

29-423. RESERVED.

29-424. RESERVED.

PART VI. THREE PERCENT COMPOUND ADJUSTMENT.

29-425.

(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THIS PART VI OF THIS SUBTITLE APPLIES *ON OR AFTER JULY 1, 1998* ONLY TO AN ALLOWANCE RECEIVED BY A FORMER MEMBER, RETIREE, OR SURVIVING BENEFICIARY OF A DECEASED MEMBER, FORMER MEMBER, OR RETIREE OF THE EMPLOYEES' PENSION SYSTEM OR THE TEACHERS' PENSION SYSTEM, ~~WHO IS SUBJECT TO THE ALTERNATE PENSION SELECTION UNDER TITLE 23, SUBTITLE 2, PART II OF THIS ARTICLE.~~

~~(B) THIS PART VI OF THIS SUBTITLE DOES NOT APPLY IF THE MEMBER, FORMER MEMBER, OR RETIREE ELECTED TO BE SUBJECT TO THE ALTERNATE PENSION SELECTION AND DID NOT MAKE MEMBER CONTRIBUTIONS UNDER § 23-212(B) OF THIS ARTICLE FOR AT LEAST 60 MONTHS.~~

(B) THIS PART VI OF THIS SUBTITLE DOES NOT APPLY IF THE MEMBER, FORMER MEMBER, OR RETIREE WAS AN EMPLOYEE OF A PARTICIPATING GOVERNMENTAL UNIT OR A FORMER PARTICIPATING GOVERNMENTAL UNIT THAT HAS WITHDRAWN WHILE A MEMBER.

29-426.

EACH FISCAL YEAR, THE BOARD OF TRUSTEES SHALL ADJUST EACH ALLOWANCE AS PROVIDED IN THIS PART VI OF THIS SUBTITLE.

29-427.

(A) EACH FISCAL YEAR, THE BOARD OF TRUSTEES SHALL ADJUST AN ALLOWANCE BY MULTIPLYING THE ALLOWANCE FOR THE PRECEDING FISCAL YEAR, EXCLUSIVE OF ANY ADDITIONAL VOLUNTARY ANNUITY, BY A RATE NOT EXCEEDING 3%, THAT IS OBTAINED BY DIVIDING THE CONSUMER PRICE INDEX FOR THE CALENDAR YEAR ENDING DECEMBER 31 IN THE PRECEDING FISCAL YEAR BY THE CONSUMER PRICE INDEX FOR THE CALENDAR YEAR ENDING DECEMBER 31 IN THE SECOND PRECEDING FISCAL YEAR.

(B) THE ADJUSTMENT UNDER SUBSECTION (A) OF THIS SECTION SHALL BEGIN THE SECOND JULY 1 AFTER THE DAY PRECEDING THE RETIREE'S DATE OF RETIREMENT OR THE FORMER MEMBER'S EFFECTIVE DATE FOR RECEIPT OF A VESTED ALLOWANCE.

(C) THE TOTAL ALLOWANCE PAYABLE IN EACH FISCAL YEAR SHALL BE THE SUM OF:

(1) THE ANNUAL RATE OF ALLOWANCE PAID DURING THE PRECEDING FISCAL YEAR;

(2) THE ADJUSTMENT IN ALLOWANCE PROVIDED FOR UNDER THIS SECTION; AND