

## Chapter 312

(Senate Bill 993)

AN ACT concerning

### Maryland Automobile Insurance Fund – Employee Compensation

FOR the purpose of providing that employees of the Maryland Automobile Insurance Fund are not subject to certain laws, regulations, or executive orders governing State employee compensation; repealing a requirement for the Executive Director of the Fund to determine the compensation of certain personnel of the Fund in accordance with the State pay plan; requiring the Executive Director to administer the compensation of the personnel of the Fund; repealing a requirement for the Executive Director to submit certain changes to the Fund's salary plan to the Secretary of Budget and Management in a certain manner; repealing a requirement for the Secretary to take certain actions relating to proposed changes to the Fund's salary plan; and generally relating to the compensation of employees of the Maryland Automobile Insurance Fund.

BY repealing and reenacting, with amendments,  
Article – Insurance  
Section 20–204  
Annotated Code of Maryland  
(2006 Replacement Volume and 2010 Supplement)

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

#### Article – Insurance

20–204.

(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.

(3) 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.

(b) The Executive Director shall determine AND ADMINISTER the compensation of the personnel of the Fund designated under subsection (a)(2) of this section[:

- (1)] with the approval of the Board of Trustees[; and
- (2) when possible, in accordance with the State pay plan.

(c) (1) At least 45 days before the effective date of the change, the Executive Director shall submit to the Secretary of Budget and Management each change to the Fund's salary plans that involves increases or decreases in salary ranges other than those associated with routine reclassifications and promotions or general salary increases approved by the General Assembly.

(2) Reportable changes include creation or abolition of classes, regrading of classes from one established range to another, and creation of new pay schedules or ranges.

(3) The Secretary of Budget and Management shall:

- (i) review the proposed changes; and
- (ii) at least 15 days before the effective date of the proposed changes, advise the Executive Director whether the changes would have an adverse effect on comparable State jobs.

(4) Failure of the Secretary of Budget and Management to respond in a timely manner is deemed to be a statement that the change will have no adverse effect].

**(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.**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2011.

**Approved by the Governor, May 10, 2011.**