

such recommendations for amendments to this article as the Executive Director deems proper. Such report shall include a balance sheet of the moneys in the fund in which there shall be provided, if possible, a reserve against the liability in future years to pay benefits in excess of the then current contributions, which reserve shall be set up by the Executive Director in accordance with accepted actuarial principles on the basis of statistics of employment, business activity, and other relevant factors for the longest possible period. Whenever the Executive Director believes that a change in contribution or benefit rates will become necessary to protect the solvency of the fund, he shall promptly so inform the *Secretary of Employment and Social Services*, who shall inform the Governor and the legislature, and make recommendations with respect thereto.

(e) The *Secretary of Employment and Social Services*, with the approval of the Governor, shall appoint a State Advisory Council and the Executive Director shall appoint [a] local advisory councils, composed in each case of an equal number of employer representatives and employee representatives who may be fairly regarded as representative because of their vocation, employment, or affiliations, and of such members representing the general public as the Executive Director may designate. Such councils shall aid the Executive Director in formulating policies and discussing problems related to the administration of this article and in assuring impartiality and freedom from political influence in the solution of such problems. Such advisory councils as are appointed by the Executive Director shall serve without compensation, but shall be reimbursed for any necessary expenses. Such advisory councils as are appointed by the [Governor] *Secretary of Employment and Social Services* shall receive a per diem allowance of thirty dollars (\$30.00) for each day not to exceed \$1,000 per year in which the council is in session, plus hotel and necessary travel expenses. As the terms of the present members of the State Advisory Council terminate, the *Secretary of Employment and Social Services*, with the approval of the Governor, shall appoint a person to a term of six years. Any vacancy occurring during a term shall be filled [by the Governor] for the unexpired portion of the term. Nothing in this subsection, however, shall be construed to prohibit the reappointment to the State Advisory Council of any person who has already served thereon. [The indefinite terms of the members of the State Advisory Council who are in office on June 1, 1953 shall be terminated as of that time.]

12A.

The exercise of all authority, duties, and functions vested in the Employment Security Administration or the Executive Director thereof by the provisions of this Article or by any other laws of this State shall be subject to the authority of the Secretary of Employment and Social Services as set forth in Article 41 of this Code or elsewhere in the laws of Maryland.

SEC. 3. *And be it further enacted by the General Assembly of Maryland, That Sections 1, 2 (a), (b), (c), 3 (f), (g), 4A (a), (c), 5, 14 (c), (d), (e), 14A, and 20 of Article 88A of the Annotated Code of Maryland (1957 Edition and 1969 Replacement Volume), title "State Department of Social Services," subtitles "In General" and "Child Care," be and they are hereby repealed and re-enacted, with amendments; and that new Sections 1 (d) and 1 (e) be and*