

HOUSE BILL 725

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8lr0414

By: **Delegates Rudolph, Bartlett, G. Clagett, DeBoy, Hecht, Stull, and Weldon**

Introduced and read first time: February 4, 2008

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Employees' Retirement and Pension Systems – Line of Duty Death**
3 **Benefits – State Highway Administration Employees**

4 FOR the purpose of providing that certain minor children and dependent parents of
5 certain employees of the State Highway Administration are entitled to enroll
6 and participate in the State Employee and Retiree Health and Welfare Benefits
7 Program under certain circumstances; providing that surviving spouses, certain
8 minor children, or dependent parents of certain deceased members of the
9 Employees' Retirement System or Employees' Pension System are eligible to
10 receive certain death benefits under certain circumstances; prohibiting the
11 payment of certain death benefits to surviving spouses, certain minor children,
12 or dependent parents of certain deceased members of the Employees'
13 Retirement System or Employees' Pension System if the surviving spouse,
14 children, or parents are receiving certain line of duty death benefits; providing
15 for the application of this Act; and generally relating to line of duty death
16 benefits for surviving spouses, minor children, and dependent parents of
17 deceased employees of the State Highway Administration.

18 BY repealing and reenacting, with amendments,
19 Article – State Personnel and Pensions
20 Section 2–507, 29–202(b), 29–205, 29–206
21 Annotated Code of Maryland
22 (2004 Replacement Volume and 2007 Supplement)

23 BY repealing and reenacting, without amendments,
24 Article – State Personnel and Pensions
25 Section 29–202(a)
26 Annotated Code of Maryland
27 (2004 Replacement Volume and 2007 Supplement)

28 BY adding to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – State Personnel and Pensions
2 Section 29–204.2
3 Annotated Code of Maryland
4 (2004 Replacement Volume and 2007 Supplement)

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

7 **Article – State Personnel and Pensions**

8 2–507.

9 (a) Subject to the regulations adopted under § 2–503 of this subtitle, a State
10 employee may enroll and participate in any of the health insurance or other benefit
11 options established under the Program.

12 (b) The surviving spouse of a State employee who died while employed by the
13 State may enroll and participate in the health insurance benefit options established
14 under the Program as long as the surviving spouse:

15 (1) is receiving an allowance under Title 29, Subtitle 2 of this article;
16 or

17 (2) is the sole primary designated beneficiary and receiving a periodic
18 distribution of benefits under an optional retirement program under Title 30 of this
19 article.

20 (c) The surviving minor child or dependent parent of a State Police officer
21 who died while employed by the State may enroll and participate in the health
22 insurance benefit options established under the Program as long as the child or parent
23 is receiving an allowance under Title 29, Subtitle 2 of this article.

24 (d) The surviving minor child of a correctional officer who at the time of
25 death was a member of the Correctional Officers' Retirement System and who died
26 while employed by the State may enroll and participate in the health insurance
27 benefit options established under the Program as long as the child is receiving an
28 allowance under Title 29, Subtitle 2 of this article.

29 **(E) THE SURVIVING MINOR CHILD OR DEPENDENT PARENT OF AN**
30 **EMPLOYEE OF THE STATE HIGHWAY ADMINISTRATION WHO AT THE TIME OF**
31 **DEATH WAS A MEMBER OF THE EMPLOYEES' RETIREMENT SYSTEM OR**
32 **EMPLOYEES' PENSION SYSTEM AND WHO DIED WHILE EMPLOYED BY THE**
33 **STATE MAY ENROLL AND PARTICIPATE IN THE HEALTH INSURANCE BENEFIT**
34 **OPTIONS ESTABLISHED UNDER THE PROGRAM AS LONG AS THE CHILD OR**
35 **PARENT IS RECEIVING AN ALLOWANCE UNDER TITLE 29, SUBTITLE 2 OF THIS**
36 **ARTICLE.**

1 29-202.

