By: Chair, Appropriations Committee (By Request – Departmental – Budget and Management)

Introduced and read first time: February 3, 2014 Assigned to: Appropriations

Committee Report: Favorable with amendments House action: Adopted Read second time: February 26, 2014

CHAPTER _____

1 AN ACT concerning

 $\mathbf{2}$

State Personnel – Authority to Set Compensation

3 FOR the purpose of altering certain provisions of law that authorize certain State 4 officials or certain units of State government to take certain personnel actions $\mathbf{5}$ and set the compensation of certain employees, staff, or positions in State 6 government; authorizing certain State officials or certain units of State 7government to set the compensation of certain employees in certain positions; 8 requiring the Secretary of Budget and Management, in consultation with the 9 officials or units, to determine the positions for which the officials or units may 10 set compensation; repealing the authority of certain officials or units to take 11 certain personnel actions or set the compensation of certain employees, staff, or 12positions; providing that certain appointments, personnel actions, and setting of 13 compensation be in accordance with the State budget; making stylistic and 14 conforming changes; and generally relating to State personnel, hiring authority, and the authority to set compensation for certain State employees in State 1516 government.

17 BY repealing and reenacting, with amendments,

- 18 Article Correctional Services
- 19 Section 8–206
- 20 Annotated Code of Maryland
- 21 (2008 Replacement Volume and 2013 Supplement)
- 22 BY repealing and reenacting, with amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1	Article – Economic Development
2	Section 2–115
3	Annotated Code of Maryland
4	(2008 Volume and 2013 Supplement)
5	BY repealing and reenacting, with amendments,
6	Article – Environment
7	Section 9–1604
8	Annotated Code of Maryland
9	(2007 Replacement Volume and 2013 Supplement)
10	BY repealing and reenacting, with amendments,
11	Article – Health – General
12	Section 19–107(d) and 19–206(d)
13	Annotated Code of Maryland
14	(2009 Replacement Volume and 2013 Supplement)
15	BY repealing and reenacting, with amendments,
16	Article – Health Occupations
17	Section 14–204(d)
18	Annotated Code of Maryland
19	(2009 Replacement Volume and 2013 Supplement)
20	BY repealing and reenacting, with amendments,
21	Article – Insurance
22	Section 2–105, 14–503(g), and 31–105(c), (d), and (e)
23	Annotated Code of Maryland
24	(2011 Replacement Volume and 2013 Supplement)
25	BY repealing and reenacting, with amendments,
26	Article – Labor and Employment
27	Section $8-305(b)$
28	Annotated Code of Maryland
29	(2008 Replacement Volume and 2013 Supplement)
30	BY repealing and reenacting, with amendments,
31	<u>Article – Public Safety</u>
32	<u>Section 3–206</u>
33	Annotated Code of Maryland
34	(2011 Replacement Volume and 2013 Supplement)
35	BY repealing and reenacting, with amendments,
36	Article – State Government
37	Section 9–108(e)
38	Annotated Code of Maryland
39	(2009 Replacement Volume and 2013 Supplement)

 $\mathbf{2}$

$\frac{1}{2}$	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:
3	Article – Correctional Services
4	8–206.
$5 \\ 6$	(a) (1) With the approval of the Secretary, the Commission shall appoint an Executive Director.
$7 \\ 8$	(2) The Executive Director shall perform general administrative functions.
9	(3) The Executive Director serves at the pleasure of the Commission.
$10 \\ 11 \\ 12$	(b) (1) With the approval of the Secretary, the Commission shall appoint a Deputy Director and any other employees that the Commission considers necessary to perform general administrative and training management functions.
$\frac{13}{14}$	(2) The Deputy Director and other employees appointed under paragraph (1) of this subsection shall serve at the pleasure of the Commission.
$\begin{array}{c} 15\\ 16 \end{array}$	[(c) With the approval of the Secretary, the Commission shall employ other individuals as necessary to carry out this subtitle.]
17 18	(C) IN ACCORDANCE WITH THE STATE BUDGET, THE COMMISSION MAY SET THE COMPENSATION OF:
19	[(d)] (1) [The] THE Executive Director[,] AND the Deputy Director[,]; and
$20 \\ 21 \\ 22$	(2) [other employees of the Commission are entitled to receive compensation as established by the Commission in accordance with the State budget] A COMMISSION EMPLOYEE IN A POSITION THAT:
23	(I) IS UNIQUE TO THE COMMISSION;
$\frac{24}{25}$	(II) REQUIRES SPECIFIC SKILLS OR EXPERIENCE TO PERFORM THE DUTIES OF THE POSITION; AND
26 27 28	(III) DOES NOT REQUIRE THE EMPLOYEE TO PERFORM FUNCTIONS THAT ARE COMPARABLE TO FUNCTIONS PERFORMED IN OTHER UNITS OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT.
29 30	(D) THE SECRETARY OF BUDGET AND MANAGEMENT, IN CONSULTATION WITH THE COMMISSION, SHALL DETERMINE THE POSITIONS

