

## CHAPTER 13

(House Bill 21)

AN ACT to repeal and re-enact, with amendments, Sub-sections (3) (a), (3) (g), (3) (h) and (4) of Section 14 of Article 73-B of the Annotated Code of Maryland (1957 Edition), title "Pensions", to provide that all pensions be paid from the Pension Reserve Fund, and relating to the reserves for payments of pensions and other benefits to retired members of the Employees' Retirement System.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Sub-sections (3) (a), (3) (g), (3) (h) and (4) of Section 14 of Article 73-B of the Annotated Code of Maryland (1957 Edition), title "Pensions", be and the same are hereby repealed and re-enacted, with amendments, to read as follows:

## 14. (Method of Financing)

(3)

(a) The Pension Accumulation Fund shall be the fund in which shall be accumulated all reserves for the payment of all pensions and other benefits payable from contributions made by the State and from which shall be paid [all pensions and other benefits on account of members with prior service credit and] the lump sum death benefits [for all members] payable from said contributions. Contributions to and payments from the Pension Accumulation Fund shall be made as follows:

(g) [All pensions and benefits in lieu thereof, with the exception of those payable on account of members who receive no prior service allowance, and] All lump sum death benefits on account of death in active service payable from contributions of the State, shall be paid from the Pension Accumulation Fund. [Pensions payable under Section 12 to employees retired before the establishment of this retirement system shall be paid from the Pension Accumulation Fund.]

(h) Upon the retirement of a member [not entitled to credit for prior service], an amount equal to his pension reserve shall be transferred from the Pension Accumulation Fund to the Pension Reserve Fund.

(4)

The Pension Reserve Fund shall be the fund in which shall be held the reserves on all pensions granted to members [not entitled to credit for prior service] and from which such pensions and benefits in lieu thereof shall be paid. Should a beneficiary [not entitled to credit for prior service and] retired on account of disability be restored to membership, his pension reserve shall be transferred from the Pension Reserve Fund to the Pension Accumulation Fund. Should the pension of a disability beneficiary [not entitled to credit

EXPLANATION: *Italics indicate new matter added to existing law.*

[Brackets] indicate matter stricken from existing law.

CAPITALS indicate amendments to bill.

~~Strike out~~ indicates matter stricken out of bill.