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**BALTIMORE CITY COUNCIL
WAYS AND MEANS
COMMITTEE**

Mission Statement

The Committee on Ways and Means (WM) is responsible for ensuring taxpayer dollars are expended prudently and equitably. WM will exercise regular oversight of the City's budget, expenditures, loans, and other financial matters. The committee's areas of jurisdiction include: budget & appropriations, taxation, financial services, consumer protection, audits, and the Comptroller's Office.

**The Honorable Eric T. Costello
Chairman**

PUBLIC HEARING

**TUESDAY, APRIL 27, 2021
10:03 AM**

VIRTUAL WEBEX MEETING

Council Bill 21-0043

Committee on Insurance and Risk Management - Revisions

CITY COUNCIL COMMITTEES

ECONOMIC AND COMMUNITY DEVELOPMENT (ECD)

Sharon Green Middleton, Chair
John Bullock – Vice Chair
Mark Conway
Ryan Dorsey
Antonio Glover
Odette Ramos
Robert Stokes
Staff: Jennifer Coates

WAYS AND MEANS (W&M)

Eric Costello, Chair
Kristerfer Burnett
Ryan Dorsey
Danielle McCray
Sharon Green Middleton
Isaac “Yitzy” Schleifer
Robert Stokes
Staff: Marguerite Currin

PUBLIC SAFETY AND GOVERNMENT OPERATIONS (SGO)

Mark Conway – Chair
Kristerfer Burnett
Zeke Cohen
Erick Costello
Antonio Glover
Phylicia Porter
Odette Ramos
Staff: Samuel Johnson

EDUCATION, WORKFORCE, AND YOUTH (EWY)

Robert Stokes – Chair
John Bullock
Zeke Cohen
Antonio Glover
Sharon Green Middleton
Phylicia Porter
James Torrence
Staff: Marguerite Currin

HEALTH, ENVIRONMENT, AND TECHNOLOGY (HET)

Danielle McCray – Chair
John Bullock
Mark Conway
Ryan Dorsey
Phylicia Porter
James Torrence
Isaac “Yitzy” Schleifer
Staff: Matthew Peters

RULES AND LEGISLATIVE OVERSIGHT (OVERSIGHT)

Isaac “Yitzy” Schleifer, Chair
Kristerfer Burnett
Mark Conway
Eric Costello
Sharon Green Middleton
Odette Ramos
James Torrence
Staff: Richard Krummerich



BILL SYNOPSIS

Committee: Ways and Means

Bill: 21-0043

Committee on Insurance and Risk Management – Revisions

Sponsor: President Mosby at the request of the Office of the Comptroller

Introduced: February 22, 2021

Purpose:

For the purpose of establishing that certain municipal officers shall be an ex-officio members of the City’s Committee on Insurance and Risk Management; clarifying the number and appointment of certain other Committee members; requiring that the Department of Finance provide administrative and technical support to the Committee; requiring that the Committee meet at least biannually to carry out its functions; and conforming and clarifying related provisions.

Effective: On the 30th day after the date it is enacted.

Agency Reports

Law Department	<i>Favorable</i>
Office of the Comptroller	<i>None received as of this writing</i>
Department of Finance	<i>Favorable</i>
City Administrator	<i>None received as of this writing</i>
Office of Risk Management	<i>None received as of this writing</i>

Analysis

Current Law

Baltimore City Code – Article 5 under Finance, Property and Procurement – outlines the rules, regulations and mandates for the City’s Comprehensive Insurance and Risk Management Program.

Background

At the request of the Office of the Comptroller, this legislation is one (1) of three (3) bills; **21-0041, 21-0042 and 21-0043** coming before the committee on April 27, 2021.

If enacted Council Bill 21-0043 will strengthen the City's Committee on Insurance and Risk Management by updating reporting requirements, restructuring the committee members, and providing helpful oversight. The Commission will have seven (7) members, requires that they meet at least bi-annually and will be required to submit a statement to the Mayor and the Board of Estimates that shows the condition and amount of the Self-Insurance Fund no later than March 1 of each year.

Note: The Law Department is expressing some concern about the **voting rights and/or non-voting rights of some of the committee members**. *See attached agency report.*

Additional Information

Fiscal Note: None

Information Source(s): City Code, Council Bill 21-0043, and all agency reports received as of this writing.

