

Chapter 18

(Senate Bill 619)

AN ACT concerning

**University of Maryland Medical System Corporation – Board of Directors –
~~Conflicts of Interest, Prestige of Office, and Financial Disclosure~~
Directors, Ethics, and Performance Audits**

FOR the purpose of ~~prohibiting a member of the Board of Directors of the University of Maryland Medical System Corporation from being employed by or having a financial interest in an entity subject to the authority of the University of Maryland Medical System Corporation; prohibiting a member of the Board from intentionally using the prestige of office for private gain or the gain of another; altering the financial disclosure requirements for certain members of the Board~~ requiring, on or before a certain date, the Board of Directors of the University of Maryland Medical System Corporation to adopt a certain conflict of interest policy; requiring the Board to send a copy of a certain policy to certain persons at certain times; requiring the Board to ensure that the Medical System Corporation continues to be a certain independent corporation; altering the maximum number of members of the Board; requiring certain members of the Board to be appointed by the Governor with the advice and consent of the Senate of Maryland; repealing a provision of law requiring a certain number of voting members of the Board to be members of the General Assembly; *prohibiting a member of the Board from being a State or local elected official; authorizing the Governor to appoint certain additional voting members who represent certain hospitals; requiring a certain voting member to be the Governor's designee; adding a certain number of voting members to the Board to be appointed by the President of the Senate and the Speaker of the House; prohibiting a member of the Board from intentionally using the prestige of office for private gain or the gain of another; requiring certain members of the Board annually to submit a certain disclosure statement to the State Health Services Cost Review Commission; requiring certain new members of the Board to submit a certain disclosure within a certain time period; requiring a certain statement to be available to the public on a certain website through a certain registration program under certain circumstances; requiring the Governor to remove a certain member of the Board if the member files a certain false statement; requiring certain statements to be reviewed for compliance with a certain policy by the Board and the compliance officer of the Medical System Corporation; requiring the State Health Services Cost Review Commission annually to send a summary of certain statements to the Governor, the President, and the Speaker; prohibiting the ~~Board~~ *Medical System Corporation* from using sole source procurement to award certain contracts to certain persons; requiring the Governor to remove a certain member of the Board under certain circumstances; prohibiting the ~~Board~~ *Medical System Corporation* from providing a certain preference for the award of certain contracts; *requiring the award of certain contracts or payments to a member of the Board or a certain business to be subject to the approval of the full Board; requiring the compliance officer of the Medical System Corporation to take**

certains actions before the Corporation awards a certain contract or makes a certain payment to a member of the Board; requiring the Board to develop a certain policy governing certain contracts and payments; requiring the Board to submit a certain report to certain entities on or before a certain date each year; requiring the Medical System Corporation to ~~employ a certain independent entity with certain expertise~~ competitively bid for a certified public accounting firm to conduct a certain performance audit of the administrative and financial offices of the Medical System Corporation for a certain purpose on or before a certain date; providing that a certain audit does not include certain entities; providing that a certain certified public accounting firm is ineligible to bid on a certain contract; requiring a certain certified public accounting firm to consult with the Joint Audit Committee and the Office of Legislative Audits in the development of the scope and objectives of a certain audit at a certain time; requiring the Medical System Corporation to submit a certified copy of a certain performance audit to the Governor, the President, and the Speaker on or before ~~a certain date~~; certain dates; requiring the Office of Legislative Audits to conduct a forensic audit of the Medical System Corporation for certain years that includes certain information; requiring the Office of Legislative Audits to submit a certain report to certain entities on or before a certain date; requiring the Board to conduct a certain internal review and report certain findings and recommendations to the Governor, the President, ~~and~~ the Speaker, and the Office of Legislative Audits on or before a certain date; requiring the Office of Legislative Audits to review and comment on a certain report to certain entities; requiring the ~~terms~~ appointments of certain members of the Board to ~~terminate~~ end on certain dates; authorizing certain members of the Board to apply for reappointment subject to certain provisions of law as enacted by this Act; requiring certain members appointed to the Board by the Governor to be subject to the advice and consent of the Senate during a certain legislative session; requiring certain members to be considered appointed as of a certain date and subject to certain requirements; providing that certain members appointed under a certain provision of law are considered appointed to fill a vacancy for a certain member's term; providing for the term and reappointment of certain members appointed to the Board under a certain provision of law as enacted by this Act; making this Act an emergency measure; making certain conforming changes; and generally relating to the ~~Board of Directors of the~~ University of Maryland Medical System Corporation.

