

payments from the Accumulation Fund shall be made as follows:

(b) On account of each member there shall be paid annually in the Accumulation Fund by the State for the preceding fiscal year an amount equal to a certain percentage of the annual earnable compensation of each member to be known as the "normal contribution," and an additional amount equal to a percentage of his annual earnable compensation to be known as the "accrued liability contribution." The rates per centum of such contributions shall be fixed on the basis of the liabilities of the retirement system as shown by actuarial valuation.

(c) On the basis of regular interest and of such mortality and other tables as shall be adopted by the board of trustees, the actuary engaged by the board to make each valuation required by this subtitle, during the period over which the "accrued liability contribution" is payable, immediately after making such valuation, shall determine the uniform and constant percentage of the earnable compensation of the average new entrant, which if contributed on the basis of compensation of such new entrant throughout his entire period of active service would be sufficient to provide for the payment of any death benefit or pension payable on his account. The rate per centum so determined shall be known as the "normal contribution" rate. After the accrued liability contribution has ceased to be payable, the normal contribution rate shall be the rate per centum of the earnable compensation of all members obtained by deducting from the total liabilities of the Accumulation Fund the amount of the funds in hand to the credit of that fund and dividing the remainder by one per centum of the present value of the prospective future salaries of all members as computed on the basis of the mortality and service tables adopted by the board of trustees, and regular interest. The normal rate of contribution shall be determined by the actuary after each valuation.

(d) Immediately succeeding the valuation as of June 30, 1976, the actuary engaged by the board of trustees shall compute the rate per centum of the total annual compensation of all members which is equivalent to the level annual payment required over a 40-year period to liquidate the total pension and death benefit liability on account of all members and beneficiaries which is not dischargeable by the funds in hand and the aforesaid normal contribution made on account of such members during the remainder of their active service. The rate per centum originally so determined shall be known as the "accrued liability contribution" rate. The board of trustees, on the recommendation of the actuary, may increase this rate when necessary to reflect experience deficiencies. If the accrued liability is increased by legislation, the accrued liability rate shall be increased to the extent required to liquidate the additional liability in a period not exceeding 40 years.