

(14)--"Earnable compensation" means the normal monthly compensation payable to an employee for working the normal time for the employee's position and that is equal to one-twelfth of the employee's annual salary rate, INCLUDING THE MONTHLY PICKUP CONTRIBUTION PROVIDED FOR IN § 56(1)(6) OF THIS ARTICLE.

(23)--"REGULAR CONTRIBUTIONS" MEANS THE AMOUNTS DEDUCTED FROM THE COMPENSATION OF A MEMBER AND CREDITED TO THE MEMBER'S INDIVIDUAL ACCOUNT IN THE ANNUITY SAVINGS FUND PRIOR TO JULY 17, 1986.

56.

All of the assets of the retirement system shall be credited, according to the purpose for which they are held, among three funds, namely, the Annuity Savings Fund, the Accumulation Fund, and the Expense Fund.

(1)-(a)--The Annuity Savings Fund shall be a fund in which shall be accumulated contributions deducted from the compensation of members AND PICKUP CONTRIBUTIONS PROVIDED FOR IN THIS SUBSECTION to provide for their annuities.

(b)--Commencing as of July 1, 1973, the head of the department shall cause to be deducted from the salary of each member on each and every payroll of such department for each and every payroll period, eight per centum of his earnable compensation. After June 30, 1981, or the termination date of any prior contract, the full 8 percent of the member's earnable compensation may not be provided for except as a deduction from the salary of the member. In determining the amount earnable by a member in a payroll period, the board of trustees may consider the annual compensation payable to such member on the first day of the payroll period as continuing throughout such payroll period and it may omit deduction from compensation for any period less than a full payroll period if an employee was not a member on the first day of the payroll period, and to facilitate the making of deductions it may modify the deduction required of any member by such an amount as shall not exceed one-tenth of one per centum of the annual compensation upon the basis of which such deduction is made.

(6)-(1)--NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, AFTER JULY 17, 1986, THE STATE SHALL PICK UP THE MEMBER CONTRIBUTIONS REQUIRED UNDER PARAGRAPH (B) OF THIS SUBSECTION FOR SERVICE RENDERED BY THE MEMBER FROM JULY 17, 1986.

(11)--THE CONTRIBUTIONS PICKED UP UNDER ITEM (1) OF THIS PARAGRAPH SHALL:

1.--BE TREATED AS EMPLOYER CONTRIBUTIONS IN DETERMINING TAX TREATMENT UNDER SECTION 414(H) OF THE INTERNAL REVENUE CODE, AS AMENDED;