BY repealing and reenacting, without amendments,

Article – Education

Section 13–301(a), (c), and (m), ~~13–303(a), and 13–304(a) and (b)~~ 13–304(a) and (d)

Annotated Code of Maryland

(2018 Replacement Volume and 2018 Supplement)

BY adding to

Article – Education

Section ~~13–304(k)~~ 13–303(m) and (n) and 13–304(k), (l), ~~and (m)~~ (m), (n), and (o)

Annotated Code of Maryland

(2018 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,
Article – Education
Section ~~13-304(k)~~ 13-304(b), (c), and (k)
Annotated Code of Maryland
(2018 Replacement Volume and 2018 Supplement)

~~BY repealing and reenacting, without amendments,
Article – General Provisions
Section 5-601(a)
Annotated Code of Maryland
(2014 Volume and 2018 Supplement)~~

~~BY repealing and reenacting, with amendments,
Article – General Provisions
Section 5-601(d)
Annotated Code of Maryland
(2014 Volume and 2018 Supplement)~~

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

Article – Education

13-301.

(a) In this subtitle, unless the context clearly requires otherwise, the following words have the meanings indicated.

(c) “Board of Directors” means the Board of Directors of the Medical System Corporation.

(m) “Medical System Corporation” means University of Maryland Medical System Corporation, a private, nonprofit, nonstock corporation formed under the general corporation laws of this State.

13-303.

(a) Prior to the transfer date:

(1) The Board of Public Works shall approve the articles of incorporation of the Medical System Corporation which shall reflect the requirements of this subtitle; and

(2) The Board of Regents and the Board of Directors shall take all actions necessary to create and organize the Medical System Corporation, which shall be organized for charitable, scientific, and educational purposes and shall attain and maintain

exemption from federal income taxation but which shall not be a State agency, political subdivision, public body, public corporation, or municipal corporation and is not subject to any provisions of law affecting only governmental or public entities.

(M) THE BOARD OF DIRECTORS SHALL ENSURE THAT THE MEDICAL SYSTEM CORPORATION CONTINUES TO BE A PRIVATE, NONPROFIT, NONSTOCK CORPORATION THAT IS INDEPENDENT FROM ANY STATE AGENCY.

(N) (1) ON OR BEFORE MAY 31, 2019, THE BOARD OF DIRECTORS SHALL ADOPT A CONFLICT OF INTEREST POLICY FOR MEMBERS OF THE BOARD THAT INCLUDES:

(I) STANDARDS FOR THE DISCLOSURE OF FINANCIAL INTERESTS;

(II) STANDARDS FOR BOARD MEMBER PARTICIPATION IN CONTRACTS WITH THE MEDICAL SYSTEM CORPORATION IN ACCORDANCE WITH THIS SUBTITLE, INCLUDING AN ATTESTATION THAT THE BOARD MEMBER HAS COMPLIED WITH THE CONFLICT OF INTEREST STANDARDS ADOPTED BY THE BOARD;

(III) STANDARDS FOR RECUSAL FROM VOTING;

~~(III)~~ (IV) A REQUIREMENT THAT A BOARD MEMBER MAY NOT USE THE BOARD MEMBER'S POSITION ON THE BOARD FOR PERSONAL GAIN WHEN CONTRACTING WITH THE MEDICAL SYSTEM CORPORATION; AND

~~(IV)~~ (V) A REQUIREMENT THAT A BOARD MEMBER PROVIDE AN ATTESTATION OF ANY BUSINESS RELATIONSHIP WITH THE MEDICAL SYSTEM CORPORATION OR ANY AFFILIATE OF THE CORPORATION.

(2) THE BOARD OF DIRECTORS SHALL SEND A COPY OF THE CONFLICT OF INTEREST POLICY ADOPTED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO THE GOVERNOR, THE PRESIDENT OF THE SENATE, AND THE SPEAKER OF THE HOUSE OF DELEGATES:

(I) AFTER THE POLICY IS INITIALLY ADOPTED; AND

(II) EACH TIME A CHANGE IS MADE TO THE POLICY.

13-304.

(a) The government of the Medical System Corporation is vested in the Board of Directors.

(b) (1) Subject to ~~paragraph~~ PARAGRAPHS (2) AND (3) of this subsection, the Board of Directors consists of 6 nonvoting members and not less than 22 and not more than ~~27~~ 25 voting members appointed by the Governor WITH THE ADVICE AND CONSENT OF THE SENATE.

