

*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.*

205.

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 198, of this article, and the payment of all pensions, annuities, retirement allowances, refunds and other benefits granted under the provisions of this subtitle, and all expenses in connection with the administration and operation of this retirement system are hereby made obligations of the State of Maryland. All income, interest and dividends derived from deposits and investments authorized by this subtitle shall be used for the payment of the said obligations of said State. Any amounts derived [therefore] *therefrom* which, when combined with the regular amounts, otherwise contributable by the State of Maryland as provided under the provisions of this subtitle, exceed the amount required to provide such obligations, shall be used to reduce regular appropriations otherwise required, *except as otherwise provided in Section 198(3)(i) of this article.*

SEC. 3. *And be it further enacted,* That new Section 56(3)(j) be and it is hereby added to Article 88B of the Annotated Code of Maryland (1969 Replacement Volume), title "State Police," subtitle "State Police Retirement System," to follow immediately after Section 56(3)(i) thereof; and that Section 59 of said article, title and subtitle of the Code be and it is hereby repealed and re-enacted, with amendments, and all to read as follows:

56.

*(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.*

59.

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 56 of this subtitle, and the payment of all pensions, annuities, retirement allowances, refunds and other benefits granted under the provisions of this subtitle and all expenses in connection with the administration and operation of this Retirement System, are hereby made obligations of the State.