

Introduced by: Councilmember Seamens

First Reading: February 10, 2014

Second Reading: February 24, 2014

Effective Date: February 24, 2014

CITY OF TAKOMA PARK, MARYLAND

**ORDINANCE NO. 2014-3
ETHICS CHAPTER AMENDMENTS**

WHEREAS, adherence to the highest ethical standards by City officials and employees is necessary for the efficient and effective operation of the City government; and

WHEREAS, the City is required, under Section 15-803 of the State Government Article of the *Annotated Code of Maryland* to enact laws governing the public ethics of its officials; and

WHEREAS, Sections 15-804 and 15-805 of the State Government Article of the *Annotated Code of Maryland* require local governments to enact conflict of interest and financial disclosure provisions for elected officials and candidates that are at least as stringent as the provisions applicable to State government officials; and

WHEREAS, the Maryland General Assembly amended the definition of “Interest” for purposes of the financial disclosure requirements for public officials in section 15-802 of the State Government Article of the *Annotated Code of Maryland* to exclude most mutual funds; and

WHEREAS, the disclosure of mutual fund holdings by Takoma Park elected officials and candidates is not necessary to prevent conflicts of interest from arising in the performance of their duties; and

WHEREAS, the City of Takoma Park Ethics Commission has considered and endorsed the amendment of the *Takoma Park Code* to eliminate the requirement that elected officials and candidates disclose mutual fund holdings.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND, that, effective immediately, Chapter 3, Ethics, of the Takoma Park Code is hereby amended as follows:

3.04.040 Definitions.

In this chapter, the following words have the meanings indicated:

* * *

“Interest” means any legal or equitable economic interest, whether or not subject to an encumbrance or a condition, that is owned or held, in whole or in part, jointly or severally, directly or indirectly. For purposes of Sections 3.04.080 and 3.04.085, “interest” applies to any interests held at any time during the calendar year for which a required statement is to be filed.

“Interest” does not include:

1. An interest held in the capacity of a personal representative, agent, custodian, fiduciary or trustee, unless the holder has an equitable interest therein;
2. An interest in a time or demand deposit in a financial institution;
3. An interest in an insurance or endowment policy or annuity contract under which an insurance company promises to pay a fixed number of dollars either in a lump sum or periodically for life or some other specified period;
4. A common trust fund or a trust that forms part of a pension or profit sharing plan which has more than 25 participants and which has been determined by the Internal Revenue Service to be a qualified trust under Sections 401 and 501 of the Internal Revenue Code;~~or~~
5. A college savings plan under the Internal Revenue Code~~;~~
6. A mutual fund that is publicly traded on a national scale unless the mutual fund is composed primarily of holdings of stocks and interests in a specific sector or area that is regulated by the individual’s City of Takoma Park governmental unit.

Note: Deleted text is shown with strikeout and new text is underlined.

Adopted this 24th day of February 2014, by roll-call vote as follows:

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| AYE: | Williams, Grimes, Seamens, Smith, Schulz |
| NAY: | None |
| ABSTAIN: | None |
| ABSENT: | Male |