

to the General Fund of the State; authorizing the Board of Trustees to invest and reinvest certain funds; providing for indemnification under the program; providing for the applicability of certain provisions of law that relate to fiduciary responsibilities; *clarifying that participants in the Optional Retirement Program are not eligible for a certain tax deferred annuity plan; clarifying that certain members of certain State retirement and pension systems may not contribute toward the purchase of annuity contracts under the Optional Retirement Program*; defining certain terms; making certain technical and stylistic changes; and generally relating to the optional retirement program.

BY repealing and reenacting, with amendments,

Article 73B – Pensions

Section 11-101 through 11-106, inclusive

Annotated Code of Maryland

(1988 Replacement Volume and 1992 Supplement)

BY adding to

Article 73B – Pensions

Section 1-201(c), 11-104; and 11-108 through 11-111, inclusive

Annotated Code of Maryland

(1988 Replacement Volume and 1992 Supplement)

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

Article 73B – Pensions

1-201.

(C) “SEVERAL SYSTEMS” INCLUDES THE OPTIONAL RETIREMENT PROGRAM TO THE EXTENT THAT THE BOARD OF TRUSTEES ADMINISTERS THE PROGRAM UNDER TITLE 11 OF THIS ARTICLE.

11-101.

(a) In this subtitle the following words have the meanings indicated.

(B) (1) “ANNUITY CONTRACT” MEANS A FIXED OR VARIABLE ANNUITY CONTRACT OR COMBINATION OF FIXED OR VARIABLE ANNUITY CONTRACTS AUTHORIZED UNDER ~~§ 403(B)~~ § 403(A) OR (B) OF THE INTERNAL REVENUE CODE.

(2) “ANNUITY CONTRACT” INCLUDES AMOUNTS PAID TO A CUSTODIAL ACCOUNT TO BE INVESTED IN REGULATED INVESTMENT COMPANY STOCK AS PROVIDED IN § 401(F) OR § 403(B)(7) OF THE INTERNAL REVENUE CODE.

[(b)](C) “Eligible employee” means [any person] AN INDIVIDUAL who is a member of or eligible for membership in the Employees’ Retirement System, the Pension System for Employees of the State of Maryland, the Teachers’ Retirement System, or the Pension System for the Teachers of the State of Maryland and who is: