They were convicted of crimes. But police officers don’t have to forfeit their pensions in Maryland

By Dylan Segelbaum

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Before voting to approve a $60,000 settlement with a man the Gun Trace Task Force arrested in 2016, Baltimore City Council President Nick Mosby asked whether members of the corrupt plainclothes unit who robbed citizens and planted guns on people were still eligible to collect their pensions.

Deputy City Solicitor Ebony Thompson said she was not sure.

“I think that’s an issue that we’ll continue to bring up,” Mosby said at the Aug. 3 meeting of the Baltimore City Board of Estimates. He said he felt that it was necessary to state for the record that police officers convicted of such egregious crimes “still potentially are eligible for city benefits.”

That includes the former officer-in-charge of the Gun Trace Task Force, Sgt. Thomas Allers, who pleaded guilty to charges of conspiracy and racketeering and was sentenced to 15 years in federal prison. Any member who meets the eligibility requirements is entitled to a retirement benefit, said Amy Baskerville, a spokesperson for the Baltimore City Fire & Police Employees’ Retirement System.

In Maryland, police officers do not lose their pensions if they are convicted of crimes. Meanwhile, in some neighboring states, such as Pennsylvania, public employees who commit certain offenses related to their employment forfeit that benefit.

Supporters of pension forfeiture laws say they prevent police officers who have abused their power from collecting a taxpayer-supported benefit while also allowing the government to recover money paid out to settle lawsuits related to their misconduct.
“You shouldn’t be able to violate your oath, waste training investment, betray the public trust and fail to do your job — and then get the reward of a pension,” said the Rev. Kobi Little, president of the NAACP Baltimore Branch, which supported legislation that would have created a process for police officers convicted of crimes to lose their pensions.

Police unions and associations, though, view such measures as an attack on law enforcement. They argue that a pension is not a perk, but part of the compensation package.

‘One key component of improving public safety is improving integrity in law enforcement’

The Maryland General Assembly considered bills this past session that would have subjected law enforcement officers convicted of certain crimes to pension forfeiture. The proposals did not receive a vote in committee.

State Sen. Jill Carter, D-Baltimore, introduced Senate Bill 47, which would have allowed an assistant state’s attorney or assistant attorney general to file a complaint in court seeking to forfeit part or all of the pension of a police officer convicted of a felony, perjury or misdemeanor related to truthfulness and veracity.

Carter first introduced the measure in 2014 when she was a state delegate. She did so after the U.S. Attorney’s Office indicted more than a dozen state corrections officers in a corruption case involving the Black Guerrilla Family gang.

Under her most recent proposal, judges would have to consider seven factors, including the severity of the crime, the financial loss to the government and the amount of public trust placed in the law enforcement officer.

The court could order the money to go to a current or former spouse or child of a police officer who has been convicted. The forfeiture provision would not have applied to crimes committed before July 1, 2022.

The state legislature passed a series of sweeping police reform bills in 2021. Though the Maryland House of Delegates advanced legislation that included language allowing for pension forfeiture, lawmakers stripped that provision during negotiations.

Carter said she thought her proposal was a commonsense next step to police reform, while being limited enough to be palatable for lawmakers. But when legislators want to avoid taking a position on a bill, she said, they do not vote on it.

Lawmakers who give a lot of deference to law enforcement, she said, did not want to possibly upset police in an election year. She said there has also been a lot of focus on public safety and crime.
“I’m not sure we educated all the legislators, even the community enough, that one key component of improving public safety is improving integrity in law enforcement,” Carter said. “It’s not a separate issue. It’s the same issue.”

Meanwhile, Del. Jheanelle Wilkins, D-Montgomery County, introduced a similar proposal, House Bill 123, which would have allowed pension forfeiture for police officers convicted of a felony, perjury or misdemeanor related to truthfulness and veracity and who had exhausted all their appeals.

She said there have been a lot of discussions statewide about police accountability.

