

165.

MEMBERSHIP IN THE EMPLOYEES RETIREMENT SYSTEM OR THE PENSION SYSTEM FOR THE EMPLOYEES OF THE STATE OF MARYLAND FOR THE EMPLOYEES WHO ARE ADMITTED UNDER SECTION 164 OF THIS SUBTITLE SHALL BE OPTIONAL FOR THE EMPLOYEES WHO ARE IN THE SERVICE ON THE DATE THE APPROVAL IS GIVEN AND ANY EMPLOYEE WHO ELECTS TO JOIN THIS PENSION SYSTEM WITHIN 1 CALENDAR YEAR, SHALL BE ENTITLED TO CREDIT FOR SERVICE RENDERED BEFORE THE DATE OF APPROVAL.

166.

(A) IF 60 PERCENT OF THE MEMBERS OF ANY RETIREMENT OR PENSION SYSTEM OF ANY MUNICIPAL CORPORATION (HEREAFTER REFERRED TO AS A LOCAL PENSION SYSTEM) ELECT TO BECOME MEMBERS OF THE PENSION SYSTEM OF THE STATE, BY A PETITION SIGNED BY THESE MEMBERS, THE PARTICIPATION OF THESE MEMBERS IN THE PENSION SYSTEM FOR EMPLOYEES OF THE STATE AND THE EMPLOYEES RETIREMENT SYSTEM MAY BE APPROVED BY THE LEGISLATIVE BODY OF THE MUNICIPAL CORPORATION AS THOUGH THE LOCAL PENSION SYSTEM WERE NOT IN OPERATION AND THIS SUBTITLE SHALL APPLY, EXCEPT THAT THE EXISTING PENSIONERS OR ANNUITANTS OF THE LOCAL PENSION SYSTEM WHO WERE BEING PAID PENSIONS ON THE DATE OF THE APPROVAL SHALL BE CONTINUED AND PAID AT THEIR EXISTING RATES BY THE PENSION SYSTEM FOR EMPLOYEES OF THE STATE AND THE LIABILITY ON THIS ACCOUNT SHALL BE INCLUDED IN THE COMPUTATION OF THE SPECIAL ACCRUED LIABILITY BY THE ACTUARY AS PROVIDED BY THIS SECTION.

(B) ANY CASH AND SECURITIES TO THE CREDIT OF THE LOCAL PENSION SHALL BE TRANSFERRED TO THE PENSION SYSTEM FOR EMPLOYEES OF THE STATE OF MARYLAND AS OF THE DATE OF APPROVAL. THE TRUSTEE OR OTHER ADMINISTRATIVE HEAD OF THE LOCAL PENSION SYSTEM AS OF THE DATE OF THE APPROVAL, SHALL CERTIFY THE PROPORTION, IF ANY, OF THE FUNDS OF THE LOCAL SYSTEM THAT REPRESENTS THE ACCUMULATED CONTRIBUTIONS OF THE MEMBERS, AND THE RELATIVE SHARES OF THE MEMBERS AS OF THAT DATE. THESE SHARES SHALL BE CREDITED TO THE RESPECTIVE ANNUITY SAVINGS ACCOUNTS OF THE MEMBERS IN THE PENSION SYSTEM FOR EMPLOYEES OF THE STATE OF MARYLAND. THE BALANCE OF FUNDS TRANSFERRED TO THE PENSION SYSTEM FOR THE EMPLOYEES OF THE STATE OF MARYLAND SHALL BE OFFSET AGAINST THE SPECIAL ACCRUED LIABILITY TO BE FUNDED BY THE MUNICIPAL CORPORATION AS PROVIDED BY THIS SECTION. THE OPERATION OF THE LOCAL PENSION SYSTEM SHALL BE DISCONTINUED AS OF THE DATE OF APPROVAL.

(C) EACH PARTICIPATING MUNICIPAL CORPORATION SHALL MAKE A SPECIAL ACCRUED LIABILITY CONTRIBUTION ON ACCOUNT OF ITS APPROVAL OF THE PARTICIPATION OF ITS OFFICERS AND EMPLOYEES IN THE PENSION SYSTEM FOR EMPLOYEES OF THE STATE.

(1) THIS SPECIAL ACCRUED LIABILITY CONTRIBUTION SHALL BE DETERMINED BY AN ACTUARIAL VALUATION OF THE SPECIAL ACCRUED LIABILITY, ON ACCOUNT OF THE EMPLOYEES OF SUCH PARTICIPATING CORPORATION WHO ELECT TO BECOME MEMBERS, ON THE BASIS OF THE ENTRY-AGE ACTUARIAL COST METHOD AND ANY OTHER ASSUMPTIONS ADOPTED BY THE BOARD OF TRUSTEES OF THE MARYLAND STATE RETIREMENT AND