

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

**Article - State Personnel and Pensions**

21-108.

(c) Subject to [§ 21-123] §§ 21-122 AND 21-123 of this subtitle, the Board of Trustees shall have full power to invest the assets of the several systems.

21-118.1.

(A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ON THE RECOMMENDATION OF THE EXECUTIVE DIRECTOR AND THE INVESTMENT COMMITTEE, THE BOARD OF TRUSTEES SHALL DETERMINE THE QUALIFICATIONS AND APPOINTMENT, AS WELL AS COMPENSATION AND LEAVE, FOR THE CHIEF INVESTMENT OFFICER WHO SHALL BE THE HEAD OF THE INVESTMENT DIVISION.

(B) IN MAKING DETERMINATIONS AND APPOINTMENTS UNDER THIS SECTION, THE EXECUTIVE DIRECTOR AND THE INVESTMENT COMMITTEE SHALL CONSIDER THE COMPARATIVE ~~STATUS~~ QUALIFICATIONS, COMPENSATION, AND LEAVE OF EMPLOYEES SERVING IN SIMILAR POSITIONS AND DISCHARGING SIMILAR DUTIES AT COMPARABLE PUBLIC PENSION FUNDS.

(C) IN ADDITION TO THE BOARD OF TRUSTEES SETTING THE SALARY OF THE CHIEF INVESTMENT OFFICER UNDER SUBSECTION (A) OF THIS SECTION IN ACCORDANCE WITH THE STATE BUDGET, THE BOARD OF TRUSTEES MAY ALSO AWARD FINANCIAL INCENTIVES TO THE CHIEF INVESTMENT OFFICER IN ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION.

(D) (1) ON THE RECOMMENDATION OF THE INVESTMENT COMMITTEE, THE BOARD OF TRUSTEES SHALL ESTABLISH CRITERIA FOR AWARDING FINANCIAL INCENTIVES TO THE CHIEF INVESTMENT OFFICER.

(2) THE CRITERIA UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE BASED ON:

(I) OBJECTIVE BENCHMARKS OF INVESTMENT PERFORMANCE FOR THE ASSETS OF THE SEVERAL SYSTEMS; AND