

earnable compensation of the members of that State system who are employees of participating governmental units that is sufficient to liquidate over 40 years beginning July 1, 1980, the amount, as of June 30, 1980, by which the total liabilities of that State system on account of participating governmental units exceeded the sum of:

(1) the assets to the credit of the participating governmental units in the accumulation fund and the annuity savings fund of that State system; and

(2) the present value of future normal contributions, future special accrued liability contributions, future withdrawal liability contributions, and future member contributions on behalf of or by members who are employees of participating governmental units.

(e) (1) In this subsection, "special accrued liability" means, as to any participating governmental unit, the liability of the employees' systems on account of:

(i) the employees of the participating governmental unit who elect to become members under § 23-204(b) of this article; and

(ii) the retirees of the participating governmental unit who were being paid pensions under a local pension system on the date of approval of participation by the legislative body of the participating governmental unit.

(2) Each participating governmental unit shall make a special accrued liability contribution on account of its participation in the Employees' Pension System.

(3) The special accrued liability contribution shall be determined by an actuarial valuation of the special accrued liability as of the date of approval of participation by the legislative body of the participating governmental unit.

(4) Except as provided in paragraph (5) of this subsection, the annual special accrued liability contribution of each participating governmental unit shall be the level annual payment that is sufficient to liquidate, over 40 years beginning on the date of approval by the legislative body of the participating governmental unit, the amount by which the special accrued liability of the participating governmental unit exceeds the sum of:

(i) the present value, as of the date of approval, of future normal contributions, future accrued liability contributions, and future member contributions on behalf of or by members who are employees of the participating governmental unit; and

(ii) any cash and securities transferred to the Employees' Pension System in accordance with § 31-113(d) of this article.

(5) Subject to the approval of the Board of Trustees, a participating governmental unit may liquidate its unfunded special accrued liability:

(i) over less than 40 years; or

(ii) subject to the actuary's concurrence, by means of annual payments other than level annual payments.