Marguerite M. Currin

Analysis by: Marguerite M. Currin
Analysis Date: April 23, 2021

Direct Inquiries to: (443) 984-3485

Council Bill: 21-0043

AGENCY REPORTS

SEE ATTACHED

CITY OF BALTIMORE

BRANDON M. SCOTT
Mayor



DEPARTMENT OF LAW
JAMES L. SHEA, CITY SOLICITOR
100 N. HOLLIDAY STREET
SUITE 101, CITY HALL
BALTIMORE, MD 21202

April 20, 2021

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

Re: City Council Bill 21-0043 – Committee on Insurance and Risk Management
– Revisions

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 21-0043 for form and legal sufficiency. It would add requirements to the existing Committee on Insurance and Risk Management contained in existing Section 12-3 of Article 5 of the City, including setting the number of appointed members to three, requiring two of those members be nominated by someone other than the Mayor, and providing for four ex-officio members.

The nomination of a member by someone other than the Mayor comports with Section 6 of Article IV of the City Charter provided that the Mayor retains sole power of appointment. Thus, this bill meets that requirement.


The inclusion of Ex Officio members is also legal but raises a question about whether they will vote. To avoid confusion, it would be wise to clarify whether the four Ex Officio members are able to vote. The bill could also specify whether a quorum is a majority of those present at a meeting or of the total number of members. As written, however, the bill is able to be approved for form and legal sufficiency.

Very truly yours,

Hilary Ruley
Chief Solicitor

cc: James L. Shea, City Solicitor
Matthew Stegman, Mayor's Office of Government Relations
Elena DiPietro, Chief Solicitor, General Counsel Division
Victor Tervalá, Chief Solicitor
Ashlea Brown, Assistant Solicitor

H. Raymond

FROM	NAME & TITLE	Henry Raymond, Director of Finance	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Department of Finance Room 454, City Hall		
	SUBJECT	City Council Bill 21-0043 – Committee on Insurance and Risk Management-Revisions		

TO

DATE:

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

April 14, 2021

Position: Does Not Oppose

The Department of Finance is herein reporting on City Council Bill 21-0043, Committee on Insurance and Risk Management-Revisions, the purpose of which is to establish Committee membership and meeting requirements, as well as revising certain portions for clarity.

Background

The Committee on Insurance and Risk Management was established in 1986 by ordinance. The Committee is appointed by the Mayor and consists of the number of members “the Mayor may deem appropriate”. The law stipulates that the Committee shall recommend to the Mayor and Board of Estimates how much funding should be included in the annual Ordinance of Estimates to sustain the Self-Insurance Fund and submit an annual statement to the Mayor and Board of Estimates on the status of the Self-Insurance Fund. Currently, there is no active membership and the Committee has not met in at least ten years.

The proposed legislation would establish that the Committee have seven members, three appointed by the Mayor and four ex-officio members. Of the three members appointed by the Mayor, one member is to be nominated by the City Council President and one member is to be nominated by the Comptroller. The four ex-officio members are the Comptroller or a designee, the Deputy Comptroller, the City Solicitor or a designee, and the Director of Finance or a designee. The Comptroller or their designee would serve as the Committee Chair and the Committee would be required to meet at least twice a year. Finally, the Department of Finance would provide administrative and technical support to the Committee as needed.

Fiscal Impact Analysis

The Department of Finance does not anticipate a cost for the City as a result of this legislation.

Conclusion

The Department of Finance supports the intent of this bill to reinstitute and sustain engagement of the Committee on Insurance and Risk Management. In addition, Finance is willing to provide staff for the Committee as needed.

For the reasons stated above, the Department of Finance does not oppose City Council Bill 21-0043.

cc: Natasha Mehu
Nina Themelis

**CITY OF BALTIMORE
COUNCIL BILL 21-0043
(First Reader)**

Introduced by: The Council President
At the request of: Office of the Comptroller
Introduced and read first time: February 22, 2021
Assigned to: Ways and Means Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Comptroller, Department of Finance,
City Administrator, Office of Risk Management

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Committee on Insurance and Risk Management – Revisions**

3 FOR the purpose of establishing that certain municipal officers shall be ex-officio members of the
4 City’s Committee on Insurance and Risk Management; clarifying the number and
5 appointment of certain other Committee members; requiring that the Department of Finance
6 provide administrative and technical support to the Committee; requiring that the Committee
7 meet at least biannually to carry out its functions; and conforming and clarifying related
8 provisions.

