

**CITY OF BALTIMORE  
COUNCIL BILL 11-0736  
(First Reader)**

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Introduced by: The Council President, Councilmembers Cole, Stokes, Kraft, D'Adamo,  
Reisinger, Branch, Welch, Conaway

At the request of: The Administration (Office of the Mayor)

Introduced and read first time: July 18, 2011

Assigned to: Judiciary and Legislative Investigations Committee

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REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Employees' Retirement System, Board  
of Ethics, Fire and Police Employees' Retirement System

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A BILL ENTITLED

1 AN ORDINANCE concerning

2 style="text-align:center">**Retirement Systems – Trustees – Conflicts**

3 FOR the purpose of stating expressly the applicability of the City Ethics Code to the Board of  
4 Trustees for the Employees' Retirement System, the Board of Trustees for the Elected  
5 Officials' Retirement System, the Board of Trustees for the Fire and Police Employees'  
6 Retirement System, and their respective members and staff; establishing certain additional  
7 ethics standards, restrictions, and requirements for members and staff of these Boards of  
8 Trustees; correcting, clarifying and conforming related provisions; deleting certain obsolete  
9 provisions; and generally relating to the avoidance of improper influence or even the  
10 appearance of improper influence on Trustees.

11 BY repealing and reordaining, with amendments

12 Article 22 - Retirement Systems  
13 Section(s) 5(b), 21, and 33(b)  
14 Baltimore City Code  
15 (Edition 2000)

16 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the  
17 Laws of Baltimore City read as follows:

18 style="text-align:center">**Baltimore City Code**

19 style="text-align:center">**Article 22. Retirement Systems**

20 style="text-align:center">**Subtitle – Employees' Retirement System**

21 **§ 5. Administration; Board of Trustees.**

22 (b) *Members.*

23 The Board shall consist of 7 [trustees] TRUSTEES as follows:

24 (1) The Comptroller of the City of Baltimore, ex-officio.

EXPLANATION: CAPITALS indicate matter added to existing law.  
[Brackets] indicate matter deleted from existing law.

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1 (2) (i) 3 members of the system to be elected by the membership of the system,  
2 under [such] rules and regulations [as may] be adopted by the Board of  
3 Trustees to govern [such] THE election, to serve for a term of 4 years[.]

4 (ii) [provided, however] HOWEVER, [that] the term of office of the first 2  
5 [trustees] TRUSTEES so elected shall begin immediately following their  
6 election and shall expire January 1, 1928, and January 1, 1930, respectively[.],  
7 AND [The] THE initial term of office of the third [trustee] TRUSTEE so elected  
8 shall expire January 1, 1996[, and every 4 years thereafter]. [The Mayor may  
9 appoint a member to serve as the third trustee until such time as an election  
10 for the office is held.]

11 (iii) Effective January 1, 1996, any member elected to serve as Trustee under this  
12 paragraph (2) who retires during his or her term of office after having served  
13 more than 2 years in office and who is granted an allowance or pension  
14 (within the meaning of § 1(14) of this article), shall continue to serve as  
15 Trustee for the balance of his or her term of office.

16 (3) 2 citizens of the City of Baltimore who are not employees within the meaning of  
17 this subtitle, 1 of whom shall be a responsible officer of a bank authorized to do  
18 business within the State of Maryland, or a person with similar experience, to be  
19 appointed by the Mayor, with the consent of the City Council, as provided in  
20 Article IV, § 6 of the City Charter, to serve for terms of 4 years each, provided,  
21 however, that immediately following February 23, 1926, the Mayor shall appoint  
22 1 [trustee] TRUSTEE to serve until January 1, 1927, and 1 [trustee] TRUSTEE to  
23 serve until January 1, 1929, such [trustees] TRUSTEES to take office at  
24 appointment.

