

CHAPTER 884

(House Bill 1132)

AN ACT concerning

State and Local Governmental Volunteer Units - Advisory Board on Liability

FOR the purpose of ~~creating an Advisory Board on Liability to study the liability of certain governmental and quasi-governmental units and civic organizations, describing the composition and organization of the Board, describing the Board's duties, and providing that the Board's existence terminates at a certain date unless extended~~ establishing an Advisory Board to review, evaluate, and examine certain aspects of the legal liability of certain governmental and quasi-governmental units and organizations; providing the Board shall make certain reports; prescribing the Board's duties and responsibilities; and providing for the termination of the Board.

BY adding to

Article 41 - Governor - Executive and Administrative Departments
 Section 511 through 517 516, inclusive, to be under the new subheading "Advisory Board on Liability"
 Annotated Code of Maryland
 (1978 Replacement Volume and 1979 Supplement)

Preamble

The potential liability of directors of special tax districts, officials of other units of State and local governments, and officers of civic organizations that act as governing bodies of special taxing districts has presented certain problems. Individual and organization liability is an area of the law that is vague, particularly in regard to entities which exercise local authority through certain governments, without being a part of those governments, for example, a taxing district.

For many governmental or quasi-governmental units, increased litigation has resulted in difficulty in obtaining insurance. Several county governments have established self-insurance funds to defend officials in lawsuits arising out of the performance of their official duties. Because of the expense, it is often impossible for smaller governmental entities to acquire this protection. There are strong indications that certain members of special taxing districts and some officials of certain State and local governments