

Chapter 280

(Senate Bill 382)

AN ACT concerning

**State Employee and Retiree Health and Welfare Benefits Program –
Participation by Satellite Organizations**

FOR the purpose of altering the definition of “qualifying not–for–profit organization”, for purposes of provisions of law that authorize certain qualifying not–for–profit organizations to participate in the State Employee and Retiree Health and Welfare Benefits Program, to include a corporation, a limited liability company, or any other entity that is wholly owned by the Legal Aid Bureau, Inc.; authorizing the employees of the corporation, limited liability company, or other entity to enroll and participate in the Program under certain circumstances; and generally relating to participation of employees of satellite organizations in the State Employee and Retiree Health and Welfare Benefits Program.

BY repealing and reenacting, with amendments,
 Article – State Personnel and Pensions
 Section 2–512
 Annotated Code of Maryland
 (2015 Replacement Volume and 2016 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 That the Laws of Maryland read as follows:

Article – State Personnel and Pensions

2–512.

(a) In this section, “qualifying not–for–profit organization” means an organization that:

(1) (i) receives State funds from the Department of Health and Mental Hygiene that cover more than one–third of the organization’s operating expenses; and

(ii) is:

1. described in § 501(c)(3) of the Internal Revenue Code; and

2. exempt from income tax under § 501(a) of the Internal Revenue Code;

(2) is the Legal Aid Bureau, Inc.; [or]

(3) IS A CORPORATION, A LIMITED LIABILITY COMPANY, OR ANY OTHER ENTITY THAT IS WHOLLY OWNED BY THE LEGAL AID BUREAU, INC.; OR

[(3)] (4) is the Maryland Crime Victims' Resource Center.

(b) The Secretary shall adopt regulations for the enrollment and participation of employees of a qualifying not-for-profit organization to participate in the Program as a satellite organization.

(c) A qualifying not-for-profit organization that participates in the Program as a satellite organization shall:

(1) pay to the State:

(i) a premium in the amount determined by the Secretary; and

(ii) any costs, as determined by the Secretary, for the administration of this Program; and

(2) determine the extent to which the organization will subsidize participation by its employees in the Program.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

Approved by the Governor, April 18, 2017.