25 (4) 1 retiree of the system to be elected by the retirees under such rules and  
26 regulations as may be adopted by the Board of Trustees to govern such election,  
27 to serve for a term of 4 years. The term of office of the retiree [trustee] TRUSTEE  
28 so elected shall begin following the election and upon being sworn in. The initial  
29 term of office of the [trustee] TRUSTEE so elected shall expire on January 1, 1996,  
30 and every 4 years thereafter. The Mayor may appoint a retired member to serve  
31 as [trustee] TRUSTEE until such time as an election for office is held.

32 (5) (i) THE BOARD OF TRUSTEES IS AN “AGENCY” AND A “BOARD” WITHIN THE  
33 MEANING OF AND SUBJECT TO THE STANDARDS AND REQUIREMENTS OF THE  
34 BALTIMORE CITY PUBLIC ETHICS LAW (CITY CODE ARTICLE 8). EACH  
35 TRUSTEE IS A “PUBLIC SERVANT” AND AN “OFFICIAL” WITHIN THE MEANING OF  
36 AND SUBJECT TO THE STANDARDS AND REQUIREMENTS OF THE BALTIMORE  
37 CITY PUBLIC ETHICS LAW. AND EACH EMPLOYEE OF THE BOARD IS A “PUBLIC  
38 SERVANT” AND AN “EMPLOYEE” WITHIN THE MEANING OF AND SUBJECT TO THE  
39 STANDARDS AND REQUIREMENTS OF THE BALTIMORE CITY PUBLIC ETHICS  
40 LAW.

41 (ii) IN ADDITION TO THE STANDARDS AND REQUIREMENTS CONTAINED IN THE  
42 BALTIMORE CITY PUBLIC ETHICS LAW, TRUSTEES AND BOARD EMPLOYEES  
43 MAY NOT ENGAGE IN ANY OF THE FOLLOWING ACTIVITIES OR HOLD ANY OF THE

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1 FOLLOWING INTERESTS, AS THESE ACTIVITIES OR INTERESTS ARE DEFINED IN  
2 THE BALTIMORE CITY PUBLIC ETHICS LAW:

- 3 1. NO TRUSTEE OR BOARD EMPLOYEE MAY DO BUSINESS WITH ANY  
4 SYSTEM, PLAN, OR TRUST ADMINISTERED BY THE CITY'S DEFERRED  
5 COMPENSATION PLAN, BY THE BOARD OF TRUSTEES OF THIS SYSTEM,  
6 BY THE BOARD OF TRUSTEES OF THE EMPLOYEES' RETIREMENT  
7 SYSTEM, OR BY THE BOARD OF TRUSTEES OF THE CITY'S FIRE AND  
8 POLICE EMPLOYEES' RETIREMENT SYSTEM (COLLECTIVELY, THE "CITY  
9 BENEFIT PLANS").
- 10 2. NO TRUSTEE OR BOARD EMPLOYEE MAY BE EMPLOYED BY OR HAVE A  
11 FINANCIAL INTEREST IN ANY PERSON OR ENTITY DOING BUSINESS OR  
12 SEEKING TO DO BUSINESS WITH ANY CITY BENEFIT PLAN.
- 13 3. A. NOTWITHSTANDING CITY CODE ARTICLE 8 {"ETHICS"}, § 6-28(3)  
14 {"GIFTS: QUALIFIED EXEMPTIONS; TRAVEL, ETC., EXPENSES"} OR  
15 § 6-30 {"HONORARIA"}, NO TRUSTEE OR BOARD EMPLOYEE MAY  
16 ACCEPT ANY GIFT OR ANY PAYMENT, FREE ADMISSION, OR EXPENSE  
17 REIMBURSEMENT FOR ATTENDANCE AT A CONFERENCE, SEMINAR,  
18 OR SIMILAR MEETING, OR FOR RELATED FOOD, TRAVEL, LODGING,  
19 OR ENTERTAINMENT, IF THE GIFT OR THE PAYMENT, FREE  
20 ADMISSION, OR REIMBURSEMENT IS, DIRECTLY OR INDIRECTLY,  
21 FROM:
- 22 I. ANY PERSON OR ENTITY ENGAGED IN AN ACTIVITY OR  
23 PROVIDING A PRODUCT OR SERVICE THAT THE TRUSTEE  
24 KNOWS OR HAS REASON TO KNOW HAS BEEN MARKETED TO  
25 A CITY BENEFIT PLAN OR IS OF A TYPE THAT THE TRUSTEE  
26 REASONABLY WOULD EXPECT TO BE MARKETED TO A CITY  
27 BENEFIT PLAN; OR
- 28 II. ANY TRADE, PROFESSIONAL, OR OTHER ASSOCIATION THAT  
29 HAS MEMBERS ENGAGED IN AN ACTIVITY OR PROVIDING A  
30 PRODUCT OR SERVICE THAT THE TRUSTEE KNOWS OR HAS  
31 REASON TO KNOW HAS BEEN MARKETED TO A CITY BENEFIT  
32 PLAN OR IS OF A TYPE THAT THE TRUSTEE REASONABLY  
33 WOULD EXPECT TO BE MARKETED TO A CITY BENEFIT PLAN.
- 34 B. SUBPARAGRAPH 3.A DOES NOT PRECLUDE APPLICATION OF THE  
35 QUALIFIED EXEMPTIONS CONTAINED IN CITY CODE ARTICLE 8,  
36 § 6-28(1) {"FOOD OR BEVERAGES .. CONSUMED ... IN ... PRESENCE  
37 OF ... DONOR"}, § 6-28(2) {"GIFT ... [OF] INSIGNIFICANT VALUE"},  
38 § 6-28(5) {"GIFT ... [EXEMPTED BY] ETHICS BOARD"}, OR § 6-28(6)  
39 {"GIFT FROM A SPOUSE, PARENT, CHILD, OR SIBLING"}, SUBJECT TO  
40 THE QUALIFICATIONS OF § 6-29 {"EXEMPTION LIMITATIONS"}.
- 41 4. NO FUNDS OF THIS SYSTEM OR OF ANY SYSTEM, PLAN OR TRUST  
42 ADMINISTERED BY THE BOARD OF TRUSTEES MAY BE USED TO PAY FOR  
43 THE ATTENDANCE OF A TRUSTEE OR BOARD EMPLOYEE AT ANY  
44 CONFERENCE, SEMINAR, OR SIMILAR MEETING, OR FOR RELATED FOOD,

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TRAVEL, LODGING, OR ENTERTAINMENT, UNLESS THAT ATTENDANCE HAS FIRST BEEN APPROVED BY THE BOARD OF ESTIMATES.

5. NO TRUSTEE OR BOARD EMPLOYEE MAY ENGAGE IN ANY ACTIVITY THAT REQUIRES REGISTRATION AS A LOBBYIST WITH THE CITY ETHICS BOARD.

(III) THE CITY ETHICS BOARD SHALL ADMINISTER AND ENFORCE THIS PARAGRAPH (5) IN ACCORDANCE WITH THE ADMINISTRATIVE AND ENFORCEMENT PROVISIONS OF THE BALTIMORE CITY PUBLIC ETHICS LAW.

**Subtitle – Elected Officials’ Retirement System**

**§ 21. Board of Trustees.**

(A) *IN GENERAL.*

The Elected Officials’ Retirement System shall be administered by the Board of Trustees of the Employees’ Retirement System:

(1) in the same manner as is provided in § 5 of this article; AND

(2) SUBJECT TO THE SAME LIMITATIONS AS ARE IMPOSED BY § 5(B)(5) OF THIS ARTICLE.

(B) *CLAIMS ADMINISTRATION.*

All claims shall be administered by the panel of hearing examiners in the same manner as provided in § 9 of this article for members of the Employees’ Retirement System.

**Subtitle – Fire and Police Employees’ Retirement System**

**§ 33. Administration.**

(b) *Members.*

The Board consists of 11 [trustees] TRUSTEES, as follows:

(1) The Comptroller of the City of Baltimore, ex-officio.

