

COMMITTEE NOTE: This section formerly appeared as Art. 73B, § 165 of the Code.

The only change is technical.

10-104. ELECTION TO PARTICIPATE IN STATE SYSTEM.

(A) IN THIS SECTION, "LOCAL PENSION SYSTEM" MEANS A RETIREMENT OR PENSION SYSTEM OF A MUNICIPAL CORPORATION THAT IS IN EXISTENCE BEFORE THE MUNICIPAL CORPORATION ELECTS TO PARTICIPATE IN THE STATE SYSTEMS.

(B) IF 60 PERCENT OF THE MEMBERS OF A LOCAL PENSION SYSTEM ELECT TO BECOME MEMBERS OF THE PENSION SYSTEM OF THE STATE, BY A PETITION SIGNED BY THESE MEMBERS, THE PARTICIPATION OF THESE MEMBERS IN THE PENSION SYSTEM FOR EMPLOYEES OF THE STATE AND THE EMPLOYEES' RETIREMENT SYSTEM MAY BE APPROVED BY THE LEGISLATIVE BODY OF THE MUNICIPAL CORPORATION AS THOUGH THE LOCAL PENSION SYSTEM WERE NOT IN OPERATION AND THIS SUBTITLE SHALL APPLY, EXCEPT THAT THE EXISTING PENSIONERS OR ANNUITANTS OF THE LOCAL PENSION SYSTEM WHO WERE BEING PAID PENSIONS ON THE DATE OF THE APPROVAL SHALL BE CONTINUED AND PAID AT THEIR EXISTING RATES BY THE PENSION SYSTEM FOR EMPLOYEES OF THE STATE AND THE LIABILITY ON THIS ACCOUNT SHALL BE INCLUDED IN THE COMPUTATION OF THE SPECIAL ACCRUED LIABILITY BY THE ACTUARY AS PROVIDED BY THIS SECTION.

(C) ANY CASH AND SECURITIES TO THE CREDIT OF THE LOCAL PENSION SHALL BE TRANSFERRED TO THE PENSION SYSTEM FOR EMPLOYEES OF THE STATE OF MARYLAND AS OF THE DATE OF APPROVAL. THE TRUSTEE OR OTHER ADMINISTRATIVE HEAD OF THE LOCAL PENSION SYSTEM AS OF THE DATE OF THE APPROVAL, SHALL CERTIFY THE PROPORTION, IF ANY, OF THE FUNDS OF THE LOCAL SYSTEM THAT REPRESENTS THE ACCUMULATED CONTRIBUTIONS OF THE MEMBERS, AND THE RELATIVE SHARES OF THE MEMBERS AS OF THAT DATE. THESE SHARES SHALL BE CREDITED TO THE RESPECTIVE ANNUITY SAVINGS ACCOUNTS OF THE MEMBERS IN THE PENSION SYSTEM FOR EMPLOYEES OF THE STATE OF MARYLAND. THE BALANCE OF FUNDS TRANSFERRED TO THE PENSION SYSTEM FOR EMPLOYEES OF THE STATE OF MARYLAND SHALL BE OFFSET AGAINST THE SPECIAL ACCRUED LIABILITY TO BE FUNDED BY THE MUNICIPAL CORPORATION AS PROVIDED BY THIS SECTION. THE OPERATION OF THE LOCAL PENSION SYSTEM SHALL BE DISCONTINUED AS OF THE DATE OF APPROVAL.

(D) (1) EACH PARTICIPATING MUNICIPAL CORPORATION SHALL MAKE A SPECIAL ACCRUED LIABILITY CONTRIBUTION ON ACCOUNT OF ITS APPROVAL OF THE PARTICIPATION OF ITS OFFICERS AND EMPLOYEES IN THE PENSION SYSTEM FOR EMPLOYEES OF THE STATE.