

BY adding to

Article 88B - State Police  
Section 54A  
Annotated Code of Maryland  
(1969 Replacement Volume and 1974 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That new Section 13A be and it is hereby added to Article 73B - Pensions, of the Annotated Code of Maryland (1970 Replacement Volume and 1974 Supplement) to read as follows:

Article 73B - Pensions

13A.

(A) THE STATE SHALL INDEMNIFY EVERY PERSON WHO IS MADE, OR IS THREATENED TO BE MADE, A PARTY TO ANY ACTION, SUIT, OR PROCEEDING, INCLUDING ADMINISTRATIVE AND INVESTIGATIVE PROCEEDINGS BY REASON OF HIS SERVICE IN A FIDUCIARY CAPACITY TO THE EMPLOYEES' RETIREMENT SYSTEM, IN ACCORDANCE WITH AND SUBJECT TO THE CONDITIONS STATED IN THIS SECTION.

(B) THE TERM "SERVICE IN A FIDUCIARY CAPACITY," AS USED IN THIS SECTION, MEANS THE EXERCISE OF ANY DISCRETIONARY AUTHORITY OR CONTROL CONCERNING THE MANAGEMENT OR ADMINISTRATION OF THE EMPLOYEES' RETIREMENT SYSTEM, OR THE EXERCISE OF ANY DISCRETIONARY AUTHORITY OR CONTROL CONCERNING THE MANAGEMENT OR DISPOSITION OF THE ASSETS OF THE SYSTEM. IT INCLUDES MEMBERSHIP ON THE BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT SYSTEM, MEMBERSHIP ON THE ADVISORY INVESTMENT COMMITTEE, AND SERVICE AS INVESTMENT ADMINISTRATOR OR ON HIS STAFF.

(C) IF, WITH RESPECT TO A CIVIL, ADMINISTRATIVE, OR INVESTIGATIVE ACTION, SUIT, OR PROCEEDING, THE PERSON ACTED IN GOOD FAITH AND IN A MANNER HE REASONABLY BELIEVED TO BE IN OR NOT OPPOSED TO THE BEST INTEREST OF THE EMPLOYEES' RETIREMENT SYSTEM, AND, WITH RESPECT TO A CRIMINAL ACTION, HAD NO REASONABLE CAUSE TO BELIEVE HIS CONDUCT WAS UNLAWFUL, THEN INDEMNIFICATION SHALL BE AGAINST THOSE EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, JUDGMENTS, FINES, AND ACCOUNTS PAID IN SETTLEMENT WHICH WERE ACTUALLY AND REASONABLY INCURRED BY HIM IN CONNECTION WITH THE PROCEEDING.

(D) THE TERMINATION OF ANY SUIT OR PROCEEDING, IN ANY MANNER, DOES NOT, OF ITSELF, CREATE A PRESUMPTION THAT THE PERSON DID NOT ACT IN GOOD FAITH AND IN A MANNER