

INSTITUTIONS OF HIGHER EDUCATION AND LIBRARIES

[3-501.] 1.

(a) Should the Board of Regents of the University of Maryland System elect, by resolution, approved by the Board of Trustees of the retirement system, to have the members of the faculty and staff of that institution, hereinafter called the staff, eligible for participation in the retirement system, the trustees of the retirement system shall set a date subsequent hereto, as of which date participation may begin for members of the staff in service on that date, and after which participation shall be required of new entrants in positions on the staff of the University. After the date set for participation, members of the staff of the University shall be considered in all other respects as to contributions by them and benefits payable to them, or on their account, as if they were teachers employed in a public school. The actuary of the retirement system shall determine under the provisions of FORMER ARTICLE 73B, § 1-306 of [this article] THE CODE a special "accrued liability contribution" sufficient to cover the accrued liability on account of the members of the staff for any service rendered before the date of participation, with which they are credited, and the contribution, subject to whatever corresponding adjustments as might affect the "accrued liability contribution" payable by the State, shall be payable on account of staff members of the University in lieu of the rate set for other teachers, and for a period of time equal to the period over which the accrued liability contribution of the State is payable. The State's contribution, which shall be payable on account of all such members in the University, shall be paid by the Board of Regents of the University of Maryland System from whatever funds as may be available to the Board of Regents.

(b) Should the Board of Regents for any reason become financially unable to make the required contributions payable on account of its staff, then they shall be deemed to be in default and a certificate to this effect shall be sent to each member and beneficiary of the University. All members of the retirement system, who were members of the staff of the University at the time of default, shall thereupon be entitled to discontinue membership in the retirement system and to a refund of their accumulated contributions upon demand made within 90 days thereafter. As of a date 90 days following the date of the default, the actuary of the retirement system shall determine by actuarial valuation the amount of the reserves held on account of each active member and pensioner of the University, and shall credit to each such member and pensioner the amount of reserve so held. The reserve so credited, together with the amount of the accumulated contributions of each active member, shall be used to provide a paid-up deferred annuity beginning at age 60. The reserve of each pensioner shall be used in providing whatever part of the pensioner's existing pension as the reserve so held will provide, which pension, together with the pensioner's annuity, shall thereafter be payable to the pensioner. The rights and privileges of both active members and pensioners of the University shall thereupon terminate except as to the payment of the deferred annuities so provided for the previous active members and the annuities and the pensions, or parts thereof, provided for the pensioners.