVER DISTRIBUTION AS DEFINED IN THE INTERNAL**
23 **REVENUE CODE, PAID DIRECTLY TO AN ELIGIBLE RETIREMENT PLAN, AS DEFINED**
24 **IN THE INTERNAL REVENUE CODE, SPECIFIED BY THE PARTICIPATING EMPLOYEE**
25 **IN A DIRECT ROLLOVER.**

26 **(2) FOR PURPOSES OF THIS SUBSECTION, A DIRECT ROLLOVER IS A**
27 **PAYMENT FROM THE RETIREMENT SAVINGS PLAN TO THE ELIGIBLE RETIREMENT**
28 **PLAN SPECIFIED BY THE PARTICIPATING EMPLOYEE.**

29 **(H) (1) (I) THE BOARD OF TRUSTEES SHALL PAY A PARTICIPATING**
30 **EMPLOYEE WHO RETIRES BY REASON OF NORMAL, DEFERRED, OR DISABILITY**
31 **RETIREMENT, THE PARTICIPATING EMPLOYEE'S ACCOUNT BALANCES IN THE**
32 **RETIREMENT SAVINGS PLAN.**

33 **(II) THE DISTRIBUTION SHALL BEGIN AS SOON AS**
34 **ADMINISTRATIVELY FEASIBLE AFTER THE PARTICIPATING EMPLOYEE'S**

1 RETIREMENT AND AFTER THE DATE ELECTED BY THE PARTICIPATING EMPLOYEE,
2 BUT NO LATER THAN APRIL 1 FOLLOWING THE LATER OF THE CALENDAR YEAR IN
3 WHICH THE PARTICIPATING EMPLOYEE REACHES THE AGE OF 70 1/2 YEARS OR THE
4 CALENDAR YEAR IN WHICH THE PARTICIPATING EMPLOYEE'S EMPLOYMENT ENDS.

5 (2) (I) A PARTICIPATING EMPLOYEE WHO HAS A 100% VESTED
6 INTEREST IN THE EMPLOYER CONTRIBUTIONS ACCOUNT, AND WHOSE EMPLOYMENT
7 WITH A PARTICIPATING EMPLOYER ENDS BEFORE THE PARTICIPATING EMPLOYEE'S
8 DEATH, DISABILITY RETIREMENT, OR NORMAL RETIREMENT DATE, MAY RECEIVE
9 THE ACCOUNT BALANCES IN THE EMPLOYER CONTRIBUTION ACCOUNTS AND THE
10 PARTICIPATING EMPLOYEE CONTRIBUTION ACCOUNTS BEFORE REACHING THE
11 NORMAL RETIREMENT DATE ONLY ON FILING WRITTEN CONSENT FOR THE
12 DISTRIBUTION WITH THE BOARD OF TRUSTEES.

13 (II) THE DISTRIBUTION SHALL BE MADE AS SOON AS
14 ADMINISTRATIVELY FEASIBLE AFTER THE BOARD OF TRUSTEES RECEIVES THE
15 WRITTEN CONSENT FOR THE DISTRIBUTION.

16 (3) (I) IF A PARTICIPATING EMPLOYEE'S EMPLOYMENT WITH A
17 PARTICIPATING EMPLOYER ENDS BEFORE THE PARTICIPATING EMPLOYEE HAS A
18 VESTED INTEREST IN THE EMPLOYER CONTRIBUTIONS AND THE PARTICIPATING
19 EMPLOYEE PROPERLY COMPLETES AND SUBMITS AN APPLICATION FOR
20 DISTRIBUTION OF THE PARTICIPATING EMPLOYEE'S MEMBER CONTRIBUTION
21 ACCOUNT, THE BOARD OF TRUSTEES SHALL DISTRIBUTE THE PARTICIPATING
22 EMPLOYEE'S MEMBER CONTRIBUTION ACCOUNT AS SOON AS ADMINISTRATIVELY
23 FEASIBLE.

24 (II) IF A PARTICIPATING EMPLOYEE DOES NOT PROPERLY
25 COMPLETE AND SUBMIT AN APPLICATION FOR A DISTRIBUTION, THE BOARD OF
26 TRUSTEES SHALL DISTRIBUTE THE PARTICIPATING EMPLOYEE'S MEMBER
27 CONTRIBUTION ACCOUNT UNDER THE TIME LIMITS DESCRIBED IN THIS SECTION.

