

BaltAC

FROM	NAME & TITLE	Robert Cename, Budget Director	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall (410) 396-4774		
	SUBJECT	City Council Bill 20-0545—Charter Amendment-Term Limits		

DATE:

TO

The Honorable President and
Members of the City Council
City Hall, Room 400

July 8, 2020

Position: Oppose

The Department of Finance is herein reporting on City Council Bill 20-0545, Charter Amendment-Term Limits, the purpose of which is to establish a term limit of three consecutive terms for the following elected offices: City Council, City Council President, Comptroller, and Mayor.

Background

This legislation would establish a three consecutive term limit for the City Council, City Council President, Comptroller, and Mayor, which currently have no term limits. Similar legislation was previously introduced in 2017, as City Council Bill 17-0005, but was withdrawn.

As a result of this legislation, elected officials serving three terms would be vested in the Elected Officials' Retirement System (EOS), but would likely receive a lower benefit due to the restriction. As of 2016, newly elected officials are eligible to receive their pension benefits if they have 12 years of service and are 55 years old. Previously, officials were eligible at age 50 with 12 years of service or any age with 16 years of service.

Fiscal Impact

Based on actuarial assumptions, this legislation is expected to have minimal fiscal impact for the City regarding the Elected Officials' Retirement System (EOS). As of June 30, 2019, there were 44 participants in the Elected Official's Retirement System (EOS); 28 were retired and 16 were active. The EOS is currently funded over the 100% funding status, as defined by the City's actuarial report, from employee contributions and interest and earnings from investments. Implementing a term limit of 12 years could increase the number of individuals that receive EOS benefits, while simultaneously lowering the benefit for retirees.

Other Considerations

Term limits are believed to increase competitiveness of elections, limit the influence of lobbyists, and remove barriers for new leaders to be elected and bring fresh ideas. However, there are also concerns that term limits can restrict elected officials' effectiveness and development of expertise by limiting their time in office, as well as impede voters' ability to decide who is best to represent them.

According to National League of Cities, as of 2016, roughly 15% of cities limit mayoral and council terms. The National Conference of State Legislatures notes that as of 2015, 15 states had term limits for legislators. Philadelphia limits the Mayor to two four-year terms, but does not limit the City Council. San

Antonio limits the Mayor and City Council to four two-year terms. Chicago has no term limits. Within Maryland, different jurisdictions have different term limits, several of which were instituted within the past decade.

Jurisdiction	Executive	Legislature
Anne Arundel County	2 Consecutive Terms	2 Consecutive Terms
Baltimore County	None	None
Howard County	2 Consecutive Terms	3 Terms
Montgomery County	3 Consecutive Terms	3 Consecutive Terms
Prince George's County	2 Consecutive Terms	2 Consecutive Terms*
Maryland	2 Consecutive Terms	None

*Members can serve two consecutive terms as at-large members AND two consecutive terms as district members.

Conclusion

Finance believes that major changes to the structure of the City's government should go through a Charter Review Commission. Making changes to complex structures such as representation of City residents could have unintended consequences if not appropriately considered.

For the reasons stated above, the Department of Finance opposes City Council Bill 20-0545.

cc: Henry Raymond
Matthew Stegman
Nina Themelis