9 BY repealing and re-ordaining
10 Article 5 - Finance, Property, and Procurement
11 Section 12-3
12 Baltimore City Code
13 (Edition 2000)

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

16 **Baltimore City Code**

17 **Article 5. Finance, Property, and Procurement**

18 **Subtitle 12. Comprehensive Insurance and Risk Management Program**

19 **§ 12-3. Committee on Insurance and Risk Management.**

20 (a) *Established; members.*

21 (1) *IN GENERAL.*

22 There is established a Committee on Insurance and Risk Management [, to be
23 constituted of persons knowledgeable in the field of risk management] THAT
24 COMPRISES 7 MEMBERS AS SPECIFIED IN THIS SUBSECTION.

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

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1 (2) *APPOINTED MEMBERS.*

2 The Committee [shall be appointed by the Mayor pursuant to Article IV, § 6 of the
3 City Charter. The Committee shall have such the number of members as that the
4 Mayor may deem appropriate to carry out its function] SHALL INCLUDE 3 INDIVIDUALS
5 KNOWLEDGEABLE IN THE FIELD OF RISK MANAGEMENT APPOINTED BY THE MAYOR
6 PURSUANT TO ARTICLE IV, § 6 OF THE CITY CHARTER WITH:

7 (I) 1 INDIVIDUAL NOMINATED BY THE CITY COUNCIL PRESIDENT; AND

8 (II) 1 INDIVIDUAL NOMINATED BY THE COMPTROLLER.

9 [(3) The Chairman shall be appointed and replaced from time to time by the Mayor.]

10 (3) *EX-OFFICIO MEMBERS.*

11 THE FOLLOWING SHALL BE EX-OFFICIO MEMBERS OF THE COMMITTEE:

12 (I) THE COMPTROLLER OR THE COMPTROLLER'S DESIGNEE;

13 (II) THE DEPUTY COMPTROLLER;

14 (III) THE CITY SOLICITOR OR THE CITY SOLICITOR'S DESIGNEE; AND

15 (IV) THE DIRECTOR OF FINANCE OR THE DIRECTOR'S DESIGNEE.

16 (4) *CHAIR.*

17 THE COMPTROLLER OR THE COMPTROLLER'S DESIGNEE SHALL BE THE CHAIR OF THE
18 COMMITTEE.

19 (b) *Evaluation of City's needs.*

20 The Committee shall periodically employ a casualty actuary to conduct an actuarial
21 review of the self-insured loss exposure of the City, and the Committee shall review the
22 loss experience of the City, its claim and potential liability exposure, and any other
23 factors which the Committee considers necessary or appropriate to evaluate the City's
24 insurance and risk management needs.

25 (c) *Recommendations; annual statement.*

26 (1) The Committee shall recommend to the Mayor and the Board of Estimates [such] THE
27 amount of money, if any, for inclusion in the annual Ordinance of Estimates that it
28 deems necessary to be appropriated to sustain the Self-Insurance Fund at a level to
29 protect the City's interest and meet the demands [upon] ON it.

30 (2) NO LATER THAN MARCH 1 OF EACH YEAR, THE [The] Committee shall submit A
31 STATEMENT to the Mayor and the Board of Estimates [annually not later than March
32 1, a statement] showing the condition and amount of the Fund.

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1 (D) *MEETINGS.*

2 THE COMMITTEE SHALL MEET AT LEAST BIANNUALLY OR AT THE CALL OF THE CHAIR TO
3 CARRY OUT ITS FUNCTIONS.

4 (E) *ADMINISTRATION.*

5 THE DEPARTMENT OF FINANCE SHALL PROVIDE THE COMMITTEE WITH ADMINISTRATIVE
6 AND TECHNICAL SUPPORT AS NECESSARY.

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

10 **SECTION 3. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the 30th day
11 after the date it is enacted.