

(i) completes a claim for the service credit and files it with the Board of Trustees of the State Retirement and Pension System on a form that the Board of Trustees provides; and

(ii) deposits in the annuity savings fund of:

1. the Employees' Pension System or Teachers' Pension System member contributions at the rate of 2% of the individual's earnable compensation while a member of the contributory system after June 30, 1998, including regular interest on the contributions at the rate of 5% per year compounded annually; OR

2. THE LAW ENFORCEMENT OFFICERS' PENSION SYSTEM MEMBER CONTRIBUTIONS AT THE RATE OF 4% OF THE INDIVIDUAL'S EARNABLE COMPENSATION WHILE A MEMBER OF THE CONTRIBUTORY SYSTEM AFTER JUNE 30, 2000, INCLUDING REGULAR INTEREST ON THE CONTRIBUTIONS AT THE RATE OF 5% PER YEAR COMPOUNDED ANNUALLY.

(2) The contributory system shall refund the individual's accumulated contributions in excess of the amount determined under paragraph (1) of this subsection on request.

(b) (1) Subject to paragraph (2) of this subsection, an individual may transfer service credit from a noncontributory system to the State Contributory Employees' Pension System, THE STATE CONTRIBUTORY LAW ENFORCEMENT OFFICERS' PENSION SYSTEM, or the State Contributory Teachers' Pension System if, within 1 year after becoming a member of the Pension System, the individual completes a claim for the service credit and files it with the Board of Trustees for the State Retirement and Pension System on a form that the Board of Trustees provides.

(2) The noncontributory system may not refund the individual's accumulated contributions.

(3) (i) 1. This [paragraph] SUBPARAGRAPH applies only to an individual who TRANSFERRED SERVICE CREDIT FROM A NONCONTRIBUTORY SYSTEM TO THE STATE CONTRIBUTORY EMPLOYEES' PENSION SYSTEM OR THE STATE CONTRIBUTORY TEACHERS' PENSION SYSTEM AND earned any portion of the transferred service credit in a noncontributory system after June 30, 1998.

[(ii)]2. On retirement [from the State Contributory Employees' Pension System or the State Contributory Teachers' Pension System], the individual's retirement allowance shall be reduced by the actuarial equivalent of the accumulated contributions that would have been deducted during the period after June 30, 1998, when the individual was a member of the noncontributory system, if the individual had earned the transferred service credit under the State Contributory Employees' Pension System or the State Contributory Teachers' Pension System, including regular interest on those contributions at the rate of 5% per year compounded annually.

(II) 1. THIS SUBPARAGRAPH APPLIES ONLY TO AN INDIVIDUAL WHO TRANSFERRED SERVICE CREDIT FROM A NONCONTRIBUTORY SYSTEM TO THE