

*Clerk's Note: A typographical error has been corrected by changing the bill effective date from January 12, 2021 to January 12, 2022; and by revising the lettering of Sections (b), (c), and (d).*

Bill No. 19-21  
Concerning: Finance – Reports on Settlement Agreements  
Revised: 9/27/2021 Draft No. 4  
Introduced: May 18, 2021  
Enacted: October 5, 2021  
Executive: October 13, 2021  
Effective: January 12, 2022  
Sunset Date: None  
Ch. 27, Laws of Mont. Co. 2021

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: Councilmember Jawando  
Co-Sponsors: Council President Hucker, Councilmembers Glass, Reimer, Rice and Navarro

**AN ACT** to:

- (1) require the County Attorney to periodically report to the County Executive and County Council regarding certain settlement agreements entered into by the County;
- (2) require the County Attorney to publish each report on the County website;
- (3) prohibit certain clause in a settlement agreement;
- (4) require the County Attorney to collect demographic information from parties;
- (5) amend the jurisdictional amount for settlement of claims by the County Attorney; and
- (6) generally amend the law regarding the settlement of claims by or against the County.

By amending  
Montgomery County Code  
Chapter 20, Finance  
Section 20-2

*The County Council for Montgomery County, Maryland approves the following Act:*

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
<b>[Single boldface brackets]</b>	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
<b>[[Double boldface brackets]]</b>	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

**Sec. 1. Section 20-2 is amended as follows:**

**20-2. Settlement of claims by [county attorney] County Attorney; annual reports required.**

(a) Definitions. In this Section, the following terms have the meanings indicated.

Civil Rights claim means an assertion by a claimant that the County or County employee injured the claimant by a violation of federal, state, or local civil rights statute.

Parties means a person who settles a claim or a person who allegedly committed the misconduct.

Self-Insurance Fund means insurance coverage, including a legal defense, provided to the County and its officials, employees, and agents under Section 20-37.

Self-Insurance Fund Lawsuit means a claim or legal proceeding that is covered under the Self Insurance Fund that alleges a violation of:

- (1) federal or state constitutional rights;
- (2) civil rights claims; or
- (3) common law tort claims.

[[a)] (b) On behalf of the [county] County, the [county attorney] County Attorney is [hereby] authorized to [effect a settlement of] settle all claims by or against the [county] County and all court cases to which the [county] County is a party where the amount of the claim or the amount involved in the suit is:

- (1) not more than [five] thirty thousand dollars [(\$5,000.00)] (\$30,000.00); or
- (2) the maximum jurisdictional amount set for civil cases in District Court of Maryland under State law, whichever is greater; and

28           (3)    when in the [county attorney's] County Attorney's judgment it is  
 29                           proper and advisable to do so.

30           (c)    The [county attorney] County Attorney is further authorized to [effect]  
 31                           settle, with the approval of the [county executive] County Executive, [a  
 32                           settlement of] all other claims by or against the [county] County and all  
 33                           other court cases to which the [county] County is a party, when in the  
 34                           [county attorney's] County Attorney's judgment and that of the [county  
 35                           executive] County Executive it is advisable and proper to do so. In court  
 36                           cases in which the members of the [county council] County Council are  
 37                           parties in their capacity as such, the [county attorney] County Attorney is  
 38                           hereby authorized to [effect settlement] settle the cases on their behalf  
 39                           upon the approval of the [council] Council, except in cases where each  
 40                           [member of the council] Councilmember may be personally liable or  
 41                           responsible, in which cases settlement [shall] must be made only on  
 42                           behalf of each [member] Councilmember approving such settlement.

43           [[b)] (d)    The authority granted by this section [shall] must apply to all future  
 44                           and past settlements.

45           (e)    Annual Report. By October 1 of each year, the County Attorney must  
 46                           submit to the County Executive and the County Council, and must  
 47                           publish on the County website, a written report that summarizes the  
 48                           settlement of each Self-Insurance Fund Lawsuit during the prior fiscal  
 49                           year.

50           (f)    Contents of the report. For each settlement, the report must identify:  
 51                           (1)    the claimant or claimants;  
 52                           (2)    the dollar amount, or other consideration, under the settlement;  
 53                           (3)    the nature of the claim; [[and]]  
 54                           (4)    the County departments or offices involved in the claim[.];

55           (5) demographic information voluntarily provided by the parties; and  
 56           (6) the applicable legal authority or reason if any information relating  
 57           to the settlement is excluded because disclosure may be in  
 58           violation of federal or state law.

59           (g) *Non-disclosure clause in settlement agreements – prohibited.* The County  
 60           must not agree to a non-disclosure in a settlement agreement that would  
 61           prevent public disclosure of the settlement agreement. This subsection  
 62           does not apply to information that is prohibited from disclosure under  
 63           federal or state law.

64           (h) *Collection of Demographic Information.* The County Attorney must, at  
 65           the conclusion of a settlement agreement, provide a demographic sheet  
 66           for parties to voluntarily disclose demographic information. The  
 67           demographic sheet must, at a minimum, collect the following data:

- 68           (1) race;
- 69           (2) ethnicity;
- 70           (3) gender identity;
- 71           (4) age;
- 72           (5) sexual orientation;
- 73           (6) religion; and
- 74           (7) any other demographic information voluntarily provided by the  
 75           parties.

76           (i) *Opt-out.* A party of a settlement agreement may choose to opt out and  
 77           decline providing demographic information by signing an attestation  
 78           statement provided by the County Attorney.

*Approved:*



10/7/2021

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Tom Hucker, President, County Council

Date

*Approved:*



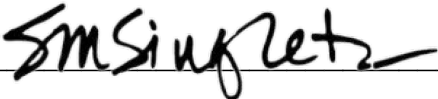
10/13/2021

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Marc Elrich, County Executive

Date

*This is a correct copy of Council action.*



10/14/2021

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Selena Mendy Singleton, Esq., Clerk of the Council

Date