“This is a really important aspect of it,” Wilkins said. “The idea that someone has the public trust would commit some type of egregious act and still receive their full checks from the state, I think, really flies in the face of accountability.”

Wilkins said she proposed the measure in part because of the high-dollar settlements involving police misconduct in Baltimore City. The opportunity for the government to recover some money is important, she said.

She said a vast majority of police officers are staying within the law and have nothing to fear.

Baltimore Comptroller Bill Henry testified in support of both bills and submitted written testimony. He is one of five members of the city’s Board of Estimates.

Henry sent letters to Del. Luke Clippinger, D-Baltimore, and state Sen. Guy Guzzone, D-Howard County, the chairpersons of the House Judiciary Committee and Senate Budget & Taxation Committees, respectively, stating that he had a duty to safeguard and ensure proper use of taxpayer money as the city’s fiscal watchdog.

“We are long past the point where the City should simply continue paying for police officers’ criminal conduct without any recourse,” Henry wrote. “A change in State law to allow forfeiture of pension benefits is the right thing to do, fiscally and morally.”

Since 2020, Baltimore has paid almost $15 million to settle lawsuits related to the Gun Trace Task Force, according to the Baltimore City Comptroller’s Office.

Fiscal and policy notes for the bills assumed that the measure would apply in a “limited number of cases” and that there would be no effect on local revenue.

‘This was part of my salary package’

The Maryland Fraternal Order of Police, Maryland Chiefs of Police Association and Maryland Sheriffs’ Association — among other law enforcement organizations — opposed the recent legislation.

Clyde Boatwright, the president and chief executive officer of the Maryland Fraternal Order of Police, said creating a provision for pension forfeiture would make the profession less attractive and exacerbate existing issues with recruitment and retention.
Boatwright questioned why these proposals have been limited to law enforcement, which he considers unfair and unjust.

“We’re not having this discussion about any other profession other than policing,” Boatwright said.

“Police officers are people, too. They make mistakes,” he added. “There are no perfect people. Police are not robots.”

The criminal justice system, he said, already exists to address wrongdoing. “And the full weight of the criminal justice system should be used for those who violated criminal law,” Boatwright said, “whether they’re a police officer or they’re a doctor.”

The Maryland Chiefs of Police Association and the Maryland Sheriffs’ Association submitted written testimony in opposition to the proposal, stating that the legislation “exhibits a lack of respect for the men and women who work in this profession.” They described the bills as “an unnecessary and punitive measure to degrade the Law Enforcement profession.”

Police officers have dangerous, stressful and hard jobs, said Angelo Consoli, president of the Prince George’s County Fraternal Order of Police, Lodge 89.

The pension is something that police officers are promised throughout their employment, he said, and they have to serve for 20, 25 or 30 years to draw one.

“It’s the civil contract. This was part of my salary package,” Consoli said. “This had nothing to do with my job or performance.”

He asked whether a bank robber would have to give up money he or she earned in past employment.

“Where else in society do we do that to anybody else?” Consoli asked.

‘It’s complicated’

Carter said she thinks she is going to bring up her proposal again next session. Wilkins said she plans to reintroduce her bill.

Norman Stein, a professor of law at Drexel University and nationally recognized as an expert on pension law, said the decision whether to create a process in which police officers who commit wrongdoing forfeit their pension is not a simple policy question.

The penalty, he said, has nothing to do with the crime.

Police officers who have been on the force for a short time — even if their misdeeds are more serious — stand to lose less than veteran colleagues, Stein said.

Under most government plans, Stein said, spouses have an interest in the pension. So they could end up being penalized without having any involvement in the wrongdoing, he said.
Stein said some state pension forfeiture laws set bright lines — a felony conviction results in the loss of the benefit — while others are more ambiguous. That puts a lot of power in the hands of administrative personnel who have to make an interpretation, he said.

“I think too often the process is often a reaction to a few corrupt cops without really thinking about the total picture and its effects,” Stein said.

