

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 48A - Insurance Code

243.

(c) The Board of Trustees of the Fund shall consist of [11] ~~42~~ 13 persons, selected as follows. The Executive Director is a member of the Board of Trustees, and, except as provided in subsection (b), has the power to vote. [Five] ~~SIX~~ SEVEN members shall be appointed by the Governor with the advice and consent of the Senate, and serve at the pleasure of the Governor. Five members shall be appointed by the Board of Directors of the Industry Automobile Insurance Association in accordance with § 243M. ~~Two~~ AT LEAST 3 of the 5 Industry Automobile Insurance Association members shall be residents of this State. The Chairman of the Board of Trustees shall be selected by the Board of Trustees. However for each successive term, the chairmanship shall alternate between a gubernatorial appointee and an Industry Automobile Insurance Association appointee. The Executive Director may not be Chairman of the Board of Trustees. The Board of Trustees shall advise the Executive Director with respect to his exercise of the powers and duties conferred on him by this subtitle. The Board of Trustees shall formulate policy for the Fund. Each trustee who is not otherwise an officer or employee of the State shall receive per diem compensation set by the Board of Public Works for each day actually engaged in the discharge of his official duties as a trustee, and each trustee shall receive reimbursement for all necessary and proper expenses.

243A.

(a) All moneys collected pursuant to this section, and all other funds collected by or on behalf of the Fund, whether through premiums, earnings from investments, or otherwise, shall be managed and invested by the Fund through a financial management committee composed of the Executive Director and two members of the Board of Trustees to be selected by the Board. One of the committee members from the Board of Trustees shall be selected from the members appointed by the Governor, and one shall be selected from the members appointed by the Industry Automobile Insurance Association. All operating expenses of the Fund shall be paid from such revenues. The account of the Fund shall be a special fund account, and shall not be deemed part of the treasury of the State. The State shall not provide general fund appropriations to the Fund; and the debts and obligations of the Fund shall not be deemed in any manner to be a debt of the State or a pledge of its credit.

[(b) (1) On or before March 15th of each calendar year, commencing in 1984, the Board of Trustees of the Fund shall certify to the Board of Directors of the Association the actual operating loss, if any, sustained by the Fund for the immediately preceding calendar year, on a cash or statutory accounting basis, whichever is greater. The annual insufficiency so certified shall not include any insufficiency assessment moneys received or any inter-division transfers of moneys within the Fund. The certification of operating loss shall separately identify commercial automobile loss, private passenger automobile loss, and the aggregate of the two beginning with calendar year 1986 losses, if any.]