

§2 80.

(A) EVERY FIDUCIARY OF A PLAN AND EVERY PERSON WHO HANDLES FUNDS OR OTHER PROPERTY OF A PLAN (HEREAFTER IN THIS SECTION REFERRED TO AS "PLAN OFFICIAL") SHALL BE BONDED PURSUANT TO ARTICLE 78A, SECTIONS 46 THROUGH 50. ~~AS PROVIDED IN THIS SECTION. THE BOARD SHALL PROVIDE PROTECTION TO THE PLAN AGAINST LOSS BY REASON OF ACTS OF FRAUD OR DISHONESTY ON THE PART OF THE PLAN OFFICIAL, DIRECTLY OR THROUGH CONNIVANCE WITH OTHERS. ANY BOND SHALL BE IN A FORM OR OF A TYPE APPROVED BY THE COMMISSIONER OF INSURANCE, INCLUDING INDIVIDUAL BONDS OR SCHEDULE OR BLANKET FORMS OF BONDS WHICH COVER A GROUP OR CLASS.~~

(B) IT IS UNLAWFUL FOR ANY PLAN OFFICIAL TO WHOM SUBSECTION (A) OF THIS SECTION APPLIES, TO RECEIVE, HANDLE, DISBURSE, OR OTHERWISE EXERCISE CUSTODY OR CONTROL ~~OR OF~~ ANY OF THE FUNDS OR OTHER PROPERTY OF ANY PLAN, ~~WITH~~ WITHOUT BEING BONDED AS REQUIRED BY SUBSECTION (A) AND IT SHALL BE UNLAWFUL FOR ANY PLAN OFFICIAL OF A PLAN, OR ANY OTHER PERSON HAVING AUTHORITY TO DIRECT THE PERFORMANCE OF THESE FUNCTIONS, TO PERMIT THESE FUNCTIONS, OR ANY OF THEM, TO BE PERFORMED BY ANY PLAN OFFICIAL, WITH RESPECT TO WHOM THE REQUIREMENTS OF SUBSECTION (A) HAVE NOT BEEN MET.

~~(C) IT IS UNLAWFUL FOR ANY PERSON TO PROCURE ANY BOND REQUIRED BY SUBSECTION (A) FROM ANY SURETY OR OTHER COMPANY OR THROUGH ANY AGENT OR BROKER IN WHOSE BUSINESS OPERATIONS A PLAN OR ANY PARTY IN INTEREST IN SUCH PLAN HAS ANY CONTROL OR SIGNIFICANT FINANCIAL INTEREST, DIRECT OR INDIRECT.~~

~~(D) (C)~~ NOTHING IN ANY OTHER PROVISION OF LAW SHALL REQUIRE ANY PERSON, REQUIRED ~~TO~~ TO BE BONDED AS PROVIDED IN SUBSECTION (A) ~~BECAUSE HE HANDLES FUNDS OR OTHER PROPERTY OF A PLAN,~~ TO BE BONDED INsofar AS THE HANDLING BY SUCH PERSON OF THE FUNDS OR OTHER PROPERTY OF A PLAN IS CONCERNED.

SECTION 2. AND BE IT FURTHER ENACTED, That Sections 13A(e) and (f) of Article 73B - Pensions, of the Annotated Code of Maryland (1970 Replacement Volume and 1976 Supplement) be and they are hereby repealed and reenacted, with amendments, to read as follows:

Article 73B - Pensions

13A.

(e) Indemnification may not be made (1) with respect to any suit, claim, or matter as to which the person was adjudged to be liable for GROSS negligence or WILLFUL misconduct in the performance of his duty to the Employees' Retirement System. The court in which the action was brought may determine, upon application, that,