

Annotated Code of Maryland
(2004 Replacement Volume)

BY adding to

Article – State Personnel and Pensions

Section 23–501 to be under the new subtitle “Subtitle 5. Retirees, Former Vested Members, Deferred Vested Retirees, and Surviving Beneficiaries of the Local Fire and Police System”

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SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – State Personnel and Pensions

21–306.

(a) (1) Each fiscal year, on behalf of its employees who are members of the Local Fire and Police System, a participating governmental unit shall pay an amount equal to or greater than the product of multiplying:

(i) the aggregate annual earnable compensation of those members;

and

(ii) the sum of the normal contribution rate and the accrued liability contribution rate, as determined under this section.

(2) Each fiscal year, in addition to the amounts required to be paid under paragraph (1) of this subsection, a participating governmental unit shall pay:

(i) the special accrued liability contribution required by subsection (d) of this section; and

(ii) any withdrawal liability contribution required by subsection (e) of this section.

(3) The amounts determined under paragraphs (1) and (2) of this subsection shall be based on an actuarial determination of the amounts that are required to preserve the integrity of the accumulation fund of the Local Fire and Police System, using:

(i) the entry–age actuarial cost method;

(ii) actuarial assumptions adopted by the Board of Trustees; and

(iii) the asset valuation method recommended by the actuary and adopted by the Board of Trustees.

(4) The actuary shall compute the contributions payable under this section.