

HOUSE BILL 486

P6

2lr2099

By: **Delegate Ebersole**

Introduced and read first time: January 21, 2022

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Retirement and Pension System – Prorated Payment of Benefits on Death**

3 FOR the purpose of providing for the prorated payment of benefits when a designated
4 beneficiary or retiree of the State Retirement and Pension System dies; and
5 generally relating to payment of benefits on the death of a designated beneficiary or
6 retiree of the State Retirement and Pension System.

7 BY repealing and reenacting, with amendments,

8 Article – State Personnel and Pensions

9 Section 21–406

10 Annotated Code of Maryland

11 (2015 Replacement Volume and 2021 Supplement)

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

14 **Article – State Personnel and Pensions**

15 21–406.

16 (a) [(1) If] **WHEN** a designated beneficiary who is receiving payments for life
17 dies [on or before the 15th day of a month, the Board of Trustees may not pay any portion
18 of the designated beneficiary’s allowance to the designated beneficiary’s estate for the
19 month in which the death occurs.

20 (2) If a designated beneficiary who is receiving payments for life dies on or
21 after the 16th day of a month], the Board of Trustees shall pay to the designated
22 beneficiary’s estate the [entire] **PART OF THE** allowance due to the designated beneficiary
23 for the month in which the death occurs.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) [(1) If] **WHEN** a retiree dies [on or before the 15th day of a month, the Board
2 of Trustees may not pay any portion of the retiree's allowance to the designated beneficiary
3 or the retiree's estate for the month in which the death occurs.

4 (2) If a retiree dies on or after the 16th day of a month], the Board of
5 Trustees shall pay the [entire] **PART OF THE** allowance due to the retiree for the month in
6 which the death occurs:

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

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

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
10 1, 2022.