

IN AN ACTION OR PROCEEDING AGAINST AN OFFICER OR EMPLOYEE, IF A JUDGMENT IS RENDERED IN FAVOR OF THE OFFICER OR EMPLOYEE, ~~[[OR]]~~ AND IF THE COURT FINDS THAT THE ACTION OR PROCEEDING WAS INSTITUTED IN (1) BAD FAITH OR (2) WITHOUT SUBSTANTIAL JUSTIFICATION, THE COURT SHALL REQUIRE THE MOVING PARTY TO PAY THE STATE OR THE OFFICER OR EMPLOYEE, AS THE CASE MAY BE, THE AMOUNT OF THE COST THEREOF AND THE REASONABLE EXPENSES INCURRED, INCLUDING REASONABLE ATTORNEYS' FEES. THE COURT SHALL REQUIRE THE MOVING PARTY TO PAY THE COST AND EXPENSES DIRECTLY TO THE STATE OR TO ITS APPROPRIATE AGENCY, BOARD, COMMISSION, OR DEPARTMENT THEREOF, IF PRIOR PAYMENT OF COSTS AND EXPENSES TO THE OFFICER OR EMPLOYEE HAS BEEN MADE PURSUANT TO THE PROVISIONS OF §12C OF THIS ARTICLE.

12H. NO WAIVER OF SOVEREIGN IMMUNITY.

(A) THE CONSENT OF THE ATTORNEY GENERAL TO DEFEND ACTIONS OR PROCEEDINGS AGAINST STATE OFFICERS AND EMPLOYEES MAY NOT BE CONSTRUED TO DEPRIVE ANY AGENCY, BOARD, COMMISSION, DEPARTMENT, OFFICER, OR INSTITUTION, OR ANY EMPLOYEE THEREOF, OF ITS SOVEREIGN IMMUNITY AS IT EXISTED PRIOR TO JULY 1, 1973. (B) THE PROVISIONS OF THIS ACT SHALL APPLY TO ALL ACTIONS INSTITUTED IN COURT ON OR AFTER JULY 1, 1973.

SECTION 2. AND BE IT FURTHER ENACTED, That new Section 16C be and it is hereby added to Article 78A of the Annotated Code of Maryland (1969 Replacement Volume and 1972 Supplement), title "Public Works," to follow immediately after existing Section 16B thereof, to read as follows:

16C. PAYMENT OF JUDGMENT AGAINST STATE OFFICER OR EMPLOYEE.

(A) THE BOARD OF PUBLIC WORKS MAY GRANT FROM THE GENERAL EMERGENCY FUND OR FROM FUNDS PROVIDED THEREFOR BY THE GOVERNOR IN THE BUDGET BILL, A SUM TO SATISFY ALL OR PART OF ANY SETTLEMENT OR ANY JUDGMENT RENDERED BY A COURT OF COMPETENT JURISDICTION AGAINST A STATE OFFICER OR EMPLOYEE SUCH A GRANT MAY ONLY BE MADE UPON WRITTEN APPLICATION TO THE BOARD SPECIFYING THE APPLICANT'S REASONS FOR BELIEVING THE JUDGMENT TO BE A STATE RESPONSIBILITY, UPON A HEARING BEFORE THE BOARD OR A HEARING OFFICER APPOINTED BY IT, AND AFTER A WRITTEN REPORT HAS BEEN FILED BY THE BOARD ASSIGNING ITS REASONS FOR THE GRANT OR DENIAL.

(B) THE BOARD MAY PAY THE GRANT IN LUMP SUM OR IN INSTALLMENTS AS IT DEEMS APPROPRIATE.

(C) THE PAYMENT OF THE GRANT BY THE BOARD SHALL NOT BE CONSTRUED TO ABROGATE THE SOVEREIGN IMMUNITY OF THE STATE OR DEPRIVE ANY AGENCY, BOARD, COMMISSION, DEPARTMENT, OFFICER, OR INSTITUTION, OR ANY EMPLOYEE THEREOF, OF ITS SOVEREIGN IMMUNITY AS IT EXISTED PRIOR TO JULY 1, 1973. NO APPEAL SHALL LIE TO ANY COURT FROM A DECISION OF THE BOARD OF PUBLIC WORKS MADE PURSUANT TO