

Section 1-304

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

1-304.

(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~~ ~~4/10~~ 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 percent of the market value as of December 31 of the preceding 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.

(c) The amounts of money specified in subsection (b)(1), (2), and (3) of this section shall be paid into the expense funds of the several systems during the ensuing year on a pro rata basis according to the total assets held by each system.

(d) The Board of Trustees may combine the expense funds of the several systems for budgetary and administrative efficiency.

(e) Each year as of December 31 the Board of Trustees shall report to the General Assembly the actual money expended to procure and retain investment management services during the preceding fiscal year.