

SUCH OTHER MANNER AS THE BOARD OF TRUSTEES MAY PRESCRIBE, THE AMOUNTS TO BE DEDUCTED; AND WHEN DEDUCTED SHALL BE PAID INTO THE ANNUITY SAVINGS FUND, AND SHALL BE CREDITED, TOGETHER WITH REGULAR INTEREST THEREON TO THE INDIVIDUAL ACCOUNT OF THE MEMBER FROM WHOSE COMPENSATION SAID DEDUCTION WAS MADE. ANY COUNTY OR BALTIMORE CITY SCHOOL SYSTEM OR INSTITUTION FAILING TO PAY TO THE RETIREMENT SYSTEM THE DEDUCTIONS FROM COMPENSATION OF TEACHERS ON THE DATE THE TEACHERS ARE PAID SHALL BE LIABLE FOR A PENALTY OF 10 PERCENT OF THE AMOUNTS DUE. THE SECRETARY OF THE BOARD, HOWEVER, MAY ALLOW A GRACE PERIOD NOT TO EXCEED 10 ADDITIONAL CALENDAR DAYS. ALL AMOUNTS DUE AND UNPAID ON THE DATE OF PAYMENT SHALL ALSO BEAR INTEREST AT THE RATE OF 10 PERCENT UNTIL THE DATE OF PAYMENT. THE STATE COMPTROLLER, UPON NOTIFICATION BY THE SECRETARY THAT A DELINQUENCY EXISTS, SHALL IMMEDIATELY EXERCISE THE RIGHT OF SETOFF AGAINST ALL OR ANY MONEY DUE OR TO BECOME DUE TO THE DELINQUENT SCHOOL SYSTEM OR INSTITUTION.

(D) IN ADDITION TO THE CONTRIBUTIONS DEDUCTED FROM COMPENSATION AS HEREINBEFORE PROVIDED, SUBJECT TO THE APPROVAL OF THE BOARD OF TRUSTEES, ANY MEMBER MAY REDEPOSIT IN THE ANNUITY SAVINGS FUND BY A SINGLE PAYMENT OR BY AN INCREASED RATE OF CONTRIBUTION AN AMOUNT EQUAL TO THE TOTAL AMOUNT WHICH HE PREVIOUSLY WITHDREW THEREFROM AS PROVIDED IN THIS SUBTITLE, OR ANY PART THEREOF; OR ANY MEMBER MAY DEPOSIT THEREIN BY A SINGLE PAYMENT OR BY AN INCREASED RATE OF CONTRIBUTION AN AMOUNT COMPUTED TO BE SUFFICIENT TO PURCHASE AN ADDITIONAL ANNUITY, WHICH, TOGETHER WITH HIS PROSPECTIVE RETIREMENT ALLOWANCE, WILL PROVIDE FOR HIM A TOTAL RETIREMENT ALLOWANCE NOT IN EXCESS OF TWO THIRDS OF HIS AVERAGE FINAL COMPENSATION AT AGE 60 OR AFTER 30 YEARS OF CREDITABLE SERVICE, WHICHEVER WOULD FIRST OCCUR. IN ADDITION TO THE CONTRIBUTIONS HEREINBEFORE PROVIDED, SUBJECT TO SUCH CONDITIONS AS MAY BE ESTABLISHED BY THE BOARD OF TRUSTEES, ANY MEMBER MAY, IN ACCORDANCE WITH A CONTRACT WITH HIS EMPLOYER, HAVE FURTHER CONTRIBUTIONS AT A FIXED PERCENTAGE OF 2 PERCENT OR MORE, BUT NOT TO EXCEED 20 PERCENT OF HIS COMPENSATION MADE ON HIS ACCOUNT, EITHER BY A REDUCTION IN HIS SALARY, OR IN LIEU OF AN INCREASE IN HIS COMPENSATION. THE COST OF ADMINISTERING ANNUITIES QUALIFYING UNDER § 403 (B) OF THE INTERNAL REVENUE CODE, AS AMENDED FROM TIME TO TIME, SHALL BE PROVIDED FROM THE FUNDS INVESTED IN SUCH ANNUITIES. NOTHING IN THIS SECTION SHALL PRECLUDE THE CONSIDERATION AND ADOPTION BY A LOCAL BOARD OF EDUCATION OF A SIMILAR PLAN QUALIFYING UNDER § 403 (B) OF THE INTERNAL REVENUE CODE AS AMENDED FROM TIME TO TIME, THROUGH A COMMERCIAL INSURANCE CARRIER, AND PRIOR TO ENTERING INTO AN AGREEMENT WITH THE BOARD OF TRUSTEES OF THE STATE TEACHERS' RETIREMENT SYSTEM, A COUNTY BOARD OF EDUCATION SHALL CONSIDER A PROPOSAL OF AT LEAST ONE COMMERCIAL INSURANCE CARRIER. THE CRITERIA FOR CHOOSING A PLAN SHALL BE THE SAME FOR BOTH THE STATE TEACHERS' RETIREMENT SYSTEM AND THE COMMERCIAL PLANS. SUCH ADDITIONAL AMOUNTS SO DEPOSITED SHALL BECOME A PART OF HIS ACCUMULATED CONTRIBUTIONS EXCEPT IN THE CASE OF RETIREMENT, WHEN THEY SHALL BE TREATED AS EXCESS CONTRIBUTIONS RETURNABLE TO THE MEMBER IN CASH OR AS AN ANNUITY OF EQUIVALENT ACTUARIAL