3.--MARYLAND--AUTOMOBILE--INSURANCE--FUND;
AND

4.--MARYLAND---DEPOSIT---INSURANCE---FUND.
GOVERNOR   MAY   INCLUDE   IN   THE   EXECUTIVE   PAY   PLAN   EXECUTIVE
MANAGEMENT POSITIONS IN AN AGENCY IN THE   EXECUTIVE   BRANCH   WITH
INDEPENDENT SALARY SETTING AUTHORITY.   THIS SUBPARAGRAPH DOES NOT
PERTAIN TO POSITIONS IN THE UNIVERSITY OF MARYLAND SYSTEM, MORGAN
STATE UNIVERSITY, AND ST. MARY'S COLLEGE OF MARYLAND.

(III)   THE   EXECUTIVE   PAY   PLAN   MAY   INCLUDE A
SERIES OF EXECUTIVE SALARY GRADES AND STEPS WITHIN EACH GRADE, OR
MAY INCLUDE SALARIES AT A FIXED RATE.

(IV)   THE--GOVERNOR---MAY---APPROVE---A---SALARY
ADJUSTMENT--FOR-AN-INDIVIDUAL-HOLDING-A-POSITION-IN-THE-EXECUTIVE
PAY-PLAN-OF-NOT-MORE-THAN-2-STEPS-ABOVE-THE--SALARY--RECEIVED--BY
THE--INDIVIDUAL--IN--THE--PRIOR-FISCAL-YEAR.  1.  ALL INCREASES IN
STEPS WITHIN A GRADE SHALL BE BASED UPON THE PERFORMANCE   OF   THE
INDIVIDUAL IN THE POSITION.

2.  DURING   THE   FISCAL YEAR, AND WITH THE
APPROVAL OF THE GOVERNOR, THE HEAD   OF   THE   DEPARTMENT,   AGENCY,
BOARD,   OR COMMISSION MAY INCREASE THE SALARY OF AN INDIVIDUAL IN
A POSITION IN THE EXECUTIVE PAY PLAN BY ONE STEP WITHIN THE   SAME
GRADE,   ABOVE THE SALARY RECEIVED BY THAT INDIVIDUAL IN THE PRIOR
FISCAL YEAR.

3.  IN   RECOGNITION   OF   EXCEPTIONAL
PERFORMANCE, THE   HEAD   OF   THE   DEPARTMENT,   AGENCY,   BOARD,   OR
COMMISSION   MAY   RECOMMEND TO THE GOVERNOR AN ADDITIONAL INCREASE
IN THE SALARY OF AN INDIVIDUAL IN A POSITION IN THE EXECUTIVE PAY
PLAN.   SUBJECT TO THE APPROVAL OF THE   GOVERNOR,   THE   SALARY   OF
THAT INDIVIDUAL MAY BE INCREASED BY A SECOND STEP WITHIN THE SAME
GRADE,   ABOVE THE SALARY RECEIVED BY THAT INDIVIDUAL IN THE PRIOR
FISCAL YEAR.

4.  THE   SECRETARY   SHALL   SUBMIT   TO   THE
DEPARTMENT   OF   FISCAL   SERVICES   BY   SEPTEMBER   1 OF EACH YEAR A
LISTING OF EACH INDIVIDUAL IN THE EXECUTIVE SALARY PAY PLAN AS OF
JUNE 30 OF THAT YEAR INCLUDING POSITION, SALARY GRADE   AND   STEP,
AND SALARY.

5.  THE   SECRETARY   SHALL   SUBMIT   TO   THE
DEPARTMENT   OF   FISCAL   SERVICES   BY JANUARY 1 AND JULY 1 OF EACH
YEAR   THE   SALARY   ADJUSTMENTS   MADE   IN   ACCORDANCE   WITH   THE
PROVISIONS OF THIS SUBPARAGRAPH FOR THE PRECEDING 6-MONTH PERIOD.

(V) 1.  SUBJECT   TO   APPROVAL   BY   THE   BOARD OF
PUBLIC WORKS, THE GOVERNOR MAY APPROVE: