

(II) BE IMPLEMENTED BY A REDUCTION, EQUAL TO THE AMOUNT OF THE PICKUP, OF THE COMPENSATION OF EACH MEMBER REQUIRED BY LAW TO MAKE CONTRIBUTIONS TO THE ANNUITY SAVINGS FUND AND MAY NOT BE INCLUDED AS GROSS INCOME OF THE MEMBER UNTIL THE PICKUP AMOUNTS ARE DISTRIBUTED OR MADE AVAILABLE TO THE MEMBER;

(III) BE PAID BY THE STATE OR OTHER APPROVED EMPLOYER FROM THE SAME SOURCE OF FUNDS USED IN PAYING COMPENSATION TO THE MEMBER; AND

(IV) BE TREATED FOR ALL PURPOSES OF THIS ARTICLE IN THE SAME MANNER AND TO THE SAME EXTENT AS CONTRIBUTIONS MADE BY A MEMBER PRIOR TO JANUARY 1, 1989.

COMMITTEE NOTE: This subsection formerly appeared as Art. 73B, § 14(1)(h).

The phrase "of members in the retirement system" is deleted to reflect the application of this provision to each of the several systems.

The only other changes are stylistic or technical.

1-303. ACCUMULATION FUNDS.

(A) THE ACCUMULATION FUND OF EACH SYSTEM SHALL BE THE FUND IN WHICH SHALL BE ACCUMULATED ALL RESERVES FOR THE PAYMENT OF ALL ALLOWANCES AND OTHER BENEFITS PAYABLE FROM CONTRIBUTIONS MADE BY THE STATE, AMOUNTS TRANSFERRED FROM THE ANNUITY SAVINGS FUND OF THAT SYSTEM, AND FROM WHICH SHALL BE PAID ALL BENEFITS PAYABLE UNDER THE SYSTEM OTHER THAN THOSE PAYABLE FROM THE ANNUITY SAVINGS FUND OF THE SYSTEM.

(B) THE TOTAL AMOUNT PAYABLE TO THE ACCUMULATION FUND OF EACH SYSTEM IN EACH YEAR MAY NOT BE LESS THAN THE SUM OF THE RATES PERCENT KNOWN AS THE NORMAL CONTRIBUTION RATE AND THE ACCRUED LIABILITY CONTRIBUTION RATE, OF THE TOTAL COMPENSATION EARNABLE BY ALL MEMBERS DURING THE PRECEDING FISCAL YEAR, BUT THE AGGREGATE PAYMENT BY THE STATE MUST BE SUFFICIENT, WHEN COMBINED WITH THE AMOUNT IN THE ACCUMULATION FUND OF THE SYSTEM, TO PROVIDE THE ALLOWANCES AND OTHER BENEFITS PAYABLE OUT OF THE FUND DURING THE YEAR THEN CURRENT.

(C) ALL INTEREST AND DIVIDENDS EARNED ON THE FUNDS OF EACH SYSTEM SHALL BE CREDITED TO THE ACCUMULATION FUND OF THAT SYSTEM. EACH YEAR, THE BOARD OF TRUSTEES SHALL ALLOW REGULAR INTEREST ON THE INDIVIDUAL ACCOUNTS OF MEMBERS IN THE ANNUITY SAVINGS FUND OF EACH SYSTEM AND TRANSFER THESE AMOUNTS FROM THE ACCUMULATION FUND OF THAT SYSTEM.