	4	HOUSE BILL 765	
$\frac{1}{2}$	FOR WHICH OF THIS SE	I THE COMMISSION MAY SET COMPENSATION UNDER SUBSECTION (C) CTION.	
3	Article – Economic Development		
4	2–115.		
$5 \\ 6$	(a) compensatio	In accordance with the State budget, the Secretary [shall] MAY set the on of A Department [employees] EMPLOYEE IN A POSITION THAT:	
7		(1) IS UNIQUE TO THE DEPARTMENT;	
8 9	THE DUTIE	(2) REQUIRES SPECIFIC SKILLS OR EXPERIENCE TO PERFORM S OF THE POSITION; AND	
$10 \\ 11 \\ 12$		(3) DOES NOT REQUIRE THE EMPLOYEE TO PERFORM FUNCTIONS COMPARABLE TO FUNCTIONS PERFORMED IN OTHER UNITS OF THE E BRANCH OF STATE GOVERNMENT.	
13	(b)	The Secretary of Budget and Management shall determine:	
$\begin{array}{c} 14 \\ 15 \end{array}$	AND	(1) position categories for special appointments in the Department;	
16 17 18	(2) IN CONSULTATION WITH THE SECRETARY, THE POSITIONS FOR WHICH THE SECRETARY MAY SET COMPENSATION UNDER SUBSECTION (A) OF THIS SECTION.		
19		Article – Environment	
20	9–1604.		
21 22 23	(A) In addition to the powers set forth elsewhere in this subtitle, but subject to such rules or program directives as the Secretary may from time to time prescribe, the Administration may:		
24		(1) Adopt and alter an official seal;	
25		(2) Sue and be sued, plead, and be impleaded;	
$\frac{26}{27}$	this subtitle	(3) Adopt bylaws, rules, and regulations to carry out the provisions of ;	
28		(4) Maintain an office at such place as the Secretary may designate;	

$egin{array}{c} 1 \\ 2 \\ 3 \end{array}$	(5) [Employ] SUBJECT TO SUBSECTION (B) OF THIS SECTION, EMPLOY consultants, accountants, attorneys, financial experts, and other personnel and agents as may be necessary in its judgment, and fix their compensation;
45	(6) Establish regulations, criteria, or guidelines with respect to loans, loan agreements, loan obligations, grants, grant agreements, and grant obligations;
$6 \\ 7$	(7) Receive and accept from any source, private or public, contributions, grants, or gifts of money or property;
8 9 10	(8) Enter into contracts of any kind, and execute all instruments necessary or convenient with respect to carrying out the powers in this subtitle to accomplish the purposes of the Administration;
$\begin{array}{c} 11 \\ 12 \end{array}$	(9) Make loans, enter into loan agreements, and accept and enforce loan obligations;
$\begin{array}{c} 13 \\ 14 \end{array}$	(10) Award grants, enter into grant agreements, and accept and enforce grant obligations;
$\begin{array}{c} 15\\ 16\end{array}$	(11) Subject to the prior approval of the Board and the Secretary, issue bonds under this subtitle; and
17 18	(12) Do all acts and things necessary or convenient to carry out the powers granted by this subtitle.
19 20 21	(B) (1) IN ACCORDANCE WITH THE STATE BUDGET, THE Administration may set the compensation of an Administration Employee in a position that:
22	(I) IS UNIQUE TO THE ADMINISTRATION;
$\begin{array}{c} 23\\ 24 \end{array}$	(II) REQUIRES SPECIFIC SKILLS OR EXPERIENCE TO PERFORM THE DUTIES OF THE POSITION; AND
25 26 27	(III) DOES NOT REQUIRE THE EMPLOYEE TO PERFORM FUNCTIONS THAT ARE COMPARABLE TO FUNCTIONS PERFORMED IN OTHER UNITS OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT.
28 29 30 31	(2) THE SECRETARY OF BUDGET AND MANAGEMENT, IN CONSULTATION WITH THE SECRETARY, SHALL DETERMINE THE POSITIONS FOR WHICH THE ADMINISTRATION MAY SET COMPENSATION UNDER PARAGRAPH (1) OF THIS SUBSECTION.
32	Article – Health – General

