

SECTION 2. AND BE IT FURTHER ENACTED, That ~~on June 1, 1993~~ any existing affiliate or subsidiary of a health service corporation regulated under Subtitle 20 of Article 48A of the Code that is not in compliance with the provisions of Article 48A, § ~~357~~ 357(a) through (d) of the Code as enacted by this Act shall be divested or liquidated by the health service corporation in accordance with a plan of divestiture ~~approved~~ filed under Article 48A, § 357(e) of the Code on or before December 1, 1993 for approval by the Commissioner.

SECTION 3. AND BE IT FURTHER ENACTED, That any nonprofit health care plan operating under a certificate of authority issued on or before January 1, 1992 shall have the greater of \$75,000 or at the end of:

(1) December 1993 have 40% of the minimum surplus required under § 355A(b)(2) of this Act;

(2) December 1994 have 60% of the minimum surplus required under § 355A(b)(2) of this Act;

(3) December 1995 have 80% of the minimum surplus required under § 355A(b)(2) of this Act;

(4) December 1996 have 100% of the minimum surplus required under § 355A(b)(2) of this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That any person who is a member of the board of directors of a corporation subject to Article 48A, § 360(b) and (g) of the Code on the effective date of this Act:

(1) May be reappointed and continue to serve on the board if, at the expiration of their current term as of January 1, 1993, their cumulative service as a member of the board from before the effective date of this Act to the expiration of the current term is less than a total of 9 years; and

(2) May not be reappointed to the board if, at the expiration of their current term as of January 1, 1993, their cumulative service as a member of the board from before the effective date of this Act to the expiration of the current term is equal to or greater than a total of 9 years.

SECTION 5. AND BE IT FURTHER ENACTED, That notwithstanding Section 4 of this Act, a member of the board of directors of a corporation subject to Subtitle 20 of Article 48A of the Code that is serving on the effective date of this Act and that is allowed to be reappointed under Section 4 of this Act, may not serve a cumulative term greater than that allowed under Article 48A, § 360A of the Code as set out under this Act.

SECTION 6. AND BE IT FURTHER ENACTED, That, notwithstanding Sections 4 and 5 of this Act and the bylaws of a corporation subject to Subtitle 20 of Article 48A of the Code, persons who are members of the board of directors of a corporation subject to Article 48A, § 360(b) and (g) on the effective date of this Act and whose terms as directors will reach 9 years during 1994 shall be removed from the board in the order determined by the board according to the following schedule:

(1) four shall leave the board before January 1, 1994; and