2 (a) (1) When the Board of Trustees receives proof of death of an individual
3 who died while employed as a member, the Board of Trustees shall pay to the
4 designated beneficiary or, if there is no designated beneficiary, to the member's estate
5 the amounts specified in this subsection.

6 (2) Subject to paragraph (1) of this subsection, the Board of Trustees
7 shall pay the member's accumulated contributions.

8 (3) Subject to paragraph (1) of this subsection, the Board of Trustees
9 shall pay an amount equal to the member's annual earnable compensation at death if
10 the member dies in the course of the performance of duty or the member has at least 1
11 year of eligibility service.

12 (b) (1) A death benefit under this section may not be paid for the death of
13 a member of the State Police Retirement System if a special death benefit under §
14 29-204 of this subtitle is payable or has been paid for that death.

15 (2) A death benefit under this section may not be paid for the death of
16 a member of the Correctional Officers' Retirement System if a special death benefit
17 under § 29-204.1 of this subtitle is payable or has been paid for that death.

18 (3) **A DEATH BENEFIT UNDER THIS SECTION MAY NOT BE PAID
19 FOR THE DEATH OF AN EMPLOYEE OF THE STATE HIGHWAY ADMINISTRATION
20 WHO AT THE TIME OF DEATH WAS A MEMBER OF THE EMPLOYEES' RETIREMENT
21 SYSTEM OR EMPLOYEES' PENSION SYSTEM IF A SPECIAL DEATH BENEFIT
22 UNDER § 29-204.2 OF THIS SUBTITLE IS PAYABLE OR HAS BEEN PAID FOR THAT
23 DEATH.**

24 **29-204.2.**

25 (A) **THIS SECTION APPLIES ONLY TO AN INDIVIDUAL WHO DIES WHILE
26 EMPLOYED BY THE STATE HIGHWAY ADMINISTRATION AS A MEMBER OF THE
27 EMPLOYEES' RETIREMENT SYSTEM OR EMPLOYEES' PENSION SYSTEM:**

28 (1) **WITHOUT WILLFUL NEGLIGENCE BY THE MEMBER; AND**

29 (2) **WITH DEATH ARISING OUT OF OR IN THE COURSE OF THE
30 ACTUAL PERFORMANCE OF DUTY.**

31 (B) **WHEN THE BOARD OF TRUSTEES RECEIVES PROOF OF DEATH OF A
32 MEMBER AND FINDS THAT THE DEATH HAS OCCURRED IN THE MANNER
33 DESCRIBED IN SUBSECTION (A) OF THIS SECTION, THE BOARD OF TRUSTEES
34 SHALL PAY:**

1 **(1) IF THE MEMBER IS SURVIVED BY A SPOUSE, A CHILD UNDER**
2 **THE AGE OF 18 YEARS, OR A DEPENDENT PARENT:**

3 **(I) THE MEMBER'S ACCUMULATED CONTRIBUTIONS TO THE**
4 **DESIGNATED BENEFICIARY, OR OTHERWISE TO THE MEMBER'S ESTATE; AND**

5 **(II) AN ALLOWANCE OF TWO-THIRDS OF THE MEMBER'S**
6 **AVERAGE FINAL COMPENSATION:**

7 **1. TO THE SURVIVING SPOUSE;**

8 **2. IF THERE IS NO SURVIVING SPOUSE OR IF THE**
9 **SURVIVING SPOUSE DIES BEFORE THE YOUNGEST CHILD OF THE MEMBER IS 18**
10 **YEARS OLD, TO ALL CHILDREN OF THE DECEASED MEMBER WHO ARE UNDER**
11 **THE AGE OF 18 YEARS; OR**

12 **3. IF THERE IS NO SURVIVING SPOUSE OR CHILDREN**
13 **YOUNGER THAN 18 YEARS OF AGE, TO THE MEMBER'S DEPENDENT PARENT TO**
14 **CONTINUE AS THE BOARD OF TRUSTEES MAY DIRECT FOR THE REST OF THE**
15 **PARENT'S LIFE; OR**

16 **(2) IF THE MEMBER IS NOT SURVIVED BY A SPOUSE, A CHILD**
17 **UNDER THE AGE OF 18 YEARS, OR A DEPENDENT PARENT, THE DEATH BENEFIT**
18 **UNDER § 29-202 OF THIS SUBTITLE.**

19 **(C) IF THE BOARD OF TRUSTEES PAYS AN ALLOWANCE UNDER THIS**
20 **SECTION TO MORE THAN ONE CHILD, THE BOARD OF TRUSTEES SHALL DIVIDE**
21 **THE ALLOWANCE AMONG THE CHILDREN UNDER THE AGE OF 18 YEARS IN A**
22 **MANNER THAT PROVIDES FOR PAYMENTS TO CONTINUE UNTIL EACH CHILD**
23 **DIES OR BECOMES 18 YEARS OLD.**

24 29-205.

25 (a) This section applies to the surviving spouse of an individual who died
26 while employed as a member of:

27 (1) the Correctional Officers' Retirement System;

28 (2) the Employees' Retirement System;

29 (3) the Local Fire and Police System, if the member had transferred
30 from the Employees' Retirement System; or

31 (4) the Teachers' Retirement System.

1 (b) Except as provided in [subsection (c)] **SUBSECTIONS (C) AND (D)** of this
2 section, a surviving spouse may elect to receive one of the following:

3 (1) the death benefit, under § 29–202 of this subtitle; or

4 (2) an allowance equal to the amount payable under Option 2 as
5 described in § 21–403 of this article, if:

6 (i) the spouse is the sole primary designated beneficiary; and

7 (ii) the member:

8 1. was eligible to retire; or

9 2. was at least 55 years old with at least 15 years of
10 eligibility service.

11 (c) A death benefit under this section may not be paid for the death of a
12 member of the Correctional Officers' Retirement System if a special death benefit
13 under § 29–204.1 of this subtitle is payable or has been paid for that death.

14 **(D) A DEATH BENEFIT UNDER THIS SECTION MAY NOT BE PAID FOR THE**
15 **DEATH OF A MEMBER OF THE EMPLOYEES' RETIREMENT SYSTEM IF A SPECIAL**
16 **DEATH BENEFIT UNDER § 29–204.2 OF THIS SUBTITLE IS PAYABLE OR HAS BEEN**
17 **PAID FOR THAT DEATH.**

18 29–206.

19 (a) This section applies to the surviving spouse of an individual who died
20 while employed as a member of:

21 (1) the Employees' Pension System;

22 (2) the Teachers' Pension System; or

23 (3) the Local Fire and Police System, if the member had not
24 transferred from the Employees' Retirement System.

25 (b) **[A] EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, A**
26 surviving spouse may elect to receive one of the following:

27 (1) the death benefit under § 29–202 of this subtitle; or

28 (2) an allowance equal to the amount payable under Option 2 as
29 described in § 21–403 of this article, if:

30 (i) the spouse is the sole primary designated beneficiary; and

- 1 (ii) the member:
- 2 1. was eligible to retire;
- 3 2. had at least 25 years of eligibility service; or
- 4 3. was at least 55 years old with at least 15 years of
- 5 eligibility service.

6 (C) **A DEATH BENEFIT UNDER THIS SECTION MAY NOT BE PAID FOR THE**

7 **DEATH OF A MEMBER OF THE EMPLOYEES' PENSION SYSTEM IF A SPECIAL**

8 **DEATH BENEFIT UNDER § 29-204.2 OF THIS SUBTITLE IS PAYABLE OR HAS BEEN**

9 **PAID FOR THAT DEATH.**

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be

11 construed to apply retroactively and shall be applied to and interpreted to affect any

12 individual who died on or after January 1, 2007, while employed by the State Highway

13 Administration as a member of the Employees' Retirement System or Employees'

14 Pension System:

- 15 (1) without willful negligence by the individual; and
- 16 (2) with death arising out of or in the course of the actual performance
- 17 of duty.

18 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect

19 June 1, 2008.