28 (I) (1) THE DISTRIBUTION OF A PARTICIPATING EMPLOYEE'S OR
29 FORMER PARTICIPATING EMPLOYEE'S RETIREMENT BENEFITS SHALL BEGIN NO
30 LATER THAN APRIL 1 FOLLOWING THE LATER OF:

31 (I) THE CALENDAR YEAR IN WHICH THE PARTICIPATING
32 EMPLOYEE REACHES THE AGE OF 70 1/2 YEARS; OR

33 (II) THE CALENDAR YEAR IN WHICH THE PARTICIPATING
34 EMPLOYEE SEPARATES FROM SERVICE.

1 **(2) THE DISTRIBUTION MAY BE MADE AS PROVIDED IN SUBSECTION**
2 **(F) OF THIS SECTION.**

3 **(J) IF DISTRIBUTION TO A RETIRED PARTICIPATING EMPLOYEE HAS BEGUN**
4 **UNDER SUBSECTION (I) OF THIS SECTION AND THE PARTICIPATING EMPLOYEE DIES**
5 **BEFORE THE PARTICIPATING EMPLOYEE'S ENTIRE BENEFIT HAS BEEN**
6 **DISTRIBUTED TO THE PARTICIPATING EMPLOYEE, THE REMAINING BENEFIT, IF ANY,**
7 **SHALL BE DISTRIBUTED AT LEAST AS RAPIDLY AS UNDER THE METHOD OF**
8 **DISTRIBUTION IN EFFECT ON THE DATE OF THE RETIRED PARTICIPATING**
9 **EMPLOYEE'S DEATH.**

10 **(K) (1) IF A PARTICIPATING EMPLOYEE DIES BEFORE PAYMENT OF**
11 **BENEFITS UNDER THIS SECTION HAS BEGUN, THE BENEFITS SHALL BE DISTRIBUTED**
12 **BEFORE THE END OF THE CALENDAR YEAR CONTAINING THE FIFTH ANNIVERSARY**
13 **OF THE PARTICIPATING EMPLOYEE'S DEATH UNLESS:**

14 **(I) 1. ANY PORTION OF THE PARTICIPATING EMPLOYEE'S**
15 **BENEFIT IS PAYABLE TO, OR FOR THE BENEFIT OF, A DESIGNATED BENEFICIARY;**

16 **2. THE PORTION OF THE BENEFIT TO WHICH THE**
17 **DESIGNATED BENEFICIARY IS ENTITLED WILL BE DISTRIBUTED OVER THE LIFE OF**
18 **THE BENEFICIARY OR OVER A PERIOD NOT EXTENDING BEYOND THE LIFE**
19 **EXPECTANCY OF THE BENEFICIARY; AND**

20 **3. THE DISTRIBUTIONS BEGIN BEFORE THE END OF THE**
21 **CALENDAR YEAR FOLLOWING THE CALENDAR YEAR IN WHICH THE PARTICIPATING**
22 **EMPLOYEE'S DEATH OCCURRED; OR**

23 **(II) 1. THE PORTION OF THE PARTICIPATING EMPLOYEE'S**
24 **BENEFIT TO WHICH THE SURVIVING SPOUSE IS ENTITLED WILL BE DISTRIBUTED**
25 **OVER THE LIFE OF THE SURVIVING SPOUSE, OR OVER A PERIOD NOT EXTENDING**
26 **BEYOND THE LIFE EXPECTANCY OF THE SURVIVING SPOUSE; AND**

27 **2. THE DISTRIBUTIONS BEGIN BEFORE THE LATER OF**
28 **THE END OF THE CALENDAR YEAR FOLLOWING THE CALENDAR YEAR IN WHICH THE**
29 **PARTICIPATING EMPLOYEE DIED OR THE END OF THE CALENDAR YEAR IN WHICH**
30 **THE PARTICIPATING EMPLOYEE WOULD HAVE REACHED THE AGE OF 70 1/2 YEARS.**

31 **(2) FOR PURPOSES OF THIS SECTION:**

32 **(I) THE LIFE EXPECTANCY OF A PARTICIPATING EMPLOYEE**
33 **AND THE PARTICIPATING EMPLOYEE'S SPOUSE MAY BE RECALCULATED EACH YEAR;**
34 **AND**

1 **(II) ANY AMOUNT PAID TO A CHILD IS TREATED AS IF IT HAD**
2 **BEEN PAID TO THE PARTICIPATING EMPLOYEE'S SURVIVING SPOUSE IF THE**
3 **AMOUNT IS PAYABLE TO THE SURVIVING SPOUSE BEFORE THE CHILD BECOMES AN**
4 **ADULT OR THE OCCURRENCE OF ANY OTHER DESIGNATED EVENT PERMITTED**
5 **UNDER FEDERAL REGULATION.**

6 **(L) DISTRIBUTIONS UNDER A PLAN SHALL BE SUBJECT TO THE**
7 **LIMITATIONS OF § 401(A)(9) OF THE INTERNAL REVENUE CODE, INCLUDING THE**
8 **INCIDENTAL DEATH BENEFIT RULES IN § 401(A)(9)(G) OF THE INTERNAL REVENUE**
9 **CODE, IN ACCORDANCE WITH ANY PROPOSED OR FINAL REGULATIONS UNDER §**
10 **401(A)(9) OF THE INTERNAL REVENUE CODE.**

11 **SUBTITLE 5. ADMINISTRATION.**

12 **33A-501.**

13 **(A) (1) THE BOARD OF TRUSTEES SHALL:**

14 **(I) ADMINISTER THE RETIREMENT SAVINGS PLAN;**

15 **(II) DECIDE THE ELIGIBILITY OF ANY PARTICIPATING**
16 **EMPLOYEE AND THE RIGHTS OF ANY PARTICIPATING EMPLOYEE OR BENEFICIARY**
17 **TO RECEIVE BENEFITS;**

18 **(III) COMPUTE THE AMOUNT OF BENEFITS PAYABLE TO ANY**
19 **PARTICIPATING EMPLOYEE OR BENEFICIARY; AND**

20 **(IV) AUTHORIZE DISBURSEMENTS OF BENEFITS.**

21 **(2) A DETERMINATION BY THE BOARD OF TRUSTEES ON ANY MATTER**
22 **WITHIN ITS AUTHORITY UNDER THIS PLAN IS FINAL AND BINDING ON ALL**
23 **INTERESTED PARTIES.**

24 **(B) THE BOARD OF TRUSTEES SHALL ADOPT REGULATIONS TO CARRY OUT**
25 **THE PROVISIONS OF THIS TITLE.**

26 **(C) (1) THE STATE SHALL MAKE CONTRIBUTIONS TO THE RETIREMENT**
27 **SAVINGS PLAN, SUBJECT TO APPROPRIATION.**

28 **(2) THE STATE MAY MAKE ADDITIONAL CONTRIBUTIONS TO THE**
29 **TRUST TO COVER OPERATING EXPENSES OF THE RETIREMENT SAVINGS PLAN.**

1 **(3) THE BOARD OF TRUSTEES SHALL PAY OPERATING EXPENSES OF**
2 **THE RETIREMENT SAVINGS PLAN FROM RETIREMENT SAVINGS PLAN ASSETS OR**
3 **FROM CONTRIBUTIONS MADE UNDER PARAGRAPH (2) OF THIS SUBSECTION.**

4 **(4) A PARTICIPATING EMPLOYER SHALL PAY ANY AMOUNTS**
5 **NECESSARY TO COVER THE PARTICIPATING EMPLOYER'S RESPECTIVE OPERATING**
6 **EXPENSES OF THE RETIREMENT SAVINGS PLAN.**

7 **(D) THE BOARD OF TRUSTEES SHALL PRESCRIBE THE FORM, SCOPE,**
8 **MAINTENANCE, AND DISCLOSURE OF RECORDS FOR THE RETIREMENT SAVINGS**
9 **PLAN IN ACCORDANCE WITH STATE LAW.**

10 **(E) (1) ANY PARTICIPATING EMPLOYEE, FORMER PARTICIPATING**
11 **EMPLOYEE, OR DESIGNATED BENEFICIARY ELIGIBLE TO RECEIVE BENEFITS FROM**
12 **THE RETIREMENT SAVINGS PLAN MAY REQUEST, IN WRITING, A DECISION ON**
13 **QUESTIONS ARISING UNDER THIS TITLE.**

14 **(2) THE BOARD OF TRUSTEES SHALL RESPOND IN WRITING TO THE**
15 **REQUEST WITHIN 60 DAYS.**

16 **(3) THE RESPONSE SHALL INCLUDE A STATEMENT OF APPEAL**
17 **RIGHTS.**

18 **(4) A DECISION BY THE BOARD OF TRUSTEES MAY BE APPEALED**
19 **WITHIN 15 DAYS TO THE OFFICE OF ADMINISTRATIVE HEARINGS.**

