

SECTION 1. *Be it enacted by the General Assembly of Maryland, That Section 108 (12) of Article 77 of the Annotated Code of Maryland (1960 Supplement), title "Public Education", sub-title "CHAPTER 8. TEACHERS' CERTIFICATES, SALARIES AND PENSIONS", SUB-HEADING "Teachers' Retirement System", be and is hereby repealed and re-enacted, with amendments, to read as follows:*

108.

(12) "Regular Interest" for the Annuity Savings Fund shall mean interest at the rate of four per centum per annum compounded annually for members who became such on or before June 30, 1955; [and shall mean interest at the rate of three per centum per annum compounded annually for members becoming such on and after July 1, 1955.] *and for all other members shall mean interest at a rate per centum per annum compounded annually as may be set from time to time by the Board with a minimum rate of three per centum per annum and a maximum rate of four per centum per annum.* "Regular Interest" for the Annuity Reserve Fund, the Pension Accumulation Fund and the Pension Reserve Fund shall mean interest at such rate as may be set from time to time by the Board of Trustees in accordance with Section 115, Sub-section (2) of this Article, as amended from time to time. NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE CONTRARY, THE RATE OF INTEREST CREDITED IN THE ANNUITY SAVINGS FUND TO THE ACCOUNTS OF ACTIVE MEMBERS WHO BECAME SUCH ON OR AFTER JULY 1, 1955, SHALL NOT EXCEED THREE PER CENTUM PER ANNUM, UNLESS THE ACTUAL AVERAGE YIELD ON THE INVESTMENTS OF THAT FUND FOR THE SAME PERIOD HAS EXCEEDED THE RATE OF THREE PER CENTUM PER ANNUM TO THE SAME EXTENT AS CREDITED; PROVIDED, FURTHER, THAT THE MAXIMUM INTEREST RATE CREDITED SHALL REMAIN FOUR PER CENTUM PER ANNUM.

As to any member who after June 1, 1958, leaves, and is no longer in active service as a teacher, the rate or regular interest credited to the member's accumulated contributions from the time of his leaving shall be three per centum.

SEC. 2. *And be it further enacted, That this Act shall take effect June 1, 1961.*

Approved March 23, 1961.

CHAPTER 112

(Senate Bill 10)

AN ACT to repeal and re-enact, with amendments, Section 1 (12) and Section 13 (2) of Article 73B of the Annotated Code of Maryland (1957 Edition and 1960 Supplement), title "Pensions", sub-title "In General", amending the laws concerning crediting of interest to the accounts of members in active service under the State Employees' Retirement System and relating generally to