



Legislation Details (With Text)

File #: 11-0736 **Version:** 0 **Name:** Retirement Systems - Trustees - Conflicts
Type: Ordinance **Status:** Enacted
File created: 7/18/2011 **In control:** City Council
On agenda: **Final action:** 12/5/2011
Enactment date: **Enactment #:** 11-566
Title: Retirement Systems - Trustees - Conflicts

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

Sponsors: City Council President (Administration), William H. Cole, IV, Carl Stokes, James B. Kraft, Nicholas C. D'Adamo, Edward Reisinger, Warren Branch, William "Pete" Welch, Belinda Conaway

Indexes: Retirement, Retirement Systems, Trustees

Code sections:

Attachments: 1. 11-0736 - 1st Reader.pdf, 2. F&P Retirement - 11-0736.pdf, 3. Ethics - 11-0736.pdf, 4. Employees & Elected Officials Retirement - 11-0736.pdf, 5. Law - 11-0736.pdf, 6. 11-0736 - 3rd Reader.pdf

Date	Ver.	Action By	Action	Result
12/5/2011	0	City Council	Approved and Sent to the Mayor	
12/5/2011	0	Mayor	Signed by Mayor	
11/21/2011	0	Judiciary and Legislative Investigations	Recommended Favorably with Amendment	
11/21/2011	0	City Council	Advanced to 3rd Rdr., Adopted Comm. Report	
10/17/2011	0	Judiciary and Legislative Investigations	Scheduled for a Public Hearing	
7/21/2011	0	The City Council	Referred for a Report	
7/21/2011	0	The City Council	Referred for a Report	
7/21/2011	0	The City Council	Referred for a Report	
7/21/2011	0	The City Council	Referred for a Report	
7/18/2011	0	City Council	Assigned	
7/18/2011	0	City Council	Introduced	

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

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THE OFFICIAL COPY CONSIDERED BY THE CITY COUNCIL IS THE FIRST READER COPY.
INTRODUCTORY*

CITY OF BALTIMORE
COUNCIL BILL

Introduced by: The Council President
At the request of: The Administration (Office of the Mayor)

A BILL ENTITLED

AN ORDINANCE concerning
Retirement Systems - Trustees - Conflicts

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

BY repealing and reordaining, with amendments
Article 22 - Retirement Systems
Section(s) 5(b), 21, and 33(b)
Baltimore City Code
(Edition 2000)

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

Baltimore City Code

Article 22. Retirement Systems

Subtitle - Employees' Retirement System

§ 5. Administration; Board of Trustees.

(b) Members.

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

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

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

(II) [provided, however] HOWEVER, [that] the term of office of the first 2 [trustees] TRUSTEES so elected shall begin immediately following their election and shall expire January 1, 1928, and January 1, 1930, respectively [.,] AND [The] THE initial term of office of the third [trustee] TRUSTEE so elected shall expire January 1, 1996[.,]

and every 4 years thereafter]. [The Mayor may appoint a member to serve as the third trustee until such time as an election for the office is held.]

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

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

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

(5) (I) THE BOARD OF TRUSTEES IS AN “AGENCY” AND A “BOARD” WITHIN THE MEANING OF AND SUBJECT TO THE STANDARDS AND REQUIREMENTS OF THE BALTIMORE CITY PUBLIC ETHICS LAW (CITY CODE ARTICLE 8). EACH TRUSTEE IS A “PUBLIC SERVANT” AND AN “OFFICIAL” WITHIN THE MEANING OF AND SUBJECT TO THE STANDARDS AND REQUIREMENTS OF THE BALTIMORE CITY PUBLIC ETHICS LAW. AND EACH EMPLOYEE OF THE BOARD IS A “PUBLIC SERVANT” AND AN “EMPLOYEE” WITHIN THE MEANING OF AND SUBJECT TO THE STANDARDS AND REQUIREMENTS OF THE BALTIMORE CITY PUBLIC ETHICS LAW.

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

1. NO TRUSTEE OR BOARD EMPLOYEE MAY DO BUSINESS WITH ANY SYSTEM, PLAN, OR TRUST ADMINISTERED BY THE CITY’S DEFERRED COMPENSATION PLAN, BY THE BOARD OF TRUSTEES OF THIS SYSTEM, BY THE BOARD OF TRUSTEES OF THE EMPLOYEES’ RETIREMENT SYSTEM, OR BY THE BOARD OF TRUSTEES OF THE CITY’S FIRE AND POLICE EMPLOYEES’ RETIREMENT SYSTEM (COLLECTIVELY, THE “CITY BENEFIT PLANS”).

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

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

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

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

B. SUBPARAGRAPH 3.A DOES NOT PRECLUDE APPLICATION OF THE QUALIFIED EXEMPTIONS CONTAINED IN CITY CODE ARTICLE 8, § 628(1) {"FOOD OR BEVERAGES .. CONSUMED ... IN ... PRESENCE OF ... DONOR"}, § 628(2) {"GIFT ... [OF] INSIGNIFICANT VALUE"}, § 628(5) {"GIFT ... [EXEMPTED BY] ETHICS BOARD"}, OR § 628(6) {"GIFT FROM A SPOUSE, PARENT, CHILD, OR SIBLING"}, SUBJECT TO THE QUALIFICATIONS OF § 6-29 {"EXEMPTION LIMITATIONS"}.

4. NO FUNDS OF THIS SYSTEM OR OF ANY SYSTEM, PLAN OR TRUST ADMINISTERED BY THE BOARD OF TRUSTEES MAY BE USED TO PAY FOR THE ATTENDANCE OF A TRUSTEE OR BOARD EMPLOYEE AT ANY CONFERENCE, SEMINAR, OR SIMILAR MEETING, OR FOR RELATED FOOD, 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 member of this system. This representative has the authority to act in the Chief's place.
- (4) The Director of Finance, ex officio. The Director of Finance may designate a representative to attend any meeting of the Board of Trustees in his or her place. This representative must be either the Deputy Director of Finance or the Budget Director. This representative has the authority to act in the Director of Finance's place.
- (5) (i) 3 residents and registered voters of the City of Baltimore, to be appointed by the Mayor with the consent of the City Council, as provided in City Charter Article IV, § 6, each to serve for a term of 4 years concurrent with the Mayor's term of office. 1 of these 3 [trustees] TRUSTEES shall be appointed by the Mayor from a list of 3 recommended candidates submitted by the President of the City Council.
- (ii) These [trustees] TRUSTEES shall possess commercial banking, investment banking, accounting, actuarial, auditing, investment management, investment consulting, or financial legal expertise.
- (iii) As of [their] HIS OR HER appointment and during [their] HIS OR HER entire term of office, [these trustees] A TRUSTEE APPOINTED UNDER THIS PARAGRAPH (5) [: A.] may not be an employee or official of the City[; and].

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

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

(6) 2 members of the system, one of whom shall be an employee of the Fire Department, the other an employee of the Police Department, to be elected by the membership of the respective departments to which each belongs under the rules and regulations adopted by the Board of Trustees to govern the election, to serve for a term of 4

years, staggered as provided for the [trustees] TRUSTEES first elected. For the purposes of this paragraph (6), members of the system who are not employed by the Fire Department or the Police Department are eligible to participate as voters and as candidates in elections of the Board of Trustees. School crossing guards, meter monitors, and police personnel employed at the Baltimore / Washington International Thurgood Marshall Airport shall participate in the Police Department elections. Fire personnel employed at the Baltimore / Washington International Thurgood Marshall Airport shall participate in the Fire Department elections. For other categories of members of the system who are not employees of the Fire Department or the Police Department, the Board of Trustees shall determine in which departmental election they shall participate.

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

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

(9) (I) THE BOARD OF TRUSTEES IS AN “AGENCY” AND A “BOARD” WITHIN THE MEANING OF AND SUBJECT TO THE STANDARDS AND REQUIREMENTS OF THE BALTIMORE CITY PUBLIC ETHICS LAW (CITY CODE ARTICLE 8). EACH TRUSTEE IS A “PUBLIC SERVANT” AND AN “OFFICIAL” WITHIN THE MEANING OF AND SUBJECT TO THE STANDARDS AND REQUIREMENTS OF THE BALTIMORE CITY PUBLIC ETHICS LAW. AND EACH EMPLOYEE OF THE BOARD IS A “PUBLIC SERVANT” AND AN “EMPLOYEE” WITHIN THE MEANING OF AND SUBJECT TO THE STANDARDS AND REQUIREMENTS OF THE BALTIMORE CITY PUBLIC ETHICS LAW.

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

1. NO TRUSTEE OR BOARD EMPLOYEE MAY DO BUSINESS WITH ANY SYSTEM, PLAN, OR TRUST ADMINISTERED BY THE CITY’S DEFERRED COMPENSATION PLAN, BY THE BOARD OF TRUSTEES OF THIS SYSTEM, BY THE BOARD OF TRUSTEES OF THE CITY’S EMPLOYEES’ RETIREMENT SYSTEM, OR BY THE BOARD OF TRUSTEES OF THE ELECTED OFFICIALS’ RETIREMENT SYSTEM (COLLECTIVELY, THE “CITY BENEFIT PLANS”).

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

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

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

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

B. SUBPARAGRAPH 3.A DOES NOT PRECLUDE APPLICATION OF THE QUALIFIED EXEMPTIONS CONTAINED IN CITY CODE ARTICLE 8, § 628(1) {"FOOD OR BEVERAGES .. CONSUMED ... IN ... PRESENCE OF ... DONOR"}, § 628(2) {"GIFT ... [OF] INSIGNIFICANT VALUE"}, § 628(5) {"GIFT ... [EXEMPTED BY] ETHICS BOARD"}, OR § 628(6) {"GIFT FROM A SPOUSE, PARENT, CHILD, OR SIBLING"}, SUBJECT TO THE QUALIFICATIONS OF § 6-29 {"EXEMPTION LIMITATIONS"}.

4. NO FUNDS OF THIS SYSTEM OR OF ANY SYSTEM, PLAN OR TRUST ADMINISTERED BY THE BOARD OF TRUSTEES MAY BE USED TO PAY FOR THE ATTENDANCE OF A TRUSTEE OR BOARD EMPLOYEE AT ANY CONFERENCE, SEMINAR, OR SIMILAR MEETING, OR FOR RELATED FOOD, 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 (9) IN ACCORDANCE WITH THE ADMINISTRATIVE AND ENFORCEMENT PROVISIONS OF THE BALTIMORE CITY PUBLIC ETHICS LAW.

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

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

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art22/TrustteTrips/aa:me

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