20 **(5) THE DECISION OF THE OFFICE OF ADMINISTRATIVE HEARINGS IS**
21 **FINAL.**

22 **(F) (1) ON OR BEFORE MARCH 1 EACH YEAR, THE BOARD OF TRUSTEES**
23 **SHALL SUBMIT AN ANNUAL REPORT ON THE STATUS OF THE RETIREMENT SAVINGS**
24 **PLAN FOR THE PRECEDING PLAN YEAR, INCLUDING THE EXTENT AND CONTENT OF**
25 **COUNSELING MADE AVAILABLE TO PARTICIPATING EMPLOYEES TO THE SENATE**
26 **BUDGET AND TAXATION COMMITTEE AND THE HOUSE APPROPRIATIONS**
27 **COMMITTEE IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT**
28 **ARTICLE.**

29 **(2) THE BOARD OF TRUSTEES SHALL MAKE ANY REPORT PREPARED**
30 **UNDER PARAGRAPH (1) OF THIS SUBSECTION AVAILABLE TO ALL STATE OFFICIALS,**
31 **EACH PARTICIPATING EMPLOYEE OF THE RETIREMENT SAVINGS PLAN, AND THE**
32 **PUBLIC.**

1 **(3) THE SENATE BUDGET AND TAXATION COMMITTEE OR THE**
2 **HOUSE APPROPRIATIONS COMMITTEE MAY ASK THE BOARD OF TRUSTEES TO**
3 **PROVIDE ADDITIONAL INFORMATION IN THE ANNUAL REPORT OR IN ADDITIONAL**
4 **REPORTS.**

5 **(4) THE BOARD OF TRUSTEES SHALL PROVIDE THE ADDITIONAL**
6 **INFORMATION PROMPTLY.**

7 **(G) (1) THE BOARD OF TRUSTEES SHALL SUPPLY TO EACH**
8 **PARTICIPATING EMPLOYEE FOR EACH PLAN YEAR A REPORT STATING THE AMOUNT**
9 **OF THE PARTICIPATING EMPLOYEE'S ACCOUNT BALANCES AND THE PARTICIPATING**
10 **EMPLOYEE'S VESTED INTEREST.**

11 **(2) THE REPORT SHALL BE DISTRIBUTED AS SOON AS**
12 **ADMINISTRATIVELY FEASIBLE AFTER THE CLOSE OF EACH PLAN YEAR.**

13 **(3) THE BOARD OF TRUSTEES IS NOT REQUIRED TO PROVIDE MORE**
14 **THAN ONE REPORT DURING ANY PLAN YEAR.**

15 **33A-502.**

16 **(A) A TRUST IS ESTABLISHED AS PART OF THE RETIREMENT SAVINGS PLAN**
17 **FOR THE BENEFIT OF THE PARTICIPATING EMPLOYEES IN THE RETIREMENT**
18 **SAVINGS PLAN.**

19 **(B) THE TRUST CONSISTS OF THE MONEY AND PROPERTY OF THE**
20 **RETIREMENT SAVINGS PLAN AND ANY EARNINGS, PROFITS, INCREMENTS,**
21 **APPRECIATION, AND OTHER ADDITIONS THAT ACCRUE.**

22 **(C) ALL OF THE MONEY AND PROPERTY, ALL INVESTMENTS MADE WITH**
23 **THAT MONEY AND PROPERTY, AND ALL EARNINGS, PROFITS, INCREMENTS, AND**
24 **OTHER ADDITIONS, LESS THE PAYMENTS PREVIOUSLY MADE BY THE BOARD OF**
25 **TRUSTEES, ARE THE RETIREMENT SAVINGS PLAN TRUST FUND.**

26 **33A-503.**

27 **(A) (1) EXCEPT AS OTHERWISE PROVIDED IN THIS TITLE, THE POWERS**
28 **AND DUTIES WITH RESPECT TO INVESTMENTS OF THE RETIREMENT SAVINGS PLAN**
29 **ARE VESTED IN THE BOARD OF TRUSTEES.**

30 **(2) THE BOARD OF TRUSTEES HAS LEGAL TITLE TO ALL CASH AND**
31 **OTHER PROPERTY OF THE RETIREMENT SAVINGS PLAN, BUT MAY DELEGATE SOME**
32 **OR ALL OF THE INCIDENTS OF OWNERSHIP AS PROVIDED IN THIS TITLE.**

