

~~INTELLECTUAL RATHER THAN PHYSICAL OR MANUAL. THE COMPENSATION OF ANY UNCLASSIFIED EMPLOYEE SHALL BE DETERMINED BY THE BOARD OF TRUSTEES, WITH THE APPROVAL OF THE BOARD OF PUBLIC WORKS.~~

(F) EXCEPT AS PROVIDED IN (G), ALL EXPENSES, INCLUDING EMPLOYEE COSTS, INCURRED FOR THE IMPLEMENTATION, MAINTENANCE, AND ADMINISTRATION OF THE PLANS SHALL BE PAID FROM THE CONTRIBUTIONS TO OR THE INCOME OR ASSETS OF THE PLANS. EACH PLAN SHALL PAY ITS PRO RATA SHARE OF THE EXPENSES. EXPENSES OF ADMINISTERING THE PLANS SHALL BE AS PROVIDED IN THE ANNUAL STATE BUDGET.

(G) AT THE REQUEST OF THE BOARD OF TRUSTEES, AND SUBJECT TO AN AGREEMENT CONCERNING THE PAYMENT OF COSTS, A STATE DEPARTMENT OR AGENCY SHALL PROVIDE ASSISTANCE IN THE IMPLEMENTATION, ADMINISTRATION, AND MAINTENANCE OF THE PLANS.

3.

(A) IN THIS SECTION, "EMPLOYEE" MEANS ANY EMPLOYEE:

(1) OF THE STATE OR OF ANY GOVERNMENTAL ENTITY IN THE STATE, INCLUDING ANY LOCAL BOARD OF EDUCATION OR MUNICIPALITY; AND

(2) WHO IS ELIGIBLE FOR COVERAGE UNDER A TAX DEFERRED ANNUITY PLAN ESTABLISHED UNDER § 403(B) OF THE INTERNAL REVENUE CODE.

(B) (1) THE BOARD OF TRUSTEES SHALL ESTABLISH A TAX DEFERRED ANNUITY PLAN FOR EMPLOYEES AS PERMITTED UNDER § 403(B) OF THE INTERNAL REVENUE CODE.

(2) THE TAX DEFERRED ANNUITY PLAN SHALL PROVIDE FOR THE ROLLOVER, AT THE OPTION OF THE EMPLOYEE, OF THE CONTRIBUTIONS, WITH ACCUMULATED INTEREST, MADE ON ACCOUNT OF THE EMPLOYEE WHICH WERE:

(I) HELD IN THE ANNUITY SAVINGS FUNDS CREATED UNDER ARTICLE 73B;

(II) DEPOSITED IN ACCORDANCE WITH CONTRACTS WITH THE EMPLOYER OF THE EMPLOYEE; AND

(III) MADE EITHER BY A REDUCTION IN SALARY OR IN LIEU OF AN INCREASE IN COMPENSATION.

(C) SUBJECT TO CONDITIONS THAT MAY BE ESTABLISHED BY THE BOARD OF TRUSTEES, AN EMPLOYEE MAY, IN ACCORDANCE WITH A CONTRACT WITH THE EMPLOYER, HAVE CONTRIBUTIONS MADE ON THE EMPLOYEE'S BEHALF, BY A REDUCTION OF SALARY OR IN LIEU OF A SALARY INCREASE, TO THE TAX DEFERRED ANNUITY PLAN.

(D) THIS SECTION DOES NOT PROHIBIT A LOCAL BOARD OF EDUCATION FROM ADOPTING A PLAN FOR EMPLOYEES THAT QUALIFIES UNDER § 403(B) OF THE INTERNAL REVENUE CODE.