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By: **Senators Collins, Bromwell, Neall, Sfikas, and Stone** Introduced and read first time: March 2, 1998 Assigned to: Rules Re-referred to: Finance, March 5, 1998

Committee Report: Favorable with amendments Senate action: Adopted with floor amendments Read second time: March 27, 1998

CHAPTER_____

1 AN ACT concerning

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Maryland Port Administration and Maryland Port Commission - Private Operating Companies

4 FOR the purpose of authorizing the Maryland Port Commission to serve as the Board

- 5 of Directors of certain private operating companies under certain circumstances;
- 6 authorizing the Commission to appoint employees, subject to certain conditions,
- 7 to perform certain services; authorizing the Commission to determine the
- 8 qualifications, terms of employment, qualifications and other personnel policies
- 9 for certain employees; providing that certain employees appointed by the
- 10 Commission are State employees and eligible for State retirement and pension
- 11 benefits; requiring that the Commission make a certain annual report to the
- 12 Governor and the General Assembly; requiring that the Commission submit
- 13 certain proposed salary changes to the Secretary of Budget and Management
- 14 and that the Secretary review and provide advice with regard to the changes;
- 15 requiring that the Governor's budget include certain information; and generally
- 16 relating to the powers of the Maryland Port Commission.

17 BY repealing and reenacting, with amendments,

- 18 Article Transportation
- 19 Section 6-201(b) and 6-204(q)
- 20 Annotated Code of Maryland
- 21 (1993 Replacement Volume and 1997 Supplement)

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

23 MARYLAND, That the Laws of Maryland read as follows:

2	SENATE BILL 767
1	Article - Transportation
2	6-201.
3	(b) The Commission shall:
4 5	(1) Establish policies directed toward improving the competitive position of the ports of Maryland within the international port industry;
6 7	(2) Adopt regulations for the operation of the Administration in a competitive manner within the port industry;
8 9	(3) Exercise those powers granted to the Commission and to the Maryland Port Administration by this title or by any other provision of law; [and]
	(4) UNLESS OTHERWISE DIRECTED BY THE SECRETARY, SERVE AS THE BOARD OF DIRECTORS OF ANY PRIVATE OPERATING COMPANY CREATED UNDER THIS TITLE; AND
13 14	[(4)] (5) In carrying out the provisions of this subtitle, seek information and advice from port labor and management groups.
15	6-204.
16 17	(q) (1) The Administration, with the approval of the Commission, may create private operating companies for the purpose of operating public port facilities.
	(2) (I) THE COMMISSION MAY APPOINT <u>UP TO A TOTAL OF 12</u> <u>MANAGEMENT PERSONNEL</u> EMPLOYEES TO PERFORM SERVICES FOR ANY <u>ALL</u> PRIVATE OPERATING COMPANIES CREATED UNDER THIS SUBSECTION.
23 24 25	(II) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE COMMISSION MAY DETERMINE THE QUALIFICATIONS, APPOINTMENT AND REMOVAL, AND TERMS OF EMPLOYMENT, INCLUDING COMPENSATION AND BENEFITS, FOR EMPLOYEES APPOINTED UNDER THIS SUBSECTION. QUALIFICATIONS AND APPOINTMENT, AS WELL AS COMPENSATION AND LEAVE, FOR EMPLOYEES APPOINTED UNDER THIS SUBSECTION.
29 30	(III) AT LEAST 10 DAYS BEFORE THE EFFECTIVE DATE OF THE CHANGE, THE COMMISSION SHALL SUBMIT TO THE SECRETARY OF BUDGET AND MANAGEMENT EACH CHANGE TO THE SALARIES OF THESE EMPLOYEES THAT INVOLVES INCREASES IN SALARY RANGES OTHER THAN THOSE ASSOCIATED WITH GENERAL SALARY INCREASES APPROVED BY THE GENERAL ASSEMBLY.
32	(IV) THE SECRETARY OF BUDGET AND MANAGEMENT SHALL:
33	1. <u>REVIEW THE PROPOSED CHANGES; AND</u>
	2. <u>WITHIN 10 DAYS OF RECEIPT OF THE PROPOSED</u> CHANGES, ADVISE THE COMMISSION WHETHER THE CHANGES WOULD HAVE AN ADVERSE EFFECT ON SPECIAL FUND EXPENDITURES.

SENATE BILL 767

1(V)FAILURE OF THE SECRETARY OF BUDGET AND MANAGEMENT2TO RESPOND IN A TIMELY MANNER IS DEEMED TO BE A STATEMENT THAT THE3CHANGE WILL HAVE NO ADVERSE EFFECT.

4 (HI) (VI) EMPLOYEES APPOINTED UNDER THIS SUBSECTION ARE
5 STATE EMPLOYEES AND SHALL BE ENTITLED TO PARTICIPATE IN THE RETIREMENT
6 AND PENSION SYSTEMS FOR EMPLOYEES OF THE STATE OF MARYLAND AUTHORIZED
7 UNDER DIVISION II OF THE STATE PERSONNEL AND PENSIONS ARTICLE.

8(VII)ON OR BEFORE DECEMBER 1 OF EACH YEAR, THE COMMISSION9SHALL REPORT TO THE GOVERNOR AND THE LEGISLATIVE POLICY COMMITTEE OF10THE GENERAL ASSEMBLY ON ACTIONS TAKEN BY THE COMMISSION UNDER THIS11SUBSECTION DURING THE PREVIOUS FISCAL YEAR WITH REGARD TO INDIVIDUALS12SUBJECT TO THIS SUBSECTION.

13(3)THE BUDGET SUBMITTED BY THE GOVERNOR TO THE GENERAL14ASSEMBLY SHALL INCLUDE PERSONNEL DETAIL FOR THE PRIVATE OPERATING15COMPANIES IN THE FORM AND MANNER PROVIDED FOR AN AGENCY IN THE STATE16PERSONNEL MANAGEMENT SYSTEM.

[(2)] (3) (4) [Employees] OTHER THAN EMPLOYEES APPOINTED BY
 THE COMMISSION UNDER PARAGRAPH (2) OF THIS SUBSECTION, EMPLOYEES of a
 private operating company created under this subsection are not State employees.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take 21 effect July 1, 1998.

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