

Defined terms: "Accumulated contributions" § 20-101

"Allowance" § 20-101

"Employees' Retirement System" § 20-101

"Former member" § 20-101

"Member" § 20-101

"Natural Resources Pension System" § 20-101

"Retiree" § 20-101

"Selection B (Limited cost-of-living adjustment)" § 29-401

"Teachers' Retirement System" § 20-101

29-417. THE ADJUSTMENT GENERALLY.

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

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 73B, § 8-405(c)(2) and the introductory language of §§ 2-415(e) and 3-412(e).

Defined terms: "Allowance" § 20-101

"Board of Trustees" § 20-101

29-418. COMPUTATION OF ADJUSTMENT.

(A) IN GENERAL.

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 5%, 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) TIMING OF ADJUSTMENT.

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) COMPUTATION OF ADJUSTED ALLOWANCE.

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
- (3) ANY ADDITIONAL ANNUITY.