1 **(B) (1) IN ACCORDANCE WITH THE INVESTMENT POLICY MANUAL**
2 **ADOPTED UNDER § 21-116 OF THIS ARTICLE, THE BOARD OF TRUSTEES SHALL**
3 **INVEST AND REINVEST, OR CAUSE TO BE INVESTED OR REINVESTED, THE PRINCIPAL**
4 **AND INCOME OF THE RETIREMENT SAVINGS PLAN AND KEEP THE SAME INVESTED**
5 **WITHOUT DISTINCTION BETWEEN PRINCIPAL AND INCOME.**

6 **(2) THE BOARD OF TRUSTEES HAS THE EXCLUSIVE AUTHORITY TO**
7 **MANAGE THE ASSETS OF THE RETIREMENT SAVINGS PLAN, BUT SHALL, TO THE**
8 **EXTENT DIRECTED BY PARTICIPATING EMPLOYEES, INVEST EACH PARTICIPATING**
9 **EMPLOYEE'S ACCOUNTS IN THE MANNER DIRECTED BY THE PARTICIPATING**
10 **EMPLOYEE.**

11 **(3) THE BOARD OF TRUSTEES MAY MAKE OR PERMIT AN INVESTMENT**
12 **MANAGER TO MAKE INDIVIDUAL INVESTMENT SELECTIONS WITH RESPECT TO ANY**
13 **INVESTMENTS DESCRIBED IN THIS SECTION.**

14 **(4) THE BOARD OF TRUSTEES MAY SELECT MUTUAL FUNDS,**
15 **COMMINGLED FUNDS, OR ANY COMBINATION OF FUNDS TO PROVIDE INVESTMENT**
16 **OPTIONS FOR THE RETIREMENT SAVINGS PLAN.**

17 **(C) THE BOARD OF TRUSTEES SHALL:**

18 **(1) DEVELOP RECORD KEEPING FUNCTIONS FOR THE PURPOSE OF**
19 **MAINTAINING AND REPORTING ON PARTICIPATING EMPLOYEE ACCOUNT BALANCES;**

20 **(2) DESIGNATE APPROPRIATE INVESTMENT OPTIONS TO BE OFFERED**
21 **TO PLAN PARTICIPATING EMPLOYEES;**

22 **(3) DESIGNATE METHODS OF ACCOUNTING FOR INVESTMENTS; AND**

23 **(4) DESIGNATE METHODS OF SELECTING ANNUITY CONTRACTS FOR**
24 **DISTRIBUTION OF PARTICIPATING EMPLOYEE ACCOUNT BALANCES.**

25 **(D) THE BOARD OF TRUSTEES SHALL MAKE COUNSELING AVAILABLE TO**
26 **EACH PARTICIPATING EMPLOYEE DURING EACH PLAN YEAR TO ADVISE THE**
27 **PARTICIPATING EMPLOYEE REGARDING INVESTMENT SELECTIONS FOR MEMBER**
28 **AND EMPLOYER CONTRIBUTIONS.**

29 **(E) THE BOARD OF TRUSTEES OR ANY INVESTMENT MANAGER MAY NOT**
30 **INVEST ANY RETIREMENT SAVINGS PLAN ASSET IN ANY BOND, NOTE, OR DEBT**
31 **INSTRUMENT ISSUED BY:**

1 **(1) THE STATE;**

2 **(2) ANY POLITICAL SUBDIVISION OF THE STATE;**

3 **(3) ANY AGENCY SUPPORTED OR FINANCED WHOLLY OR PARTLY BY**
4 **TAXES LEVIED BY THE STATE; OR**

5 **(4) ANY AGENCY SUPPORTED BY BOND ISSUES UNDERWRITTEN BY**
6 **THE STATE.**

7 **(F) THE BOARD OF TRUSTEES SHALL DO ALL ACTS THAT THE BOARD OF**
8 **TRUSTEES CONSIDERS NECESSARY AND EXERCISE ANY AND ALL POWERS OF THIS**
9 **TITLE WITH RESPECT TO THE MANAGEMENT OF THE RETIREMENT SAVINGS PLAN**
10 **AND, IN GENERAL, EXERCISE ALL POWERS IN THE MANAGEMENT OF THE ASSETS**
11 **THAT AN INDIVIDUAL COULD EXERCISE IN THE MANAGEMENT OF PROPERTY OWNED**
12 **IN THE INDIVIDUAL'S OWN RIGHT EXCEPT FOR MAKING AN INDIVIDUAL INVESTMENT**
13 **SELECTION.**

