

title "Pensions", sub-title "Social Security Benefits", amending the law to authorize the investment of monies in the Contribution Fund in short term government securities and using the interest earned on the investments to defray operating expenses of the State Agency.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Section 40 of Article 73B of the Annotated Code of Maryland (1957 Edition), title "Pensions", sub-title "Social Security Benefits", be and it is hereby repealed and re-enacted, with amendments, to read as follows:

40. Contribution and Expense Funds.

(a) Contribution Fund established: of what monies composed; authority of State Agency.—There is hereby established a special fund to be known as the Contribution Fund. Such fund shall consist of and there shall be deposited in such fund:

(1) All contributions, interest, and penalties collected under Sec. 39, but not Expense Funds collected under sub-section (d) (3) thereof; and

(2) *Interest earned on investments; and*

(3) All sums recovered upon the bond of a custodian or otherwise for losses sustained by the fund and all monies received for the fund from any other sources. (All monies in the fund shall be mingled and undivided). *The interest earned on investments shall be used to defray the operating expenses of the State Agency.* Subject to the provisions of this sub-title, the State Agency is vested with full power, authority and jurisdiction over the fund and may perform any and all acts whether or not specifically designated, which are necessary to the administration thereof and are consistent with the provisions of this sub-title.

(b) Fund to be held separate and apart; withdrawals.—The Contribution Fund shall be established and held separate and apart from any other funds or monies of the State and shall be used and administered exclusively for the purposes of this sub-title. Withdrawals from such funds shall be made for and solely for:

(1) Payment of amounts required to be paid to the secretary of the treasury pursuant to an agreement entered into under sec. 37; and

(2) Refunds of over-payments not otherwise adjustable made by a political sub-division or instrumentality; and

(3) *Investing in short term government securities; and*

(4) *Payments to expense fund under Section 40 (e) of interest earned on investments; and*

(c) Payments from fund by State Treasurer.—From the Contribution Fund, the State Treasurer or the deputy treasurer, only upon vouchers signed by two persons designated by the board of trustees, shall pay (the secretary of the treasury) such amounts and at such time or times as may be directed by the State Agency in accordance with (any agreement entered into under sec. 37 and the Social Security Act.) *this sub-title.*