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**Testimony in Support of House Bill 527
State Retirement and Pension System - Nonvested Former Members - Return of
Accumulated Contributions
House Appropriations Committee**

**February 14, 2023
1:00 P.M.**

**Anne Gawthrop
Director of Legislative Affairs
State Retirement Agency**

The Board of Trustees for the State Retirement and Pension System wishes to express its support for House Bill 527 State Retirement and Pension System - Nonvested Former Members - Return of Accumulated Contributions. House Bill 527 is legislation sponsored by the Joint Committee on Pensions at the request of the Board.

This legislation is technical and clarifying. The State Retirement Agency (Agency) has determined that there currently is not a provision in the State Personnel and Pensions Article that authorizes the Agency to refund the member contributions of a deceased non-vested former member to the deceased member's designated beneficiary, or if there is no beneficiary, to the deceased member's estate. Current provisions of the State Personnel and Pensions Article allow for the distribution of member contributions of a deceased former member, if the member was vested in one of the several systems at the time of death. When the Agency has been faced with the death of a non-vested former member, the current practice of the Agency has been to make such a distribution to the designated beneficiary of a deceased non-vested member, or if there is not a designated beneficiary, to the deceased former member's estate. House Bill 527 codifies the Agency's current practice, addressing this inconsistency in existing law.

We appreciate being given this opportunity to express our support to the Appropriations Committee for this legislation and would request a favorable report on House Bill 527.

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