14 **(G) THE BOARD OF TRUSTEES MAY NOT ENGAGE IN ANY TRANSACTION**
15 **BETWEEN THE TRUST AND THE PARTICIPATING EMPLOYER, OR ANY ENTITY**
16 **CONTROLLED BY THE STATE, IN WHICH THE BOARD OF TRUSTEES:**

17 **(1) LENDS ANY PART OF ITS INCOME OR CORPUS, WITHOUT**
18 **RECEIVING ADEQUATE SECURITY AND A REASONABLE RATE OF INTEREST;**

19 **(2) PAYS ANY COMPENSATION MORE THAN A REASONABLE**
20 **ALLOWANCE FOR SALARIES OR OTHER COMPENSATION OR PERSONAL SERVICES**
21 **ACTUALLY RENDERED;**

22 **(3) MAKES ANY SERVICE AVAILABLE ON A PREFERENTIAL BASIS;**

23 **(4) MAKES ANY SUBSTANTIAL PURCHASE OF SECURITIES OR OTHER**
24 **PROPERTY FOR MORE THAN ADEQUATE CONSIDERATION;**

25 **(5) SELLS ANY SUBSTANTIAL PART OF ITS SECURITIES OR OTHER**
26 **PROPERTY FOR LESS THAN ADEQUATE CONSIDERATION; OR**

27 **(6) ENGAGES IN ANY TRANSACTION THAT RESULTS IN A SUBSTANTIAL**
28 **DIVERSION OF ITS INCOME OR CORPUS.**

29 **(H) (1) (I) THE BOARD OF TRUSTEES MAY APPOINT INVESTMENT**
30 **MANAGERS TO MANAGE, ACQUIRE, OR DISPOSE OF ALL OR SOME OF THE ASSETS OF**
31 **THE RETIREMENT SAVINGS PLAN.**

1 **(II) THE BOARD OF TRUSTEES MAY DISMISS ANY INVESTMENT**
2 **MANAGER THE BOARD OF TRUSTEES APPOINTS.**

3 **(III) THE FEES CHARGED BY ANY INVESTMENT MANAGER ARE**
4 **EXPENSES OF THE RETIREMENT SAVINGS PLAN.**

5 **(2) (I) IN ANY CONTRACT WITH AN INVESTMENT MANAGER, THE**
6 **BOARD OF TRUSTEES SHALL IDENTIFY THE ASSETS THAT ARE SUBJECT TO THE**
7 **CONTRACT.**

8 **(II) THE BOARD OF TRUSTEES MAY GIVE AN INVESTMENT**
9 **MANAGER THE RIGHT TO INVEST THE ASSETS OF THE RETIREMENT SAVINGS PLAN**
10 **SPECIFIED IN THE CONTRACT WITHOUT PRIOR NOTICE TO OR APPROVAL BY THE**
11 **BOARD OF TRUSTEES.**

12 **(III) THE BOARD OF TRUSTEES MAY LIMIT THE INVESTMENT OF**
13 **A SPECIFIED PORTION OF THE RETIREMENT SAVINGS PLAN TO A CERTAIN TYPE OF**
14 **PROPERTY.**

15 **(IV) IF A CONTRACT WITH AN INVESTMENT MANAGER APPLIES**
16 **ONLY TO A PORTION OF THE ASSETS OF THE RETIREMENT SAVINGS PLAN AND**
17 **SPECIFIES THE TYPE OF PROPERTY TO BE INVESTED IN, THE MANAGER SHALL**
18 **ACHIEVE DIVERSIFICATION WITHIN THE SPECIFIED CATEGORY OF PROPERTY, BUT**
19 **IS NOT RESPONSIBLE FOR DIVERSIFICATION OF INVESTMENTS OF THE ENTIRE**
20 **RETIREMENT SAVINGS PLAN.**

21 **(V) THE BOARD OF TRUSTEES MAY DELEGATE TO THE**
22 **INVESTMENT MANAGER ANY POWER OR DISCRETION CONFERRED ON THE BOARD OF**
23 **TRUSTEES UNDER THIS TITLE AND MAY PROVIDE THAT THE INVESTMENT MANAGER**
24 **SHALL HAVE CUSTODY AND CONTROL OF CERTAIN ASSETS OF THE RETIREMENT**
25 **SAVINGS PLAN.**

26 **(3) (I) THE BOARD OF TRUSTEES SHALL MONITOR THE**
27 **PERFORMANCE OF ANY INVESTMENT MANAGER.**

28 **(II) MONITORING MAY INCLUDE ANY TESTS OR ANALYSES THAT**
29 **THE BOARD OF TRUSTEES CONSIDERS PRUDENT IN THE CIRCUMSTANCES.**

30 **(I) THE BOARD OF TRUSTEES SHALL PAY ALL BENEFITS AND EXPENSES OF**
31 **THE RETIREMENT SAVINGS PLAN.**

32 **33A-504.**

1 **(A) THE STATE EXPECTS TO CONTINUE THE RETIREMENT SAVINGS PLAN,**
2 **BUT IT ASSUMES NO CONTRACTUAL OBLIGATION TO CONTINUE THE PLAN AND**
3 **RESERVES THE RIGHT AT ANY TIME FOR ANY REASON TO AMEND THE RETIREMENT**
4 **SAVINGS PLAN.**

5 **(B) THE RETIREMENT SAVINGS PLAN AND ANY RELATED TRUST**
6 **AGREEMENT, INVESTMENT ADVISORY AGREEMENT, CUSTODIAL AGREEMENT,**
7 **ANNUITY CONTRACT, OR SIMILAR AGREEMENT MAY BE AMENDED BY THE STATE AT**
8 **ANY TIME, EITHER PROSPECTIVELY OR RETROACTIVELY, TO CONFORM TO THE**
9 **INTERNAL REVENUE CODE.**

10 **(C) (1) THE STATE HAS ESTABLISHED THE RETIREMENT SAVINGS PLAN**
11 **WITH THE EXPECTATION THAT THE STATE WILL BE ABLE TO MAKE CONTRIBUTIONS**
12 **INDEFINITELY, BUT THE STATE IS NOT UNDER ANY OBLIGATION TO CONTINUE**
13 **CONTRIBUTIONS OR MAINTAIN THE RETIREMENT SAVINGS PLAN FOR ANY LENGTH**
14 **OF TIME, AND MAY TERMINATE THE RETIREMENT SAVINGS PLAN.**

15 **(2) IN THE EVENT OF A TERMINATION OF THE RETIREMENT SAVINGS**
16 **PLAN, A PARTICIPATING EMPLOYEE WILL BECOME 100% VESTED IN THE MEMBER**
17 **CONTRIBUTIONS ACCOUNT ON THE EFFECTIVE DATE OF A TERMINATION OF THE**
18 **RETIREMENT SAVINGS PLAN.**

19 **(D) (1) IF A PARTICIPATING EMPLOYER DECIDES TO WITHDRAW OR**
20 **OTHERWISE TERMINATE ITS PARTICIPATION IN THE RETIREMENT SAVINGS PLAN,**
21 **THE PARTICIPATING EMPLOYER MAY NOTIFY THE BOARD OF TRUSTEES IN WRITING.**

22 **(2) THE BOARD OF TRUSTEES AND THE APPROPRIATE OFFICER OF**
23 **THE WITHDRAWING PARTICIPATING EMPLOYER SHALL AGREE ON A DATE FOR**
24 **WITHDRAWAL.**

25 **(3) ANY TRANSFER OF ASSETS PURSUANT TO THE WITHDRAWAL**
26 **SHALL SATISFY THE REQUIREMENTS OF THE INTERNAL REVENUE CODE.**

27 **33A-505.**

28 **(A) (1) THE RIGHT OF A PARTICIPATING EMPLOYEE IN THAT**
29 **PARTICIPATING EMPLOYEE'S ACCOUNT BALANCES OR ANY OTHER RIGHT OR**
30 **BENEFIT UNDER THIS TITLE ARE NOT SUBJECT TO EXECUTION, GARNISHMENT,**
31 **ATTACHMENT, OR ANY OTHER PROCESS, AND ARE NOT ASSIGNABLE.**

32 **(2) (I) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION,**
33 **A PORTION OR ALL OF A PARTICIPATING EMPLOYEE'S ACCOUNT BALANCES MAY BE**

1 PAID TO AN ALTERNATE PAYEE PURSUANT TO A QUALIFIED DOMESTIC RELATIONS
2 ORDER UNDER THE INTERNAL REVENUE CODE.

3 (II) THE BOARD OF TRUSTEES SHALL ESTABLISH FORMS AND
4 PROCEDURES TO DETERMINE THE QUALIFIED STATUS OF DOMESTIC RELATIONS
5 ORDERS AND SHALL DETERMINE THE FORM AND TIMING OF DISTRIBUTIONS
6 PERMISSIBLE UNDER SUCH QUALIFIED ORDERS.

