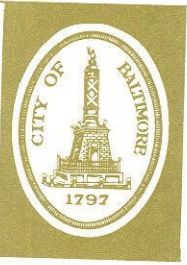


Thomas P. Taneyhill

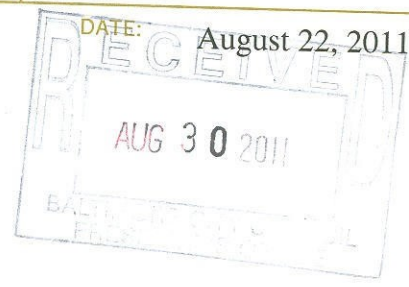
FROM	NAME & TITLE	Thomas P. Taneyhill, Executive Director
	AGENCY NAME & ADDRESS	Fire & Police Employees' Retirement System 7 E. Redwood Street, 19 th floor
	SUBJECT	City Council Bill 11-0736

CITY of
BALTIMORE
MEMO



TO

The Honorable President and Members
Of the Baltimore City Council
Attn: Karen Randle, Executive Secretary
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202



Dear Mr. President and City Council Members:

City Council Bill 11-0736 amends administrative provisions of the Fire and Police Employees' Retirement System (F&P).

Position of the F&P Board of Trustees

At their meeting of August 16, 2011, the F&P Board of Trustees reviewed City Council Bill 11-0736. The F&P Board found City Council Bill 11-0736 to be administratively workable.

Summary of City Council Bill 11-0736 Proposals

City Council Bill 11-0736 establishes certain additional ethic standards, restrictions and requirements for members and staff of the F&P Board of Trustees. The proposed changes are as follows:

1. Applicability of Baltimore City Public Ethics Law

City Council Bill 11-0736 expressly subjects members and staff of the F&P Board of Trustees to the Baltimore City Public Ethics Law.

2. Restriction on Doing Business with, or Employment by, a City Benefit Plan

- City Council Bill 11-0736 prohibits F&P Board members and staff from doing business with a "City Benefit Plan."
- The Bill also prohibits F&P Board members and staff from being employed by, or having a financial interest in, any person or entity doing business with a "City Benefit Plan."
- The Bill defines a "City Benefit Plan" as any plan or trust administered by the F&P Board, the Board of Trustees of the City's Deferred Compensation Plan or the Board of Trustees of the City's Employees' Retirement System.

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3. Restriction on Accepting Gifts

- City Council Bill 11-0736 prohibits F&P Board members and staff from accepting gifts, directly or indirectly, from any person or entity engaged in an activity or providing a product or service that the member or staff knows (or has reason to know) is being marketed to a “City Benefit Plan.”
- The Bill provides certain exceptions to the prohibition on accepting gifts.

4. Restriction on Accepting Payment of Conference Expenses

City Council Bill 11-0736 prohibits F&P Board members and staff from accepting payment, free admission, or reimbursement for conference or seminar expenses from a trade or professional association that has members engaged in an activity or providing a product or service that the member or staff knows (or has reason to know) is being marketed to a “City Benefit Plan.”

5. Restriction on Plan Funds Used to Pay Conference Expenses

City Council Bill 11-0736 prohibits F&P plan assets from being used to pay for attendance of F&P Board members or staff at a conference or seminar, or for related expenses, unless attendance has been approved by the Board of Estimates.

6. Restriction on Lobbying

City Council Bill 11-0736 prohibits F&P Board members and staff from engaging in any activity that requires registration as a lobbyist with the Baltimore City Ethics Board.

I will be available to provide testimony at the hearing for City Council Bill 11-0736. Please call me at 410-497-7929, option 3 if you would like any additional information.

TPT/df
Attachment

Cc: Angela Gibson, Mayor’s Legislative Liaison to the City Council
Board of Trustees of the Fire and Police Employees’ Retirement System

EXECUTIVE SUMMARY – COUNCIL BILL 11-0736

- F&P Trustees and staff are now explicitly subject to City Public Ethics Law.
- Trustees and staff cannot do business with any City benefit plan or be employed by, or have an interest in, any company doing business or seeking to do business with any City benefit plan.
- Trustees and staff cannot accept any gift from any company marketing a service or product to a City benefit plan.
 - Exceptions:
 - ❖ Food and beverage received and consumed in presence of donor.
 - ❖ Gifts or awards of insignificant monetary value.
 - ❖ Gifts exempted by the Ethics Board.
 - ❖ Gifts from a relative.
 - Exceptions don't apply to gifts that would impair impartiality or would give appearance of impairing impartiality.
- Trustees and staff cannot accept any payment, free admission or reimbursement for conference expenses from a trade association that has members marketing a service or product to a City benefit plan.
- Board of Estimates must approve attendance of Trustee or staff at any conference before plan assets can be used to pay for attendance or related expenses.
- Trustees and staff may not engage in lobbying. "Lobbying" includes:
 - Legislative lobbying.
 - Executive lobbying, including procurement contracts and business grants or loans.
 - Soliciting others to lobby.
- "City benefit plan" includes:
 - F&P.
 - Plan administered by ERS Trustees (ERS, EOS, OPEB).
 - Deferred compensation plan.