

federal funds, the State's contribution to such optional retirement program shall be paid from the special and/or federal funds.

(f) Any eligible employee who is a member of the Teachers' Retirement System OR THE PENSION SYSTEM FOR THE TEACHERS of the State of Maryland at the time he elects to participate in an optional retirement program established pursuant to this section shall be deemed to be a person who discontinues service in the Teachers' Retirement System OR THE PENSION SYSTEM FOR THE TEACHERS on the effective date of the election for the purpose of determining his eligibility for immediate vested rights and benefits in the Teachers' Retirement System OR THE PENSION SYSTEM FOR THE TEACHERS. However, any such person shall not withdraw his accumulated contributions in the Annuity Savings Fund as long as he continues in the employment of a State institution whose employees are eligible for membership in the Teachers' Retirement System OR THE PENSION SYSTEM FOR THE TEACHERS. These benefits shall be computed only on the basis of years of service otherwise creditable to him as a contributing member of the Teachers' Retirement System OR THE PENSION SYSTEM FOR THE TEACHERS.

(i) Any eligible employee electing to participate in an optional retirement program shall be ineligible for membership in the Teachers' Retirement System of the State of Maryland OR THE PENSION SYSTEM FOR THE TEACHERS OF THE STATE OF MARYLAND so long as he or she is employed in any eligible position by the employing institution or by any other institution establishing an optional retirement program pursuant to this section. The employee shall participate in the optional retirement program of that institution.

EMPLOYEES' PENSION SYSTEM

111. DEFINITIONS.

IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(1) "RETIREMENT SYSTEM" MEANS THE EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF MARYLAND.

(2) "PENSION SYSTEM" MEANS THE PENSION SYSTEM FOR EMPLOYEES OF THE STATE OF MARYLAND.

(3) "DEPARTMENT" MEANS ANY STATE AGENCY THAT RECEIVES STATE APPROPRIATIONS AND EMPLOYS PERSONS WHO ARE, OR WHO ARE ENTITLED TO BECOME MEMBERS OF THIS PENSION SYSTEM.

(4) (A) "EMPLOYEE" MEANS ANY REGULAR CLASSIFIED OR UNCLASSIFIED OFFICER OR EMPLOYEE OF THE STATE FOR WHOM COMPENSATION IS PROVIDED BY STATE APPROPRIATION, OR WHOSE COMPENSATION IS PAID FROM STATE FUNDS.