7 (B) ANY PERSON WHO KNOWINGLY MAKES ANY FALSE STATEMENT OR
8 FALSIFIES OR PERMITS TO BE FALSIFIED ANY RECORD OF THE RETIREMENT
9 SAVINGS PLAN IN ANY ATTEMPT TO DEFRAUD THE RETIREMENT SAVINGS PLAN IS
10 SUBJECT TO PUNISHMENT FOR A CLASS A VIOLATION.

11 (C) (1) IF ANY CHANGE OR ERROR IN THE RECORDS RESULTS IN ANY
12 PARTICIPATING EMPLOYEE OR BENEFICIARY RECEIVING FROM THE RETIREMENT
13 SAVINGS PLAN MORE OR LESS THAN THE PARTICIPATING EMPLOYEE OR
14 BENEFICIARY IS ENTITLED TO RECEIVE HAD THE RECORDS BEEN CORRECT, THE
15 ERROR SHALL BE CORRECTED, AND AS FAR AS PRACTICABLE, THE PAYMENT SHALL
16 BE ADJUSTED IN SUCH MANNER THAT THE AMOUNT OF THE BENEFIT TO WHICH
17 THAT PARTICIPATING EMPLOYEE OR BENEFICIARY WAS CORRECTLY ENTITLED WILL
18 BE PAID.

19 (2) IF ANY PARTICIPATING EMPLOYEE OR BENEFICIARY HAS
20 RECEIVED ANY PAYMENT FROM THE RETIREMENT SAVINGS PLAN TO WHICH THE
21 PARTICIPATING EMPLOYEE OR BENEFICIARY IS NOT ENTITLED, THE PARTICIPATING
22 EMPLOYEE OR BENEFICIARY SHALL REFUND THAT AMOUNT TO THE RETIREMENT
23 SAVINGS PLAN.

24 (D) (1) IF THE BOARD OF TRUSTEES IS UNABLE TO LOCATE A FORMER
25 PARTICIPATING EMPLOYEE OR A BENEFICIARY FOLLOWING A FORMER
26 PARTICIPATING EMPLOYEE'S DEATH OR ATTAINMENT OF NORMAL RETIREMENT
27 AGE, THE BOARD OF TRUSTEES SHALL TAKE REASONABLE STEPS TO LOCATE THE
28 FORMER PARTICIPATING EMPLOYEE OR BENEFICIARY, INCLUDING USING THE
29 RESOURCES AVAILABLE THROUGH THE FEDERAL SOCIAL SECURITY
30 ADMINISTRATION AND THE INTERNAL REVENUE SERVICE.

31 (2) IF THE BOARD OF TRUSTEES IS UNABLE TO LOCATE THE FORMER
32 PARTICIPATING EMPLOYEE OR BENEFICIARY AFTER MAKING REASONABLE
33 EFFORTS, THE BOARD OF TRUSTEES SHALL, AFTER 5 PLAN YEARS HAVE PASSED,
34 DISTRIBUTE THE FORMER PARTICIPATING EMPLOYEE'S OR BENEFICIARY'S
35 ACCOUNT BALANCES TO THE STATE.

1 **(3) IF THE FORMER PARTICIPATING EMPLOYEE OR BENEFICIARY**
2 **RETURNS, SATISFACTORILY PROVES THE PARTICIPATING EMPLOYEE'S OR**
3 **BENEFICIARY'S IDENTITY, AND REQUESTS THE ACCOUNT BALANCES AFTER THE**
4 **MONEY HAS ESCHEATED TO THE STATE, THE STATE SHALL MAKE A CONTRIBUTION**
5 **TO THE RETIREMENT SAVINGS PLAN AND PAY THE PARTICIPATING EMPLOYEE OR**
6 **BENEFICIARY THE ACCOUNT BALANCES TO WHICH THE PARTICIPATING EMPLOYEE**
7 **OR BENEFICIARY IS ENTITLED.**

8 **(E) THE RETIREMENT SAVINGS PLAN TRUST FUND SHALL BE HELD FOR THE**
9 **EXCLUSIVE PURPOSE OF PROVIDING BENEFITS TO PARTICIPATING EMPLOYEES AND**
10 **BENEFICIARIES AND DEFRAYING REASONABLE EXPENSES OF ADMINISTERING THE**
11 **PLAN AND, EXCEPT AS OTHERWISE PROVIDED UNDER THE INTERNAL REVENUE**
12 **CODE, NO PART OF THE TRUST FUND SHALL EVER INURE TO THE BENEFIT OF THE**
13 **STATE.**

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
15 1, 2018.