

Bill No. 15-07

Concerning: Amendment to Frederick County Code,

Chapter 1-2: Administration, Article II: Purchases

Revised: \_\_\_\_\_ Draft No. \_\_\_\_\_

Introduced: June 2, 2015

Expires: \_\_\_\_\_

Enacted: \_\_\_\_\_

Executive: \_\_\_\_\_

Effective: \_\_\_\_\_

Frederick County Code, Chapter 1-2, Section(s) \_\_\_\_\_

16 and adding 41

## COUNTY COUNCIL FOR FREDERICK COUNTY, MARYLAND

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By: Council President Bud Otis and County Executive Jan H. Gardner

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**AN ACT** to: Amend Frederick County Code Ch. 1-2: Administration Art. II: Purchases to add the definitions: Business Entity, Direct Financial Interest, and Qualified Relative; to provide that Frederick County will not enter into contracts with County Council Members, the County Executive, or business entities in which a County Council Member, the County Executive or a qualified relative of a County Council Member or the County Executive has a direct financial interest; and generally relating to limitations on awards of County Contracts.

By amending:

Frederick County Code, Chapter 1-2, Section(s) 16 and adding 41  
Other:

**Boldface**

*Heading or defined term.*

**Underlining**

*Added to existing law by original bill.*

[Single boldface brackets]

*Deleted from existing law by original bill.*

**Double underlining**

*Added by amendment.*

[[Double boldface brackets]]

*Deleted from existing law or the bill by amendment.*

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*Existing law unaffected by bill.*

Bill No. \_\_\_\_\_

The County Council of Frederick County, finds it necessary and appropriate to amend and clarify Frederick County Code, Chapter 1-2, Article II: Purchases, to add the definitions: Business Entity, Direct Financial Interest, and Qualified Relative; to provide that Frederick County will not enter into contracts with County Council Members, the County Executive, or business entities in which a County Council Member, the County Executive, or their qualified relatives, have a direct financial interest, as shown on the attached Exhibit 1.

NOW, THEREFORE, BE IT ENACTED, that the Frederick County Code shall be amended as shown on the attached Exhibit 1.

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Harold F. (Bud) Otis, President  
County Council of Frederick County,  
Maryland

**Exhibit 1**

**§ 1-2-16 - DEFINITIONS**

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**BUSINESS ENTITY.** A corporation, general or limited partnership, sole proprietorship, limited liability company, joint venture, unincorporated association or firm, institution, trust, foundation or other entity operated for profit. Business entity does not include a governmental entity.

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**DIRECT FINANCIAL INTEREST.** Ownership of or control over an interest in a business entity. Direct financial interest does not include ownership of less than 5% of the shares of a publicly traded business entity.

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**QUALIFIED RELATIVE.** A spouse, parent, or child.

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**§ 1-2-41 - LIMITATION ON AWARD OF CONTRACTS**

(A) The County may not award or enter into any contract with:

- (1) A County Council Member or the County Executive;
- (2) A business entity in which a County Council Member or the County Executive has a direct financial interest; or
- (3) A business entity in which a County Council Member or the County Executive is an officer, director, trustee, or partner.

(B) The County may not award or enter into any contract with:

- (1) A qualified relative of a County Council Member or the County Executive;
- (2) A business entity in which a qualified relative of a County Council Member or of the County Executive has a direct financial interest; or
- (3) A business entity in which a qualified relative of a County Council Member or the County Executive is an officer, director, trustee, or partner.

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Underlining indicates entirely new matter added to existing law by original bill.  
\*\*\* indicates existing law unaffected by bill.