(2) The Police Commissioner, ex officio. The Police Commissioner may designate a representative to attend any meeting of the Board of Trustees in his or her place. This representative must be a Deputy Police Commissioner and must be a member of this system. This representative has the authority to act in the Commissioner’s place

(3) The Chief of the Fire Department, ex officio. The Chief of the Fire Department may designate a representative to attend any meeting of the Board of Trustees in his or her place. This representative must be a Deputy Fire Chief and must be a

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1 member of this system. This representative has the authority to act in the Chief's  
2 place.

3 (4) The Director of Finance, ex officio. The Director of Finance may designate a  
4 representative to attend any meeting of the Board of Trustees in his or her place.  
5 This representative must be either the Deputy Director of Finance or the Budget  
6 Director. This representative has the authority to act in the Director of Finance's  
7 place.

8 (5) (i) 3 residents and registered voters of the City of Baltimore, to be appointed by  
9 the Mayor with the consent of the City Council, as provided in City Charter  
10 Article IV, § 6, each to serve for a term of 4 years concurrent with the  
11 Mayor's term of office. 1 of these 3 [trustees] TRUSTEES shall be appointed  
12 by the Mayor from a list of 3 recommended candidates submitted by the  
13 President of the City Council.

14 (ii) These [trustees] TRUSTEES shall possess commercial banking, investment  
15 banking, accounting, actuarial, auditing, investment management, investment  
16 consulting, or financial legal expertise.

17 (iii) As of [their] HIS OR HER appointment and during [their] HIS OR HER entire  
18 term of office, [these trustees] A TRUSTEE APPOINTED UNDER THIS PARAGRAPH  
19 (5) [: A.] may not be an employee or official of the City[: and].

20 [B. may not engage in any of the following activities or hold any of the  
21 following interests, as these activities or interests are defined in City Code  
22 Article 8 {"Ethics"}:

- 23 1. doing business with any system, plan, or trust administered by the  
24 City's Deferred Compensation Plan, by the Board of Trustees of  
25 this System, or by the Board of Trustees of the City's Employees'  
26 Retirement System (collectively, the "City Benefit Plans");
- 27 2. being employed by or having a financial interest in any person or  
28 entity doing business or seeking to do business with any City  
29 Benefit Plan; or
- 30 3. engaging in any activity that requires registration as a lobbyist with  
31 the City Ethics Board.]

32 (6) 2 members of the system, one of whom shall be an employee of the Fire  
33 Department, the other an employee of the Police Department, to be elected by the  
34 membership of the respective departments to which each belongs under the rules  
35 and regulations adopted by the Board of Trustees to govern the election, to serve  
36 for a term of 4 years, staggered as provided for the [trustees] TRUSTEES first  
37 elected. For the purposes of this paragraph (6), members of the system who are  
38 not employed by the Fire Department or the Police Department are eligible to  
39 participate as voters and as candidates in elections of the Board of Trustees.

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1 School crossing guards, meter monitors, and police personnel employed at the  
2 Baltimore / Washington International Thurgood Marshall Airport shall participate  
3 in the Police Department elections. Fire personnel employed at the Baltimore /  
4 Washington International Thurgood Marshall Airport shall participate in the Fire  
5 Department elections. For other categories of members of the system who are not  
6 employees of the Fire Department or the Police Department, the Board of  
7 Trustees shall determine in which departmental election they shall participate.