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	6 HOUSE BILL 765
1	19–107.
$\frac{2}{3}$	(d) (1) The Commission may employ a staff in accordance with the State budget.
4 5 6	(2) The Commission, in consultation with the Secretary, [shall determine the appropriate job classifications and grades for all staff] MAY SET THE COMPENSATION OF A COMMISSION EMPLOYEE IN A POSITION THAT:
7	(I) IS UNIQUE TO THE COMMISSION;
8 9	(II) REQUIRES SPECIFIC SKILLS OR EXPERIENCE TO PERFORM THE DUTIES OF THE POSITION; AND
10 11 12	(III) DOES NOT REQUIRE THE EMPLOYEE TO PERFORM FUNCTIONS THAT ARE COMPARABLE TO FUNCTIONS PERFORMED IN OTHER UNITS OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT.
13 14 15 16	(3) THE SECRETARY OF BUDGET AND MANAGEMENT, IN CONSULTATION WITH THE SECRETARY, SHALL DETERMINE THE POSITIONS FOR WHICH THE COMMISSION MAY SET COMPENSATION UNDER PARAGRAPH (2) OF THIS SUBSECTION.
17	19–206.
18 19	(d) (1) The Commission may employ a staff in accordance with the State budget.
20 21 22	(2) The Commission, in consultation with the Secretary, [shall determine the appropriate job classifications and grades for all staff] MAY SET THE COMPENSATION OF A COMMISSION EMPLOYEE IN A POSITION THAT:
23	(I) IS UNIQUE TO THE COMMISSION;
$\frac{24}{25}$	(II) REQUIRES SPECIFIC SKILLS OR EXPERIENCE TO PERFORM THE DUTIES OF THE POSITION; AND
26 27 28	(III) DOES NOT REQUIRE THE EMPLOYEE TO PERFORM FUNCTIONS THAT ARE COMPARABLE TO FUNCTIONS PERFORMED IN OTHER UNITS OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT.
29 30 31 32	(3) THE SECRETARY OF BUDGET AND MANAGEMENT, IN CONSULTATION WITH THE COMMISSION, SHALL DETERMINE THE POSITIONS FOR WHICH THE COMMISSION MAY SET COMPENSATION UNDER PARAGRAPH (2) OF THIS SUBSECTION.

1 **[**(3)**] (4)** The Deputy Director and each principal section chief of the $\mathbf{2}$ Commission serve at the pleasure of the Commission. 3 The Commission, in consultation with the Secretary, may **[**(4)**] (5)** determine the appropriate job classifications [and, subject to the State budget, the 4 compensation] for the Executive Director, Deputy Director, and each principal section $\mathbf{5}$ 6 chief of the Commission. 7 **Article – Health Occupations** 8 14 - 204.9 (d) (1)**(I)** The Secretary may employ a staff for the Board in 10 accordance with the State budget. 11 **(II)** The Secretary may designate one of the staff as an executive 12director. 13 (2)The Secretary [shall determine the appropriate job classifications] and grades for all staff] MAY SET THE COMPENSATION OF AN EMPLOYEE OF THE 1415**BOARD IN A POSITION THAT:** 16 **(I)** IS UNIQUE TO THE BOARD; 17**(II)** REQUIRES SPECIFIC SKILLS OR EXPERIENCE ТО PERFORM THE DUTIES OF THE POSITION; AND 18 19 (III) DOES NOT REQUIRE THE EMPLOYEE TO PERFORM 20FUNCTIONS THAT ARE COMPARABLE TO FUNCTIONS PERFORMED IN OTHER 21UNITS OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT. 22THE SECRETARY OF BUDGET AND MANAGEMENT, IN (3) 23CONSULTATION WITH THE SECRETARY, SHALL DETERMINE THE POSITIONS FOR 24WHICH THE SECRETARY MAY SET COMPENSATION UNDER PARAGRAPH (2) OF 25THIS SUBSECTION. Article – Insurance 26272 - 105.In this section, "Secretary" means the Secretary of Budget and 28(a) 29Management.

