SB0749/557272/1

BY: Finance Committee

<u>AMENDMENTS TO SENATE BILL 749</u> (First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike "Senator Middleton" and substitute "<u>Senators Middleton, Astle, Garagiola, Glassman, Kelley, Kittleman, Klausmeier, Mathias, Pugh, and Ramirez</u>"; and in line 30, after "changes;" insert "<u>providing for the effective dates of this Act;</u>".

AMENDMENT NO. 2

On page 3, in line 1, after "(1)" insert "<u>EXCEPT AS OTHERWISE PROVIDED BY</u> LAW, THE FUND IS SUBJECT TO THE PROVISIONS OF THIS ARTICLE.

<u>(2)</u>";

in the same line, strike "**PARAGRAPHS (2) AND**" and substitute "<u>**PARAGRAPH**</u>"; strike in their entirety lines 4 and 5; in line 12, after the semicolon insert "<u>**AND**</u>"; strike beginning with the semicolon in line 14 down through "**ARTICLE**" in line 15; and in line 16, strike "(1)" and substitute "(2)".

On page 4, after line 7, insert:

"(3) OF THE MEMBERS DESCRIBED IN PARAGRAPH (2)(I) OF THIS SUBSECTION, AT LEAST ONE SHALL BE APPOINTED FROM A LIST OF TWO OR MORE INDIVIDUALS RECOMMENDED BY THE BOARD OF DIRECTORS.".

AMENDMENT NO. 3

On page 7, strike in their entirety lines 3 through 32, inclusive.

On page 10, after line 32, insert:

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"<u>SECTION 2. AND BE IT FURTHER ENACTED</u>, That the Laws of Maryland read as follows:

<u>Article – Insurance</u>

<u>20–204.</u>

(a) [(1) Except as provided in paragraph (2) of this subsection or otherwise by law, the Executive Director shall appoint and remove staff of the Fund in accordance with the provisions of the State Personnel and Pensions Article.

(2) Positions that the Executive Director designates with the approval of the Board of Trustees as technical or professional positions are in the executive service, management service, or are special appointments of the skilled service or the professional service in the State Personnel Management System.]

(1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, EMPLOYEES OF THE FUND ARE NOT IN THE STATE PERSONNEL MANAGEMENT SYSTEM.

(2) A SKILLED SERVICE EMPLOYEE OF THE FUND HIRED BEFORE JULY 1, 2013, IN A NONPROFESSIONAL OR NONTECHNICAL POSITION SHALL REMAIN IN THE SKILLED SERVICE IN THE STATE PERSONNEL MANAGEMENT SYSTEM OR ITS EQUIVALENT AS LONG AS THE EMPLOYEE REMAINS IN A NONPROFESSIONAL OR NONTECHNICAL POSITION WITH THE FUND.

(3) THE EXECUTIVE DIRECTOR SHALL APPOINT AND REMOVE EMPLOYEES OF THE FUND IN ACCORDANCE WITH THE POLICIES OF THE BOARD OF TRUSTEES. [(3)] (4) Notwithstanding any other provision of law, the Executive Director may appoint claims adjusters, attorneys, and other necessary personnel directly as employees or on a contract basis.

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(b) The Executive Director shall determine and administer the compensation of the [personnel] EMPLOYEES of the Fund [designated under subsection (a)(2) of this section] with the approval of the Board of Trustees.

(c) Except as otherwise provided in this subtitle, an employee of the Fund is not subject to any law, regulation, or executive order governing State employee compensation, including furloughs, salary reductions, and any other General Fund cost-saving measure.".

On page 13, in line 34, strike "2." and substitute "<u>3.</u>".

On page 14, in line 3, after "initial" insert "<u>terms</u>"; in lines 5 and 7, in each instance, strike "members"; in line 9, strike "3." and substitute "<u>4.</u>"; in the same line, after "That" insert "<u>Sections 1 and 3 of</u>"; and after line 10, insert:

"<u>SECTION 5. AND BE IT FURTHER ENACTED</u>, That, except as provided in <u>Section 4 of this Act</u>, this Act shall take effect July 1, 2013.".