

Section 14(3)(i) thereof; and that Section 16 of said article, title and subtitle of the Code be and it is hereby repealed and re-enacted, with amendments; and all to read as follows:

14.

*(3)(j) The board of trustees may in its discretion adopt a generally accepted method of writing up the book value of the common stock portion of the assets held by the retirement system, provided that the annual amount of any such write-up shall not exceed 3 per centum of the total book value of the common stocks held as of the determination date of the write-up. One-half of the amount of any such write-up shall be offset against the employer contributions otherwise payable hereunder and, notwithstanding any other provision of this article, the other half shall be accumulated in a special account under the Pension Accumulation Fund to be used at the direction of the board of trustees to provide all or part of the cost of benefit improvements.*

16.

The creation and maintenance of reserves in the Pension Accumulation Fund, the maintenance of annuity reserves and pension reserves as provided for, and regular interest creditable to the various funds as provided in Section 14 of this article, and the payment of all pensions, annuities, retirement allowances, refunds and other benefits granted under the provisions of this article and all expenses in connection with the administration and operation of this retirement system, are hereby made obligations of the State. All income, interest and dividends derived from deposits and investments authorized by this article shall be used for the payment of the said obligations of the State. Any amounts derived ~~therefrom~~ **[therefore]** *therefrom* which, when combined with the regular amounts otherwise contributable by the State, exceed the amount required to provide said obligations, shall be used to reduce the regular appropriations otherwise required, *except as otherwise provided in Section 14(3)(j) of this article.*

SEC. 2. *And be it further enacted, That new Section ~~198(3)(i)~~ 198(3)(J) be and it is hereby added to Article 77 of the Annotated Code of Maryland (1969 Replacement Volume), title "Public Education," subtitle "Chapter 17. Teachers' Retirement System," to follow immediately after Section ~~198(3)(h)~~ 198(3)(I) thereof; and that Section 205 of said article, title and subtitle of the Code be and it is hereby repealed and re-enacted, with amendments; and all to read as follows:*

198.

*~~(3)(i)~~ (3)(J) The board of trustees may in its discretion adopt a generally accepted method of writing up the book value of the common stock portion of the assets held by the retirement system, provided that the annual amount of any such write-up shall not exceed 3 per centum of the total book value of the common stocks held as of the determination date of the write-up. One-half of the amount of any such write-up shall be offset against the employer contributions otherwise payable hereunder and, notwithstanding any other*