

A PENSION SYSTEM IS ESTABLISHED AND PLACED UNDER THE MANAGEMENT OF THE BOARD OF TRUSTEES TO PROVIDE RETIREMENT ALLOWANCES AND OTHER BENEFITS, UNDER THIS SUBTITLE, FOR TEACHERS OF THE STATE OF MARYLAND. THIS PENSION SYSTEM SHALL BE ESTABLISHED AS OF JANUARY 1, 1980, AND IT SHALL BE PART OF THE DEPARTMENT OF PERSONNEL. IT SHALL HAVE THE POWERS AND PRIVILEGES OF A CORPORATION, AND SHALL BE KNOWN AS THE "PENSION SYSTEM FOR TEACHERS OF THE STATE OF MARYLAND," AND BY THIS NAME SHALL TRANSACT ALL OF ITS BUSINESS. THE BOARD OF TRUSTEES MAY AUTHORIZE THE STATE TREASURER TO PLACE SECURITIES HELD BY THE BOARD IN THE NAME OF A PARTNERSHIP TO BE FORMED UNDER THE LAWS OF MARYLAND FOR THE SOLE PURPOSE OF HOLDING THESE SECURITIES AS THE NOMINEE OF THE BOARD OF TRUSTEES. THE PARTNERSHIP SHALL CONSIST OF THREE PARTNERS: THE STATE TREASURER, THE CHIEF DEPUTY TREASURER, AND THE INVESTMENT ADMINISTRATOR, ANY ONE OF WHOM MAY EXECUTE DOCUMENTS ON BEHALF OF THE PARTNERSHIP THAT MAY BE NECESSARY OR PROPER TO TRANSFER ANY OF THESE SECURITIES. THE ARTICLES OF PARTNERSHIP AND ANY AGREEMENT BETWEEN THE PARTNERSHIP AND THE BOARD OF TRUSTEES SHALL BE PREPARED BY THE ATTORNEY GENERAL AND SHALL PROVIDE THAT THE PARTNERSHIP MAY ACT ONLY AS THE AGENT OF THE BOARD OF TRUSTEES, AND SHALL CONTAIN ANY OTHER TERMS AND CONDITIONS THAT THE ATTORNEY GENERAL CONSIDERS APPROPRIATE. THE PARTNERSHIP MAY ENTER INTO AGREEMENTS WITH ANY BANK OR OTHER FINANCIAL INSTITUTION TO GUARANTEE THE SIGNATURES MADE ON BEHALF OF THE PARTNERSHIP.

142. MEMBERSHIP.

THE MEMBERSHIP OF THIS PENSION SYSTEM SHALL CONSIST OF THE FOLLOWING:

(1) ANY PERSON WHO BECOMES A TEACHER ON OR AFTER THE DATE OF ESTABLISHMENT SHALL BECOME A MEMBER OF THIS PENSION SYSTEM AS A CONDITION OF EMPLOYMENT, UNLESS THAT TEACHER ELECTS TO PARTICIPATE IN AN OPTIONAL RETIREMENT PROGRAM AS PROVIDED IN § 110 OF THIS ARTICLE.

(2) ANY PERSON WHO, ON OR AFTER JANUARY 1, 1980, IS A TEACHER AND IS A MEMBER OF THE RETIREMENT SYSTEM SHALL BE ENTITLED TO MEMBERSHIP IN THIS PENSION SYSTEM, AND MAY BECOME A MEMBER AS OF THAT DATE, OR THE FIRST DAY OF EACH MONTH THEREAFTER THROUGH AND INCLUDING JULY 1, 1980, OR ANY SUBSEQUENT JULY 1, BY FILING WITH THE BOARD OF TRUSTEES AN EXECUTED WAIVER OF ALL BENEFITS THAT MIGHT INURE TO HIM UNDER THE RETIREMENT SYSTEM.

(3) THE BOARD OF TRUSTEES MAY DENY THE RIGHT TO BECOME MEMBERS TO ANY CLASS OF TEACHERS WHOSE COMPENSATION IS ONLY PARTLY PAID BY THE STATE OR WHO ARE SERVING ON A TEMPORARY OR OTHER THAN YEARLY BASIS, AND IT ALSO MAY MAKE OPTIONAL WITH MEMBERS IN THIS CLASS THEIR INDIVIDUAL ENTRANCE INTO MEMBERSHIP.