(2) (i) On or after October 1, 2014, the Medical System Corporation may amend its articles of incorporation to add up to three voting members to the Board of Directors as the Medical System Corporation determines to be necessary and appropriate.

(ii) Nominations of additional voting members shall be made by the Board of Directors and submitted to the Board of Regents for comment and to the Governor for consideration.

(iii) Any member added to the Board of Directors under subparagraph (i) of this paragraph shall:

1. Represent an entity that affiliates with the Medical System Corporation on or after October 1, 2014;

2. Be appointed by the Governor WITH THE ADVICE AND CONSENT OF THE SENATE; and

3. Be designated as an affiliate board member.

(iv) ~~The voting membership of the Board of Directors may not exceed 30 members.~~

~~(v)~~ Nothing in this paragraph may be construed to require the Medical System Corporation to nominate a representative of an entity that affiliates with the Medical System Corporation on or after October 1, 2014, to be an additional board member.

(3) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (1) OF THIS SUBSECTION, FOR EACH HOSPITAL THAT AFFILIATES WITH THE MEDICAL SYSTEM ON OR AFTER JUNE 1, 2019, THE GOVERNOR MAY APPOINT AN ADDITIONAL VOTING MEMBER WHO IS A REPRESENTATIVE FROM THE HOSPITAL.

~~(k) (1) A MEMBER OF THE BOARD MAY NOT BE EMPLOYED BY OR HAVE A FINANCIAL INTEREST IN:~~

~~(i) A BUSINESS ENTITY SUBJECT TO THE AUTHORITY OF THE MEDICAL SYSTEM CORPORATION OR THE UNIVERSITY SYSTEM OF MARYLAND; OR~~

~~(ii) A BUSINESS ENTITY THAT IS ACTIVELY NEGOTIATING A CONTRACT, HAS ENTERED INTO A CONTRACT, OR IS A SUBCONTRACTOR ON A~~

~~CONTRACT WITH THE MEDICAL SYSTEM CORPORATION OR THE UNIVERSITY SYSTEM OF MARYLAND.~~

~~(2) A MEMBER OF THE BOARD MAY NOT INTENTIONALLY USE THE PRESTIGE OF OFFICE OR PUBLIC POSITION FOR THAT MEMBER'S PRIVATE GAIN OR THAT OF ANOTHER.~~

~~(3) A MEMBER OF THE BOARD SHALL FILE A FINANCIAL DISCLOSURE STATEMENT IN ACCORDANCE WITH § 5-607 OF THE GENERAL PROVISIONS ARTICLE.~~

(c) (1) Each member shall be a resident of this State.

(2) A MEMBER OF THE BOARD MAY NOT BE A STATE OR LOCAL ELECTED OFFICIAL.

~~(2)~~ (3) Three voting members shall be members of the Board of Regents.

[(3) Two voting members shall be members of the General Assembly, 1 nominated by the President of the Senate and 1 nominated by the Speaker of the House of Delegates.]

~~(3)~~ (4) ONE VOTING MEMBER SHALL BE THE GOVERNOR'S DESIGNEE.

~~(4)~~ (5) TWO VOTING MEMBERS SHALL BE APPOINTED AS FOLLOWS:

(I) ONE APPOINTED BY THE PRESIDENT OF THE SENATE OF MARYLAND; AND

(II) ONE APPOINTED BY THE SPEAKER OF THE HOUSE OF DELEGATES.

[(4) ~~(5)~~ (6) At least 1 voting member of the Board shall be appointed by the Governor, upon nomination by the membership of the Community Advisory Council, from the membership of the Community Advisory Council.

[(5) ~~(6)~~ (7) At least 1 voting member of the Board of Directors shall have expertise in the hospital field.

[(6) ~~(7)~~ (8) In appointing the voting members of the Board of Directors, the Governor shall [insure] ENSURE that the composition of the Board fairly represents the minority composition of the State.

[(7)] ~~(8)~~ (9) The nonvoting members shall be, ex officio, the Chancellor of the University System of Maryland, the President, the Chief Executive Officer, the Dean of the School of Medicine, the President of the medical staff organization of the medical system, and the Associate Director of nursing services for the medical system.

(d) (1) The term of a member is 5 years and begins on the 1st Monday in June of the year of appointment.

(2) The terms of members are staggered as required by the terms provided for members of the Board on the transfer date.

(3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

(4) A member appointed to fill a vacancy in an unexpired term serves only for the remainder of that term and until a successor is appointed and qualifies.

