

Article – State Personnel and Pensions**Section 27–403****Annotated Code of Maryland****(1997 Replacement Volume and 2003 Supplement)**

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

Article – State Personnel and Pensions**27–403.**

(a) (1) Except as provided in paragraph (2) of this subsection, on the death of a member, the Board of Trustees shall pay to the surviving spouse 50% of the retirement allowance that would be payable were the member alive and eligible to receive a retirement allowance.

(2) (i) If at the time of death the member does not have a surviving spouse, the Board of Trustees shall pay to the member's designated beneficiary or beneficiaries a lump-sum death benefit consisting of the sum of:

1. the member's accumulated contributions; and
2. an amount equal to the member's annual salary at the time of death.

(ii) If a member has designated more than one beneficiary, the lump-sum death benefit provided in item (i) of this paragraph shall be divided equally among the beneficiaries.

(b) On the death of a former member or retiree, the Board of Trustees shall pay to the surviving spouse[, when the surviving spouse is at least 50 years old,] 50% of the retirement allowance that would be payable were the former member or retiree alive and eligible to receive a retirement allowance.

(c) (1) This subsection applies to a member, former member, or retiree who at the time of death:

- (i) does not have a spouse; and
- (ii) has a child under the age of 18 years.

(2) Until each child reaches the age of 18 years, the Board of Trustees shall pay to the surviving children of the member, former member, or retiree who are under the age of 18 years the retirement allowance that would have been paid to a surviving spouse under subsection (a) or (b) of this section.

(3) If the Board of Trustees pays an allowance to more than one child, the Board of Trustees shall divide the allowance equally among the children who are under the age of 18 years.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2004.