1 (b) All employees of the Administration that serve in a management, 2 professional, or technical capacity are in the executive service, management service, or 3 are special appointments in the State Personnel Management System and serve at the 4 pleasure of the Commissioner.

5 (c) [The compensation of personnel under subsection (b) of this section shall 6 be determined by the Commissioner and, if possible, in accordance with the State pay 7 plan] IN ACCORDANCE WITH THE STATE BUDGET, THE COMMISSIONER MAY SET 8 THE COMPENSATION OF AN EMPLOYEE UNDER SUBSECTION (B) OF THIS 9 SECTION IN A POSITION THAT:

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(1) IS UNIQUE TO THE ADMINISTRATION;

11(2) REQUIRES SPECIFIC SKILLS OR EXPERIENCE TO PERFORM12THE DUTIES OF THE POSITION; AND

13 (3) DOES NOT REQUIRE THE EMPLOYEE TO PERFORM FUNCTIONS
 14 THAT ARE COMPARABLE TO FUNCTIONS PERFORMED IN OTHER UNITS OF THE
 15 EXECUTIVE BRANCH OF STATE GOVERNMENT.

16 (D) THE SECRETARY, IN CONSULTATION WITH THE COMMISSIONER, 17 SHALL DETERMINE THE POSITIONS FOR WHICH THE COMMISSIONER MAY SET 18 COMPENSATION UNDER SUBSECTION (C) OF THIS SECTION.

19 [(d)] (E) (1) At least 45 days before the effective date of the change, the 20 Commissioner shall submit to the Secretary each change to salary plans that involves 21 increases or decreases in salary ranges other than those associated with routine 22 reclassifications and promotions or general salary increases approved by the General 23 Assembly.

(2) Reportable changes include creation or abolition of classes,
 regrading the classes from one established range to another, or creation of new pay
 schedules or ranges.

27

- The Secretary shall:
- 28 (i) review the proposed changes; and

(3)

(ii) at least 15 days before the effective date of the proposed
changes, advise the Commissioner whether the changes would have an adverse effect
on comparable State jobs.

32 (4) Failure of the Secretary to respond in a timely manner is not 33 considered a statement of adverse effect.

34 14–503.

1 (g) (1) The Executive Director may employ a staff for the Plan in 2 accordance with the State budget.

3 (2) Staff for the Plan are in the executive service, management 4 service, or are special appointments in the State Personnel Management System.

5 (3) The Executive Director, in consultation with the Department of 6 Budget and Management, [may determine the appropriate job classifications and 7 grades for all staff] MAY SET THE COMPENSATION OF A PLAN EMPLOYEE IN A 8 POSITION THAT:

9

(I) IS UNIQUE TO THE PLAN;

10(II) REQUIRES SPECIFIC SKILLS OR EXPERIENCE TO11PERFORM THE DUTIES OF THE POSITION; AND

12 (III) DOES NOT REQUIRE THE EMPLOYEE TO PERFORM 13 FUNCTIONS THAT ARE COMPARABLE TO FUNCTIONS PERFORMED IN OTHER 14 UNITS OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT.

15 (4) THE SECRETARY OF BUDGET AND MANAGEMENT, IN 16 CONSULTATION WITH THE EXECUTIVE DIRECTOR, SHALL DETERMINE THE 17 POSITIONS FOR WHICH THE EXECUTIVE DIRECTOR MAY SET COMPENSATION 18 UNDER PARAGRAPH (3) OF THIS SUBSECTION.

19 31–105.

20 (c) (1) [The] IN ACCORDANCE WITH THE STATE BUDGET, THE 21 Executive Director may employ and retain a staff for the Exchange.

22 (2) (1) THE EXECUTIVE DIRECTOR MAY SET THE 23 COMPENSATION OF AN EXCHANGE EMPLOYEE IN A POSITION THAT:

I. IS UNIQUE TO THE EXCHANGE;
 25
 2. REQUIRES SPECIFIC SKILLS OR EXPERIENCE TO
 26 PERFORM THE DUTIES OF THE POSITION; AND

27 3. DOES NOT REQUIRE THE EMPLOYEE TO PERFORM
 28 FUNCTIONS THAT ARE COMPARABLE TO FUNCTIONS PERFORMED IN OTHER
 29 UNITS OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT.

30 (II) THE SECRETARY OF BUDGET AND MANAGEMENT, IN 31 CONSULTATION WITH THE EXECUTIVE DIRECTOR, SHALL DETERMINE THE

1 POSITIONS FOR WHICH THE EXECUTIVE DIRECTOR MAY SET COMPENSATION 2 UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

3 (3) Except as provided in paragraphs [(3) and (4)] (4) AND (5) of this 4 subsection, or otherwise by law, the Executive Director's appointment, retention, and 5 removal of staff of the Exchange are not subject to Division I of the State Personnel 6 and Pensions Article.

7 [(3)] (4) In hiring staff for functions that must be performed by State 8 personnel under the Affordable Care Act or other applicable federal or State laws, the 9 Executive Director's appointment, retention, and removal of staff shall be in 10 accordance with Division I of the State Personnel and Pensions Article.

11 [(4)] (5) In hiring staff for functions that have been and currently are 12 performed by State personnel, the Executive Director's appointment, retention, and 13 removal of staff shall be in accordance with Division I of the State Personnel and 14 Pensions Article.

15 [(5)] (6) Except as provided in paragraph [(6)] (7) of this subsection, 16 staff for all other positions necessary to carry out the purposes of this title shall be 17 positions in the executive service or management service, or special appointments of 18 the skilled service or the professional service in the State Personnel Management 19 System.

[(6)] (7) The Executive Director may retain as independent contractors [or employees], and set compensation for, attorneys, financial consultants, and any other professionals or consultants necessary to carry out the planning, development, and operations of the Exchange and the provisions of this title.

24 (d) The Executive Director shall determine the classification, grade, and 25 compensation of [staff of the Exchange] **THOSE POSITIONS** [hired or] designated 26 under subsection [(c)(3), (4), and (5)] (C)(2) of this section:

27

(1) in consultation with the Secretary of Budget and Management;

- 28 (2) with the approval of the Board; and
- 29
- (3) when possible, in accordance with the State pay plan.

30 With respect to staff of the Exchange [hired or] designated under (e) (1)subsection [(c)(3), (4), and (5)] (C)(2) of this section, the Executive Director shall 3132submit to the Secretary of Budget and Management, at least 45 days before the 33 effective date of the change, each change to the Exchange's salary plans that involves 34increases or decreases in salary ranges other than those associated with routine 35reclassifications and promotions or general salary increases approved by the General 36 Assembly.

1	(2)	Reportable changes include:
2		(i) the creation or abolition of classes;
$\frac{3}{4}$	another; and	(ii) the regrading of classes from one established range to
5		(iii) the creation of new pay schedules or ranges.
6	(3)	The Secretary of Budget and Management shall:
7		(i) review the proposed change; and
$\frac{8}{9}$	change:	(ii) at least 15 days before the effective date of the proposed
10 11	would have an adv	1. advise the Executive Director whether the change verse effect on comparable State jobs; and
$\begin{array}{c} 12\\ 13 \end{array}$	alternative change	2. if there would be an adverse effect, recommend an e that would not have an adverse effect on comparable State jobs.
$\begin{array}{c} 14 \\ 15 \end{array}$	(4) a timely manner is	Failure of the Secretary of Budget and Management to respond in s deemed to be agreement with the change as submitted.
16		Article – Labor and Employment
17	8–305.	
$\frac{18}{19}$	(b) (1) Pensions Article, t	In accordance with the provisions of the State Personnel and the Secretary may employ the staff necessary to carry out this title.
20 21 22	(2) the compensation POSITION THAT:	In accordance with the State budget, the Secretary [shall] MAY set of [staff employed] AN EMPLOYEE under this subsection IN A
23		(I) IS UNIQUE TO THE DEPARTMENT;
$\begin{array}{c} 24 \\ 25 \end{array}$	PERFORM THE D	(II) REQUIRES SPECIFIC SKILLS OR EXPERIENCE TO UTIES OF THE POSITION; AND
26 27 28		(III) DOES NOT REQUIRE THE EMPLOYEE TO PERFORM T ARE COMPARABLE TO FUNCTIONS PERFORMED IN OTHER XECUTIVE BRANCH OF STATE GOVERNMENT.

1 (3) THE SECRETARY OF BUDGET AND MANAGEMENT, IN 2 CONSULTATION WITH THE SECRETARY, SHALL DETERMINE THE POSITIONS FOR 3 WHICH THE SECRETARY MAY SET COMPENSATION UNDER PARAGRAPH (2) OF 4 THIS SUBSECTION.

5 [(3)] (4) Subject to other applicable provisions of this title, the 6 Secretary may appoint employees and set their powers and duties as necessary to 7 carry out this title.

8

<u>Article – Public Safety</u>

- 9 <u>3–206.</u>
- 10 (a) (1) With the approval of the Secretary, the Commission shall appoint 11 an executive director.
- 12 (2) <u>The executive director shall perform general administrative and</u> 13 <u>training management functions.</u>
- 14 (3) <u>The executive director serves at the pleasure of the Commission.</u>

(b) (1) With the approval of the Secretary, the Commission shall appoint a deputy director and any other employees that the Commission considers necessary to perform general administrative and training management functions.

- 18 (2) The deputy director and other employees appointed under 19 paragraph (1) of this subsection shall serve at the pleasure of the Commission.
- 20 <u>[(c)</u> <u>With the approval of the Secretary, the Commission shall employ other</u> 21 <u>individuals as necessary to carry out this subtitle.</u>]

22 (C) IN ACCORDANCE WITH THE STATE BUDGET, THE COMMISSION MAY 23 SET THE COMPENSATION OF:

24 [(d)] (1) [The] THE executive director [,] AND THE deputy director [,]; and

25 (2) [other employees of the Commission are entitled to receive 26 compensation as established by the Commission in accordance with the State budget] 27 A COMMISSION EMPLOYEE IN A POSITION THAT:

- 28 (I) <u>IS UNIQUE TO THE COMMISSION;</u>
- 29(II)REQUIRESSPECIFICSKILLSOREXPERIENCETO30PERFORM THE DUTIES OF THE POSITION; AND

1	(III) DOES NOT REQUIRE THE EMPLOYEE TO PERFORM
2	FUNCTIONS THAT ARE COMPARABLE TO FUNCTIONS PERFORMED IN OTHER
3	UNITS OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT.
4	(d) The Secretary of Budget and Management, in
5	CONSULTATION WITH THE COMMISSION, SHALL DETERMINE THE POSITIONS
6	FOR WHICH THE COMMISSION MAY SET COMPENSATION UNDER SUBSECTION (C)
7	OF THIS SECTION.
8	Article – State Government
9	9–108.
10 11	(e) (1) With the advice of the Commission, the Director may employ deputy directors and other staff in accordance with the State budget.
$\frac{12}{13}$	(2) Except as provided in paragraph (3) of this subsection or otherwise by law, the staff of the Commission is in the State Personnel Management System.
$\begin{array}{c} 14\\ 15\\ 16\end{array}$	(3) (I) [A] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, A deputy director is in the executive service of the State Personnel Management System.
17 18	(II) [However, a] A deputy director may be removed only for cause after being given notice and an opportunity for a hearing.
19 20 21	(4) (I) WITH THE APPROVAL OF THE COMMISSION AND IN ACCORDANCE WITH THE STATE BUDGET, THE DIRECTOR MAY SET THE COMPENSATION OF AN AGENCY EMPLOYEE IN A POSITION THAT:
22	1. IS UNIQUE TO THE AGENCY;
$\frac{23}{24}$	2. REQUIRES SPECIFIC SKILLS OR EXPERIENCE TO PERFORM THE DUTIES OF THE POSITION; AND
$25 \\ 26 \\ 27$	3. DOES NOT REQUIRE THE EMPLOYEE TO PERFORM FUNCTIONS THAT ARE COMPARABLE TO FUNCTIONS PERFORMED IN OTHER UNITS OF THE EXECUTIVE BRANCH OF STATE GOVERNMENT.
28 29 30 31	(II) THE SECRETARY OF BUDGET AND MANAGEMENT, IN CONSULTATION WITH THE DIRECTOR, SHALL DETERMINE THE POSITIONS FOR WHICH THE DIRECTOR MAY SET COMPENSATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

1 [(4)] (5) (i) The Governor shall include in the State budget 2 sufficient money for the Commission to hire, develop, and organize a staff to perform 3 the functions of the Commission.

4 (ii) As deemed necessary by the Commission, the Commission 5 shall hire experts including economists, gaming specialists, and lawyers.

6 (iii) 1. The Commission shall contract with an outside 7 consultant to provide continual analysis of the gaming industry both within and 8 outside the State and support the licensing activities of the Commission and the Video 9 Lottery Facility Location Commission.

10 2. The cost of the consultant required under this 11 subparagraph may be divided proportionally among the video lottery operation 12 licensees as determined by the Commission.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect14 July 1, 2014.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.