(5) A member may be reappointed, but may not serve more than 2 consecutive full terms.

(K) A MEMBER OF THE BOARD MAY NOT INTENTIONALLY USE THE PRESTIGE OF OFFICE OR PUBLIC POSITION FOR THAT MEMBER'S PRIVATE GAIN OR THAT OF ANOTHER.

(L) (1) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH, EACH MEMBER ANNUALLY SHALL SUBMIT A DISCLOSURE OF FINANCIAL INTEREST, INCLUDING ANY POTENTIAL CONFLICTS OF INTEREST, TO THE STATE HEALTH SERVICES COST REVIEW COMMISSION.

(II) 1. EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, THE STATE HEALTH SERVICES COST REVIEW COMMISSION SHALL MAKE FREELY AVAILABLE TO THE PUBLIC ON ITS WEBSITE, THROUGH AN ONLINE REGISTRATION PROGRAM, THE STATEMENT SUBMITTED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

2. THE STATE HEALTH SERVICES COST REVIEW COMMISSION MAY NOT PROVIDE PUBLIC ACCESS TO THE PORTION OF THE STATEMENT THAT INCLUDES AN ADDRESS THAT THE MEMBER HAS IDENTIFIED AS THE MEMBER'S HOME ADDRESS.

(III) A NEWLY APPOINTED MEMBER SHALL SUBMIT A DISCLOSURE OF FINANCIAL INTEREST WITHIN 60 DAYS AFTER THE MEMBER'S APPOINTMENT TO THE BOARD.

(2) IF THE GOVERNOR DETERMINES THAT A MEMBER HAS WILLFULLY FILED A FALSE STATEMENT UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION, THE GOVERNOR SHALL REMOVE THE MEMBER FROM THE BOARD.

(3) THE BOARD OF DIRECTORS AND THE COMPLIANCE OFFICER FOR THE MEDICAL SYSTEM CORPORATION SHALL REVIEW EACH STATEMENT SUBMITTED UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR COMPLIANCE WITH THE BOARD'S CONFLICT OF INTEREST POLICY.

(4) THE STATE HEALTH SERVICES COST REVIEW COMMISSION ANNUALLY SHALL SEND A SUMMARY OF EACH STATEMENT SUBMITTED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO THE GOVERNOR, THE PRESIDENT OF THE SENATE, AND THE SPEAKER OF THE HOUSE.

(M) (1) ~~THE BOARD~~ MEDICAL SYSTEM CORPORATION MAY NOT USE SOLE SOURCE PROCUREMENT TO AWARD A CONTRACT TO AN ACTIVE MEMBER OF THE BOARD OF DIRECTORS OR A BUSINESS ENTITY THAT EMPLOYS OR HAS AN AFFILIATION WITH AN ACTIVE MEMBER.

(2) THE GOVERNOR SHALL REMOVE A MEMBER FROM THE BOARD OF DIRECTORS WHO HAS BENEFITED FROM A SOLE SOURCE PROCUREMENT.

(3) ~~THE BOARD~~ MEDICAL SYSTEM CORPORATION MAY NOT PROVIDE A PREFERENCE FOR THE AWARD OF A CONTRACT TO AN ACTIVE MEMBER OF THE BOARD OF DIRECTORS OR A BUSINESS ENTITY THAT EMPLOYS OR HAS AN AFFILIATION WITH AN ACTIVE MEMBER.

(N) (1) THE AWARD OF A CONTRACT OR THE MAKING OF A PAYMENT TO A MEMBER OF THE BOARD OF DIRECTORS OR AN ASSOCIATED BUSINESS OF A MEMBER SHALL BE SUBJECT TO THE APPROVAL OF THE FULL BOARD OF DIRECTORS.

(2) BEFORE THE MEDICAL SYSTEM CORPORATION AWARDS A CONTRACT OR MAKES A PAYMENT TO A MEMBER OF THE BOARD OF DIRECTORS, THE COMPLIANCE OFFICER SHALL:

(I) REVIEW THE CONTRACT OR PAYMENT AND ADVISE THE MEMBER OF THE BOARD OF DIRECTORS AS TO WHETHER THE CONTRACT OR PAYMENT IS APPROPRIATE AND CONSISTENT WITH THE POLICIES OF THE MEDICAL SYSTEM CORPORATION; AND

(II) MAKE A RECOMMENDATION TO THE BOARD OF DIRECTORS AS TO WHETHER THE CONTRACT OR PAYMENT SHOULD BE APPROVED OR DISAPPROVED BY THE BOARD.

