IF SALE OF A SECURITY IN WHICH MONEY OF THE FUND IS INVESTED IS IN THE BEST INTEREST OF THE FUND, THE STATE TREASURER MAY SELL THE SECURITY.

REVISOR'S NOTE: This section is new language derived without substantive change from the first sentence of former Art. 101, § 92(a), as that sentence related to investment.

Subsection (a) of this section is revised to reflect that a certificate of deposit is a security. Accordingly, in subsection (b) of this section, the former reference to "certificates of deposit" is deleted.

In subsection (a)(2)(ii)2 of this section, the reference to a "national banking association" is substituted for the former reference to a "national bank", to conform to the terminology used in the federal law. See, e.g., 12 U.S.C. § 81.

In subsection (b) of this section, the former condition "necessary for the proper administration [of the Fund]" is deleted as unnecessary in light of the broad reference to "the best interest of the Fund".

As to authority of savings banks to invest, see FI § 4–206.

The Labor and Employment Article Review Committee notes, for consideration by the General Assembly, that the second sentence of former Art. 101, § 92(a) arguably conferred on the Director the authority to decide whether there is "surplus" money in the Fund. However, this reading seemed inconsistent with the responsibility of the Board for administration of the Fund. Furthermore, the State Treasurer usually has discretion to invest surplus money in the custody of the State Treasurer. See SF §§ 6–222 and 6–223. Compare, however, § 10–122 of this title. Therefore, the Committee urges the General Assembly to clarify the roles of the State Treasurer, Board, and Director, under subsections (a) and (b) of this section.

The Committee also notes that the choices for investment under this section differ from those under SF §§ 6–222 and 6–223.

Defined term: "Fund" § 10–301

10–319. DISBURSEMENTS.

THE STATE TREASURER SHALL DISBURSE MONEY FROM THE FUND ONLY ON A VOUCHER THAT IS SIGNED BY THE DIRECTOR FOR THE FUND.

REVISOR'S NOTE: This section is new language derived without substantive change from the second sentence of former Art. 101, § 92(a).

The former phrases "as provided by this section" is deleted since it seemed to limit the scope of the fourth sentence of former Art. 101, § 92(a) to disbursements for investments and, thus, left a gap for other disbursements.