8 (7) 2 retirees of the system, 1 of whom shall be a Fire Department retiree, and the  
9 other a Police Department retiree, to be elected by the retirees of the respective  
10 department to which each belonged, these elections to be held concurrently with  
11 the election for the employees representative of each respective department, under  
12 the rules and regulations adopted by the Board of Trustees to govern the election,  
13 to serve for a term of 4 years. For the purposes of this paragraph (7), retirees of  
14 the system who are not employed by the Fire Department or the Police  
15 Department are eligible to participate as voters and as candidates in elections of  
16 the Board of Trustees. Retired school crossing guards, retired meter monitors,  
17 and police personnel retired from employment at the Baltimore / Washington  
18 International Thurgood Marshall Airport shall participate in the Police  
19 Department elections. Fire personnel retired from employment at the Baltimore /  
20 Washington International Thurgood Marshall Airport shall participate in the Fire  
21 Department elections. For other categories of retirees in the system who were not  
22 employees of the Fire Department or the Police Department, the Board of  
23 Trustees shall determine in which departmental election they shall participate.

24 (8) Notwithstanding City Charter Article IV, §8 , requiring minority party  
25 representation, the election or appointment of [trustees] TRUSTEES under this  
26 subsection shall be made without regard to political affiliation, including those  
27 [trustees] TRUSTEES holding their positions ex officio.

28 (9) (i) THE BOARD OF TRUSTEES IS AN “AGENCY” AND A “BOARD” WITHIN THE  
29 MEANING OF AND SUBJECT TO THE STANDARDS AND REQUIREMENTS OF THE  
30 BALTIMORE CITY PUBLIC ETHICS LAW (CITY CODE ARTICLE 8). EACH  
31 TRUSTEE IS A “PUBLIC SERVANT” AND AN “OFFICIAL” WITHIN THE MEANING OF  
32 AND SUBJECT TO THE STANDARDS AND REQUIREMENTS OF THE BALTIMORE  
33 CITY PUBLIC ETHICS LAW. AND EACH EMPLOYEE OF THE BOARD IS A “PUBLIC  
34 SERVANT” AND AN “EMPLOYEE” WITHIN THE MEANING OF AND SUBJECT TO THE  
35 STANDARDS AND REQUIREMENTS OF THE BALTIMORE CITY PUBLIC ETHICS  
36 LAW.

37 (ii) IN ADDITION TO THE STANDARDS AND REQUIREMENTS CONTAINED IN THE  
38 BALTIMORE CITY PUBLIC ETHICS LAW, TRUSTEES AND BOARD EMPLOYEES  
39 MAY NOT ENGAGE IN ANY OF THE FOLLOWING ACTIVITIES OR HOLD ANY OF THE  
40 FOLLOWING INTERESTS, AS THESE ACTIVITIES OR INTERESTS ARE DEFINED IN  
41 THE BALTIMORE CITY PUBLIC ETHICS LAW:

- 42 1. NO TRUSTEE OR BOARD EMPLOYEE MAY DO BUSINESS WITH ANY  
43 SYSTEM, PLAN, OR TRUST ADMINISTERED BY THE CITY’S DEFERRED  
44 COMPENSATION PLAN, BY THE BOARD OF TRUSTEES OF THIS SYSTEM,  
45 BY THE BOARD OF TRUSTEES OF THE CITY’S EMPLOYEES’ RETIREMENT

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1 SYSTEM, OR BY THE BOARD OF TRUSTEES OF THE ELECTED OFFICIALS'  
2 RETIREMENT SYSTEM (COLLECTIVELY, THE "CITY BENEFIT PLANS").

3 2. NO TRUSTEE OR BOARD EMPLOYEE MAY BE EMPLOYED BY OR HAVE A  
4 FINANCIAL INTEREST IN ANY PERSON OR ENTITY DOING BUSINESS OR  
5 SEEKING TO DO BUSINESS WITH ANY CITY BENEFIT PLAN.