(O) (1) THE BOARD OF DIRECTORS SHALL DEVELOP A POLICY GOVERNING CONTRACTS WITH AND PAYMENTS TO A MEMBER OF THE BOARD OF DIRECTORS OR MEMBERS OF THE BOARD OF DIRECTORS OF HOSPITALS AFFILIATED WITH THE MEDICAL SYSTEM CORPORATION BY:

(I) THE MEDICAL SYSTEM CORPORATION; OR

(II) THE AFFILIATED HOSPITAL.

(2) ON OR BEFORE DECEMBER 1 EACH YEAR, THE BOARD OF DIRECTORS SHALL SUBMIT A REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE PRESIDENT OF THE SENATE, THE SPEAKER OF THE HOUSE, THE JOINT AUDIT COMMITTEE, THE SENATE FINANCE COMMITTEE, AND THE HOUSE HEALTH AND GOVERNMENT OPERATIONS COMMITTEE ON:

(I) THE POLICY ADOPTED UNDER PARAGRAPH (1) OF THIS SUBSECTION; AND

(II) HOW THE BOARD OF DIRECTORS HAS ENSURED COMPLIANCE WITH THE POLICY BY THE AFFILIATED HOSPITALS AND THE MEMBERS OF THE BOARD OF DIRECTORS OF THE AFFILIATED HOSPITALS.

~~[(k)]~~ ~~(L)~~ ~~(N)~~ ~~(P)~~ The Chairman of the Board of Directors shall appoint representatives from the community naturally served by the medical system having interest in the services of the medical system to 3-year terms as members of a Community Advisory Council. The Board of Directors shall designate at least one of its members to meet with the Community Advisory Council and advise the Community Advisory Council of matters of potential interest. Recommendations of this Community Advisory Council concerning services offered by the Medical System Corporation and its community relationships shall be considered by the Board of Directors.

~~Article — General Provisions~~

~~5-601.~~

~~(a) Except as provided in subsections (b) and (c) of this section, and subject to subsections (d) and (e) of this section, each official and candidate for office as a State official shall file a statement as specified in §§ 5-602 through 5-608 of this subtitle.~~

~~(d) (1) Except as provided in [paragraph] PARAGRAPHS (2) AND (3) of this subsection, an individual who is a public official only as a member of a board and who receives annual compensation that is less than 25% of the lowest annual compensation at~~

~~State grade level 16 shall file the statement required by subsection (a) of this section in accordance with § 5-609 of this subtitle.~~

~~(2) A member of a board of license commissioners or of a liquor control board shall file a statement in accordance with § 5-607 of this subtitle.~~

~~(3) A MEMBER OF THE BOARD OF DIRECTORS OF THE MEDICAL SYSTEM CORPORATION UNDER § 13-304 OF THE EDUCATION ARTICLE SHALL FILE A STATEMENT IN ACCORDANCE WITH § 5-607 OF THIS SUBTITLE.~~

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) (1) ~~On~~ Subject to paragraph (3) of this subsection, on or before May 15, 2019, the University of Maryland Medical System Corporation shall ~~employ an independent entity with that has expertise in nonprofit corporate governance and has certified public accountants~~ competitively bid for a certified public accounting firm to conduct a performance audit consistent with professional auditing standards of the administrative and financial offices of the University of Maryland Medical System Corporation to evaluate the efficiency and effectiveness of the financial management practices, including procurement and contracting processes, of the University of Maryland Medical System Corporation.

(2) The performance audit required under paragraph (1) of this subsection does not include ~~the administrative and financial offices of the University of Maryland Medical System or~~ any subsidiaries or affiliated hospitals of the University of Maryland Medical System Corporation.

(3) (i) A certified public accounting firm that provides services to the Medical System Corporation or an affiliated hospital is not eligible to bid on the performance audit contract under paragraph (1) of this subsection.

(ii) On the award of the performance audit contract to a certified public accounting firm under paragraph (1) of this subsection and before commencement of the performance audit, the certified public accounting firm shall consult with the Joint Audit Committee and the Office of Legislative Audits in the development of the scope and objectives of the performance audit.

(b) (1) On or before December 31, 2019, the University of Maryland Medical System Corporation shall submit a certified copy of the performance audit to the Governor and, in accordance with § 2-1246 of the State Government Article, the President of the Senate and the Speaker of the House.

