

**SB0465/797773/1**

BY: Finance Committee

AMENDMENTS TO SENATE BILL 465  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and Middleton” and substitute “, Middleton, Kelley, Mathias, and Pugh”; in lines 2 and 3, strike “and Injured Workers’ Insurance Fund Advisory Board”; in line 12, strike “Board” and substitute “policyholders”; in line 13, after “circumstances;” insert “authorizing the Maryland Insurance Commissioner to remove certain members under certain circumstances; requiring the Commissioner, at certain intervals, to review the State’s Self-Insured Workers’ Compensation Program for State Employees, make a certain determination, and submit a certain report to the State Treasurer;”; and strike beginning with “establishing” in line 18 down through “circumstances;” in line 31.

On page 2, strike beginning with “requiring” in line 2 down through “authorizing” in line 4 and substitute “requiring”; in line 5, strike “a certain member” and substitute “certain members”; in the same line, strike “to be a member for an additional term” and substitute “whose terms expire in certain years”; strike beginning with “specifying” in line 6 down through “term” in line 8 and substitute “authorizing the Governor to appoint specified members notwithstanding certain term limits and if a certain appointment complies with certain qualification requirements; providing for the appointment and the terms of the members of the Board that begin in certain years”; in line 28, strike “10-101” and substitute “10-102(d)”; and strike in their entirety lines 31 through 35, inclusive.

AMENDMENT NO. 2

On page 5, in line 18, strike “two members” and substitute “**ONE MEMBER**”; and in the same line, strike “policyholders” and substitute “**A POLICYHOLDER**”.

(Over)

On page 6, in line 12, after “(2)” insert “(I)”; in the same line, strike “BOARD” and substitute “POLICYHOLDERS”; and in line 13, strike “FOR MISCONDUCT, INCOMPETENCE, OR DERELICTION OF DUTIES.” and substitute “AT ANY TIME, WITH OR WITHOUT CAUSE, BY THE AFFIRMATIVE VOTE OF A MAJORITY OF ALL OF THE VOTES ENTITLED TO BE CAST GENERALLY IN THE ELECTION OF DIRECTORS.”

(II) THE COMMISSIONER MAY REMOVE A MEMBER APPOINTED BY THE POLICYHOLDERS FOR INCOMPETENCE, MISCONDUCT, OR MALFEASANCE AFTER NOTICE AND OPPORTUNITY FOR A HEARING UNDER §§ 2-210 THROUGH 2-214 OF THIS ARTICLE.”;

after line 14, insert:

“Article – Labor and Employment

10–102.

(d) (1) On and after October 1, 2013, the Fund may continue to be the third party administrator for the State’s Self-Insured Workers’ Compensation Program for State Employees under a contract with the State.

(2) AT LEAST ONCE EVERY 5 YEARS, THE COMMISSIONER SHALL:

(I) REVIEW THE STATE’S SELF-INSURED WORKERS’ COMPENSATION PROGRAM FOR STATE EMPLOYEES, AS ADMINISTERED BY THE FUND, TO DETERMINE WHETHER THE STATE IS RECEIVING EFFECTIVE ADMINISTRATIVE SERVICES AT A REASONABLE COST; AND

(II) SUBMIT A REPORT TO THE STATE TREASURER ON THE FINDINGS OF THE REVIEW.”;

and in line 20, strike “2020” and substitute “2022”.

AMENDMENT NO. 3

On pages 9 through 12, strike in their entirety the lines beginning with line 25 on page 9 through line 3 on page 12, inclusive.

On page 12, in line 4, strike “6.” and substitute “5.”; in line 5, strike “2020” and substitute “2022”; and strike in their entirety lines 12 through 34, inclusive, and substitute:

“SECTION 6. AND BE IT FURTHER ENACTED, That:

(a) Notwithstanding § 24-307 of the Insurance Article as enacted by Section 1 of this Act, the Governor shall appoint the members of the Board of the Chesapeake Employers’ Insurance Company as follows:

(1) the two members whose terms expire in 2015 for a 5-year term expiring in 2020;

(2) the one member whose term expires in 2016 for a 5-year term expiring in 2021;

(3) the one member whose term expires in 2017 for a 4-year term expiring in 2021;

(4) the three members whose terms expire in 2018 for a 4-year term expiring in 2022; and

(5) the two members whose terms expire in 2019 for a 5-year term expiring in 2024.

(Over)

(b) In appointing members of the Board of the Chesapeake Employers' Insurance Company under subsection (a) of this section, the Governor may appoint a member of the Board who was a member of the Board on December 31, 2014, and continues to be a member of the Board through the expiration of the member's term:

(1) notwithstanding the term limits specified in § 24-307 of the Insurance Article as enacted by Section 1 of this Act; and

(2) if the member meets the qualifications specified in § 24-307 of the Insurance Article as enacted by Section 1 of this Act.

(c) The terms of the members of the Board of the Chesapeake Employers' Insurance Company that, as provided in subsection (a) of this section, begin in:

(1) 2020 shall by appointed by the policyholders and expire in 2025;

(2) 2021 shall by appointed by the policyholders and expire in 2026;

(3) 2022 shall by appointed by the policyholders and expire in 2027; and

(4) 2024 shall by appointed by the Governor and expire in 2029."

On page 13, strike in their entirety lines 1 through 6, inclusive; in lines 7, 9, and 11, strike "9.", "10.", and "11.", respectively, and substitute "7.", "8.", and "9.", respectively; in line 8, strike "2020" and substitute "2022"; in line 9, strike "Sections 4 and 5" and substitute "Section 4"; in line 10, strike "2021" and substitute "2023"; in line 12, strike "9 and 10" and substitute "7 and 8"; in line 13, strike "6" and substitute "8"; and in the same line, strike "2021" and substitute "2023".