

(1) UNLESS A FIDUCIARY IS BONDED AS REQUIRED BY SUBSECTION (A) OF THIS SECTION, THE FIDUCIARY MAY NOT EXERCISE CUSTODY OR CONTROL OF ANY ASSETS OF A STATE SYSTEM.

(2) A FIDUCIARY MAY NOT ALLOW ANOTHER FIDUCIARY TO ACT IN VIOLATION OF PARAGRAPH (1) OF THIS SUBSECTION.

(C) OTHER LAWS REQUIRING BOND NOT APPLICABLE.

THE BOND REQUIRED BY SUBSECTION (A) OF THIS SECTION IS THE ONLY BOND REQUIRED FOR A FIDUCIARY TO EXERCISE CUSTODY OR CONTROL OF ANY ASSETS OF A STATE SYSTEM.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 73B, § 1-210.

In subsection (b)(1) of this section, the former reference to "receiv[ing], handl[ing], [and] disburs[ing]," assets is deleted as merely illustrative of having "custody or control" over assets.

In subsections (b)(1) and (c) of this section, the reference to "assets" is substituted for the former reference to "funds or other property" for brevity and to conform to similar references elsewhere in this Division II.

Defined terms: "Fiduciary" § 21-201
"State system" § 20-101

SUBTITLE 3. FUNDING.

21-301. FUNDS OF SEVERAL SYSTEMS.

(A) ESTABLISHED.

IN EACH STATE SYSTEM, THERE IS:

- (1) AN ACCUMULATION FUND;
- (2) AN ANNUITY SAVINGS FUND; AND
- (3) AN EXPENSE FUND.

(B) CREDITS TO THE FUNDS.

THE BOARD OF TRUSTEES SHALL CREDIT THE ASSETS OF EACH STATE SYSTEM TO THE APPROPRIATE FUND OF THE STATE SYSTEM ACCORDING TO THE PURPOSE FOR WHICH THE ASSETS ARE HELD.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 73B, § 1-301.