(2) On or before December 31, 2022, the Medical System Corporation shall submit a certified copy of a performance audit conducted during the calendar year 2022 that meets the requirements under subsection (a) of this section to the Governor and, in

accordance with § 2-1246 of the State Government Article, the President of the Senate and the Speaker of the House.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) The Office of Legislative Audits shall conduct a forensic audit of the University of Maryland Medical System Corporation for the calendar years 2016 through the effective date of this Act or earlier as deemed appropriate by the Office of Legislative Audits that:

(1) identifies all of the members of the Board of Directors of the Medical System Corporation and each member's associated businesses;

(2) obtains all disbursement records from the Medical System Corporation;

(3) identifies all contracts with or payments to the members of the Board of Directors and a member's associated businesses;

(4) identifies the basis for the procurement and the Medical System Corporation official and department that initiated and approved the payment;

(5) identifies the procurement method used and tests for propriety of the procurement, including whether it was conducted in accordance with a formal Medical System Corporation policy and whether the full Board of Directors approved the contract or payment;

(6) evaluate whether all proper steps were taken and, if a payment or contract was sole source, whether the rationale was documented and supportable; and

(7) evaluate whether the contract or payment made to a member of the Board of Directors or the member's associated business was monitored effectively to ensure that all deliverables paid for were provided.

(b) (1) On or before December 15, 2019, the Office of Legislative Audits shall report to the Governor and, in accordance with § 2-1246 of the State Government Article, the President of the Senate, the Speaker of the House, the Joint Audit Committee, the Senate Finance Committee, and the House Health and Government Operations Committee on the findings of the forensic audit conducted under this section.

(2) The report required under paragraph (1) of this subsection shall include any recommendations by the Office of Legislative Audits regarding how best to evaluate the procurement and contracting processes and any contracts with and payments to University of Maryland Medical System affiliated hospitals and members of the Board of Directors of the Medical System Corporation or the members of the boards of directors of the affiliated hospitals.

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That ~~the~~:

(a) The Board of Directors of the University of Maryland Medical System Corporation shall:

(1) conduct an internal review of the Board's policies and procedures, including policies for enforcing statutory limits on consecutive terms of appointment for members and continued service after the expiration of a members term; and

(2) on or before December 31, 2019, report the findings and any recommendations for improvements to the policies and procedures of the Board to the Governor and, in accordance with § 2-1246 of the State Government Article, the President of the Senate and, the Speaker of the House, and the Office of Legislative Audits.

(b) The Office of Legislative Audits shall review and comment on the report submitted under subsection (a) of this section to the Joint Audit Committee, the Senate Finance Committee, and the House Health and Government Operations Committee.

SECTION 4. 5. AND BE IT FURTHER ENACTED, That:

(a) The ~~terms~~ appointment of the members of the Board of Directors of the University of Maryland Medical System Corporation who are in office on the effective date of this Act shall ~~terminate~~ end as follows:

(1) the ~~terms~~ appointment of approximately one-third of the members of the Board shall ~~terminate~~ end on July 1, 2019;

(2) the ~~terms~~ appointment of approximately one-third of the members of the Board shall ~~terminate~~ end on October 1, 2019; and

(3) the ~~terms~~ appointment of the remaining members of the Board shall ~~terminate~~ end on January 1, 2020.

(b) (1) Subject to the provisions of § 13-301 of the Education Article, as enacted by Section 1 of this Act, a member of the Board whose ~~term is terminated~~ appointment ends under subsection (a) of this section may apply for reappointment.

(2) The appointment of a member under paragraph (1) of this subsection who is appointed by the Governor is subject to the advice and consent of the Senate during the legislative session immediately following the date of appointment.

(3) A member reappointed under this subsection shall be considered appointed on the date of the member's initial appointment and is subject to the requirements of § 13-304(d) of the Education Article.

(4) A new member appointed under this subsection shall be considered appointed to fill a vacancy and shall serve for the remainder of the term of the member who was not reappointed under this subsection.

SECTION 6. AND BE IT FURTHER ENACTED, That the terms of the members appointed to the Board of Directors of the University of Maryland Medical System Corporation under § 13-304(c)(4) and (5) of the Education Article as enacted by Section 1 of this Act:

(1) shall be for a term of 5 years from the date of appointment; and

(2) may be reappointed but may not serve more than two consecutive 5-year terms.

SECTION ~~2~~ ~~5~~ 7. AND BE IT FURTHER ENACTED, That this Act ~~shall take effect October 1, 2019~~ is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted.

Approved by the Governor, April 18, 2019.