

Article - Labor and Employment

9-404.

(a) (1) The Commission shall adopt regulations:

(I) setting procedures and other requirements for a governmental self-insurance group to establish joint self-insurance coverage; AND

(II) ESTABLISHING GUIDELINES TO GOVERN THE INVESTMENT OF SURPLUS MONEYS NOT NEEDED TO MEET CURRENT OBLIGATIONS IN A MANNER THAT WILL ENSURE SOLVENCY OF THE FUND AND TIMELY PAYMENT OF CLAIMS.

(2) NOTWITHSTANDING THE LOCAL GOVERNMENT GUIDELINES SET FORTH IN ARTICLE 95, § 22 OF THE CODE, THE GUIDELINES REQUIRED BY PARAGRAPH (1)(II) OF THIS SUBSECTION SHALL:

(I) STATE THE TYPES OF INVESTMENT IN WHICH MONEYS MAY BE INVESTED;

(II) INCLUDE GUIDANCE FOR THE PRUDENT INVESTMENT OF MONEYS BASED ON CLAIM EXPERIENCE, CASH FLOW PROJECTIONS, INCOME, LIQUIDITY, INVESTMENT RATINGS, AND RISK;

(III) AUTHORIZE INVESTMENTS OF MONEYS IN EQUITIES, PROVIDED THAT INVESTMENTS DO NOT EXCEED 30 PERCENT OF THE SURPLUS MONEYS;

(IV) PROVIDE THAT MONEYS NOT INVESTED IN EQUITIES SHALL BE INVESTED IN ACCORDANCE WITH ARTICLE 95, § 22 OF THE CODE; AND

(V) PROHIBIT BORROWING OF FUNDS FOR THE EXPRESS PURPOSE OF INVESTING THOSE FUNDS.

(b) (1) Subject to paragraph (2) of this subsection, a governmental self-insurance group may be formed by any combination of:

(i) counties;

(ii) municipal corporations;