

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions

Section 30–205 and 30–210

Annotated Code of Maryland

(1994 Volume and 1995 Supplement)

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

**Article – State Personnel and Pensions**

30–205.

(a) Under the program, the State and the participating employees shall contribute, to the extent [authorized or] required, toward the purchase of annuity contracts.

(b) [(1) For employee contributions, a participating employee may elect to make contributions to no more than one designated company under the program for the same payroll period.

(2) For employer contributions, a] A participating employee may elect to make contributions to no more than two designated companies under the program for the same payroll period, if the Board of Trustees determines that the election of more than one designated company is administratively feasible.

(c) (1) On behalf of each participating employee, the State shall contribute 7.25% of the participating employee's annual earnable compensation.

(2) If a participating employee's compensation is paid from special or federal funds or both, the State's contribution to the program shall be paid from those funds.

(d) [Contributions authorized or required by this section on behalf of each participating employee may be made by payroll deduction or by a reduction in salary in accordance with § 403(b) or § 414(h) of the Internal Revenue Code.

(e)] The Central Payroll Bureau shall pay contributions to the appropriate designated company for the benefit of each participating employee.

30–210.

(A) With respect to a participating employee who is employed by an employing institution or an institution over which the employing institution has administrative authority, the employing institution shall administer the participating employee's enrollment, termination, or retirement UNDER THE PROGRAM.

(B) (1) IF AN EMPLOYING INSTITUTION AUTHORIZES ITS EMPLOYEES OR THE EMPLOYEES OF AN INSTITUTION OVER WHICH IT HAS ADMINISTRATIVE AUTHORITY TO PARTICIPATE IN A SUPPLEMENTAL RETIREMENT ACCOUNT, THE EMPLOYING INSTITUTION SHALL DESIGNATE THE COMPANIES THAT MAY OFFER