

(B) (1) EACH RETIREE SHALL HAVE A BASE WHICH SHALL BE EITHER THE CONSUMER PRICE INDEX U. S. CITY AVERAGE - ALL URBAN CONSUMERS FOR THE CALENDAR YEAR ENDING DECEMBER 31 OF THE FISCAL YEAR IN WHICH THE RETIREE WAS LAST EMPLOYED, OR THE SIMILAR CONSUMER PRICE INDEX FOR THE CALENDAR YEAR ENDING DECEMBER 31 OF THE FISCAL YEAR THAT PRECEDED THE LAST ALLOWANCE ADJUSTMENT, WHICHEVER IS LATER. FOR ANY FORMER MEMBER WHO ELECTED A VESTED ALLOWANCE IN ACCORDANCE WITH § 5-414 OF THIS SUBTITLE, THE BASE SHALL BE EITHER THE CONSUMER PRICE INDEX U. S. CITY AVERAGE - ALL URBAN CONSUMERS FOR THE CALENDAR YEAR ENDING DECEMBER 31 OF THE FISCAL YEAR IN WHICH THE FORMER MEMBER ATTAINED THE AGE OF 62, OR THE SIMILAR CONSUMER PRICE INDEX FOR THE CALENDAR YEAR ENDING DECEMBER 31 OF THE FISCAL YEAR WHICH PRECEDED THE LAST RETIREMENT ALLOWANCE ADJUSTMENT, WHICHEVER IS LATER.

(2) THE CONSUMER PRICE INDEX TO BE USED FOR THE FISCAL YEAR IN WHICH THE RETIREMENT ALLOWANCE IS PAYABLE SHALL BE THE CONSUMER PRICE INDEX FOR THE CALENDAR YEAR ENDING DECEMBER 31 OF THE PRECEDING FISCAL YEAR.

(3) THE ADJUSTMENT IN ALLOWANCE FOR THE FISCAL YEAR IN WHICH THE ALLOWANCE IS PAYABLE SHALL BE THE INITIAL ANNUAL RATE OF ALLOWANCE MULTIPLIED BY THE PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX IN PARAGRAPH (2) OF THIS SUBSECTION FROM THE CONSUMER PRICE INDEX IN PARAGRAPH (1) OF THIS SUBSECTION.

(4) THE ADJUSTMENT PROVIDED FOR IN PARAGRAPH (3) OF THIS SUBSECTION MAY NOT EXCEED 3 PERCENT OF THE INITIAL ANNUAL RATE OF ALLOWANCE.

(5) THE TOTAL ALLOWANCE PAYABLE TO EACH MEMBER IN ANY FISCAL YEAR SHALL BE THE SUM OF:

(I) THE MEMBER'S INITIAL ANNUAL RATE OF ALLOWANCE;

(II) ALL PRIOR ADJUSTMENTS IN ALLOWANCE GRANTED;

(III) THE ADJUSTMENT IN ALLOWANCE PROVIDED FOR UNDER PARAGRAPH (3) OF THIS SUBSECTION; AND

(IV) ANY ADDITIONAL VOLUNTARY ANNUITY.

(6) THE ALLOWANCE OF A SURVIVING BENEFICIARY OF A MEMBER OR A RETIREE SHALL, WHEN AND IF PAYABLE, BE ADJUSTED IN THE SAME MANNER AS PROVIDED IN THIS SECTION.

COMMITTEE NOTE: This section formerly appeared as Art. 73B, § 146.

The only changes are stylistic or technical.