BY repealing and reenacting, with amendments,

    Article 73B – Pensions

    Section 1–304

    Annotated Code of Maryland

    (1988 Replacement Volume and 1992 Supplement)

BY repealing and reenacting, with amendments,

    Chapter 767 of the Acts of the General Assembly of 1989, as amended by Chapter
        287 of the Acts of the General Assembly of 1991

    Section 2

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

Article 73B – Pensions

1–304.

    (a)   The expense fund of each system shall be the fund to which shall be credited and from which shall be paid:

        (1)   All money provided in the budget to pay the administrative expenses and operational expenses of each system;

        (2)   All money authorized by the Board of Trustees necessary to procure and retain investment management services; and

        (3)   All money authorized by the Board of Trustees necessary to implement a closing agreement with the Internal Revenue Service regarding former members of the Employees' Retirement System or the Teachers' Retirement System who elected to become members of or participate in those retirement systems under § 2–206 or § 3–206 of this article.

    (b)   Annually the Board of Trustees shall estimate:

        (1)   The amount of money, not in excess of 2/10 of 1 percent of the payroll of members, necessary to provide for the expense of administration and operation of each system; and

        (2)   The amount of money, not to exceed [1.2] 1.5 percent of the [market value as of December 31 of the preceding] AVERAGE OF THE MARKET VALUES AS OF JULY 1 AND JUNE 30 OF THE CURRENT fiscal year of assets externally invested in real estate, necessary to procure and retain external real estate investment management services; and

        (3)   The amount of money, not to exceed 3/10 of 1 percent of the market value as of December 31 of the preceding fiscal year of invested assets that are externally managed, necessary to procure and retain investment management services exclusive of external real estate investment management services.