

CHAPTER 503

(Senate Bill 811)

AN ACT concerning

Teachers' Retirement System - Definitions

FOR the purpose of redefining, for purposes of the Teachers' Retirement System provisions, the terms "regular interest" and "average final compensation"; and numbering certain provisions.

BY repealing and reenacting, with amendments,

Article 73B - Pensions
Section 81(12) and (15)
Annotated Code of Maryland
(As enacted by Chapter _____ of the Acts
of the General Assembly of 1978)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland (as enacted by Chapter _____ of the Acts of the General Assembly of 1978) be repealed, amended, or enacted to read as follows:

Article 73B - Pensions

81.

In this subtitle the following words have the meanings indicated unless the context requires otherwise:

(12) (A) "Regular interest" MEANS, for PURPOSES OF INTEREST CREDITS TO the Annuity Savings Fund [means], interest at an annual percentage rate compounded annually as may be set from time to time by the board with a minimum rate of 3 percent per year and a maximum rate of 4 percent per year.

(B) "Regular interest" MEANS, for [the] ALL OTHER purposes [of the actuarial valuations shall mean], interest at such rate or rates as may be set from time to time by the board of trustees in accordance with §88 [, subsection] (2) of this article.

[As to any member who after June 1, 1958, leaves, and is no longer in active service as a teacher, the rate or regular interest credited to the member's accumulated contributions from the time of his leaving shall be 3 percent.]

(15) (A) "Average final compensation" means the