

ment executed on December 3, 1951, with the Department of Health, Education and Welfare, now known as the Department of Health and Human Services. The Division serves as the State agent in all matters pertaining to social security coverage. In this capacity the Division enters into agreements with governmental entities electing social security coverage, collects and invests social security contributions, and transmits coordinated wage reports and related contributions on behalf of the State and its covered political subdivisions to the Social Security Administration. The Division establishes operating procedures and provides instruction and guidance to maintain an effective system in order to ensure the timely receipt and filing of correct wage and contribution reports. To ensure compliance with Section 218 of the Social Security Law, the Division conducts on-site field audits of all covered governmental entities throughout the State. In addition to the social security coverage audits, the Division is responsible for various other audits.

## THE STATE ACCIDENT FUND

Commissioners

*Chairperson:* Paul E. Gaeng, 1981

*Vice-Chairperson:* Paul T. O'Malley, 1985

*Secretary:* Leroy Frederick, 1982

Richard K. Coggins, 1983; Simon F. McHugh, Jr., 1983; Maurice R. Wyatt, 1983; Margaret A. Barnes, 1984.

Donald W. Potter, *Superintendent*

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Baltimore 21204 Telephone: 321-3993

The State Accident Fund, originally a part of the State Industrial Accident Commission, was established as a separate agency by Chapter 504, Acts of 1941 (Code 1957, Art. 101, secs. 70-84). The Fund insures those employers who are unable or unwilling to obtain insurance from private carriers, and who are not self-insurers. The Fund is also the Workmen's Compensation Insurance carrier for all State employees. The fund is directed by seven commissioners appointed by the Secretary of Personnel with the approval of the Governor for five-year terms, with at least one term expiring each year. The Board elects its officers annually. Through the Fund, employers carry insurance for the payment of claims that may arise from accidents and injuries to their employees as

allowed under Article 101 of the *Annotated Code of Maryland* (Workmen's Compensation Law). All expenses of the Fund are paid out of income from premiums paid and interest on Fund investments. The State Treasury is prepaid for operating expenses of the Fund (Code 1957, Art. 101, secs. 70-71).

## EMPLOYEES' RETIREMENT AND PENSION SYSTEMS

Board of Trustees

*Chairperson:* Louis L. Goldstein, *Comptroller of the Treasury*

Ex officio members: William S. James, *State Treasurer*; Thomas V. Schmidt, *Secretary of Budget and Fiscal Planning*; Theodore E. Thornton, Sr., *Secretary of Personnel*.

Appointed by the Board of Public Works: Louis N. Phipps, 1981.

Elected by the members: Robert L. Serviss, 1981; Malcolm Barlow, 1983.

Christ G. Christis, *Assistant Secretary, Retirement Systems*

301 West Preston Street  
Baltimore 21201 Telephone: 383-2344

The Employees' Retirement System was established by Chapter 377, Acts of 1941. The Pension System for employees of the State of Maryland was established by Chapters 23 and 24, Acts of 1979, for persons employed on or after January 1, 1980. The systems are administered by a Board of Trustees consisting of seven members. Four trustees serve as ex officio members, one is appointed by the Board of Public Works, and the remaining two are elected by the membership of the Retirement and Pension Systems. The Board administers the retirement allowances and benefits for the employees of the State and the municipalities that participate in the system, and is responsible for the proper investment and administration of funds entrusted to its care. In addition, the Board administers retirement or pension plans for correctional officers, members of the General Assembly, and judges (Code 1957, Art. 73B, secs. 1-34, 46, 55-63A, 111-138, and 156). Since June 1, 1956, social security coverage has been administered through the Division of Social Security for all State employees and all teachers (Code 1957, Art. 73 B, secs. 35-45).