6 3. A. NOTWITHSTANDING CITY CODE ARTICLE 8 {"ETHICS"}, § 6-28(3)  
7 {"GIFTS: QUALIFIED EXEMPTIONS; TRAVEL, ETC., EXPENSES"} OR  
8 § 6-30 {"HONORARIA"}, NO TRUSTEE OR BOARD EMPLOYEE MAY  
9 ACCEPT ANY GIFT OR ANY PAYMENT, FREE ADMISSION, OR EXPENSE  
10 REIMBURSEMENT FOR ATTENDANCE AT A CONFERENCE, SEMINAR,  
11 OR SIMILAR MEETING, OR FOR RELATED FOOD, TRAVEL, LODGING,  
12 OR ENTERTAINMENT, IF THE GIFT OR THE PAYMENT, FREE  
13 ADMISSION, OR REIMBURSEMENT IS, DIRECTLY OR INDIRECTLY,  
14 FROM:

15 I. ANY PERSON OR ENTITY ENGAGED IN AN ACTIVITY OR  
16 PROVIDING A PRODUCT OR SERVICE THAT THE TRUSTEE  
17 KNOWS OR HAS REASON TO KNOW HAS BEEN MARKETED TO  
18 A CITY BENEFIT PLAN OR IS OF A TYPE THAT THE TRUSTEE  
19 REASONABLY WOULD EXPECT TO BE MARKETED TO A CITY  
20 BENEFIT PLAN; OR

21 II. ANY TRADE, PROFESSIONAL, OR OTHER ASSOCIATION THAT  
22 HAS MEMBERS ENGAGED IN AN ACTIVITY OR PROVIDING A  
23 PRODUCT OR SERVICE THAT THE TRUSTEE KNOWS OR HAS  
24 REASON TO KNOW HAS BEEN MARKETED TO A CITY BENEFIT  
25 PLAN OR IS OF A TYPE THAT THE TRUSTEE REASONABLY  
26 WOULD EXPECT TO BE MARKETED TO A CITY BENEFIT PLAN.

27 B. SUBPARAGRAPH 3.A DOES NOT PRECLUDE APPLICATION OF THE  
28 QUALIFIED EXEMPTIONS CONTAINED IN CITY CODE ARTICLE 8,  
29 § 6-28(1) {"FOOD OR BEVERAGES .. CONSUMED ... IN ... PRESENCE  
30 OF ... DONOR"}, § 6-28(2) {"GIFT ... [OF] INSIGNIFICANT VALUE"},  
31 § 6-28(5) {"GIFT ... [EXEMPTED BY] ETHICS BOARD"}, OR § 6-28(6)  
32 {"GIFT FROM A SPOUSE, PARENT, CHILD, OR SIBLING"}, SUBJECT TO  
33 THE QUALIFICATIONS OF § 6-29 {"EXEMPTION LIMITATIONS"}.

34 4. NO FUNDS OF THIS SYSTEM OR OF ANY SYSTEM, PLAN OR TRUST  
35 ADMINISTERED BY THE BOARD OF TRUSTEES MAY BE USED TO PAY FOR  
36 THE ATTENDANCE OF A TRUSTEE OR BOARD EMPLOYEE AT ANY  
37 CONFERENCE, SEMINAR, OR SIMILAR MEETING, OR FOR RELATED FOOD,  
38 TRAVEL, LODGING, OR ENTERTAINMENT, UNLESS THAT ATTENDANCE  
39 HAS FIRST BEEN APPROVED BY THE BOARD OF ESTIMATES.

40 5. NO TRUSTEE OR BOARD EMPLOYEE MAY ENGAGE IN ANY ACTIVITY  
41 THAT REQUIRES REGISTRATION AS A LOBBYIST WITH THE CITY ETHICS  
42 BOARD.

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1 (III) THE CITY ETHICS BOARD SHALL ADMINISTER AND ENFORCE THIS  
2 PARAGRAPH (9) IN ACCORDANCE WITH THE ADMINISTRATIVE AND  
3 ENFORCEMENT PROVISIONS OF THE BALTIMORE CITY PUBLIC ETHICS LAW.

4 **SECTION 2. AND BE IT FURTHER ORDAINED,** That the catchlines contained in this Ordinance  
5 are not law and may not be considered to have been enacted as a part of this or any prior  
6 Ordinance.

7 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30<sup>th</sup> day  
8 after the date it is enacted.