“It’s complicated,” he later added. “All you can ask for from a legislature is that it consider everything — and not act just on passion.”

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Two decades later, Ed Norris demands his city pension

The former Baltimore police commissioner – now local radio host – was convicted of federal corruption charges in 2004. Now at issue: a fund worth $200,000

By Edward Ericson, Jr.

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He did his time. Now Ed Norris wants the pension money former Mayor Martin O’Malley promised him 20 years ago as he left the Baltimore Police Department to become superintendent of the Maryland State Police.

Norris says his lawyer, a trustee for the fund, told him several years ago he could take over the trust as he neared retirement age.

“It was supposed to be a transfer of paperwork with my attorney, then somebody stopped it,” says Norris, now 62 and a radio personality who co-hosts 105.7 FM The FAN.

City officials said in 2004 they would claw the money back in light of Norris’s conviction in federal court for misusing the proceeds of another trust fund.

Norris filed a lawsuit in Baltimore City Circuit Court last week against two trustees of “The Rabbi Trust Agreement” and GE Capital Assurance, seeking access to an annuity created for him in September 2002 as an “Individual Flexible Premium Deferred Annuity Contract.”

He estimates its value at about $200,000.

According to the complaint, the two trustees – former City Solicitor Ralph Tyler and Norris’ ex-lawyer, Jeffrey H. Scherr – have ignored his requests for the money. Neither they nor Norris’s current lawyer, Richard Grason IV, returned messages from The Brew.
Norris, a star New York City cop and protege of Bill Bratton, moved to Baltimore in 2000 to become commissioner under O’Malley, where he took credit for reducing the city’s murder count to less than 300.

He left to become the state police superintendent in 2003. Then a year later, he was federally indicted.

**Stealing from Cop Welfare Fund**

Norris was accused of taking money from a trust fund originally set up as the Police Athletic Fund and later used to supplement the incomes of destitute Baltimore cops and their families.

Shortly after he was hired as police commissioner, Norris directed the obscure fund to sell about $160,000 worth of stock.

He used the proceeds to pay for luxury hotels, expensive meals, clothing and gifts to finance sexual encounters with different women, according to the indictment.

He was also charged with lying on a mortgage application by paying back his father $9,000 that had been characterized as a gift – a charge famously called “the head shot” in an episode of The Wire, where Norris made appearances as “Detective Edward Norris.”

In 2004, Norris pleaded guilty to federal corruption and tax charges. He was sentenced to six months in federal prison and has since maintained that he is innocent and that the charges were politically motivated.

Days after Norris’s guilty plea in 2004, Baltimore officials announced they were clawing back his pension and severance, sending a letter to his then-lawyer Scherr demanding return of the $137,000 severance package and saying the city would stop its annual $6,850 payments into his trust fund because he had not abided by the regulations that govern the police department.

“It’s not about friendship or pity,” Mayor O’Malley told the Baltimore Sun then. “It’s a simple matter that the people of Baltimore don’t owe him these dollars under the terms of his contract.”

O’Malley characterized Norris’s pension trust as a “sweetheart deal” and said he regretted it.

Then City Council President Sheila Dixon supported O’Malley’s effort, saying, “We should get it back. That’s a simple answer.”

Dixon would succeed O’Malley as mayor, then resign amid her own corruption scandal, which involved misappropriating gift cards meant for needy children.

As part of her deal to resign, Dixon preserved her own city pension – $88,000 a year at the time of her resignation and considerably more today.

**Norris: “I just want an answer”**
Norris filed his complaint as the city suffers its seventh consecutive year of more than 320 murders and State’s Attorney Marilyn Mosby faces her own federal charges for allegedly lying on pension withdrawal forms and on mortgage applications to buy two Florida houses.

Norris’ complaint demands specific performance under the trust agreement. It’s not clear what happened to the money in his account after the 2004 letters, but Norris says Scherr sent him statements indicating substantial funds.

The mayor’s office and City Solicitor Jim Shea did not return messages.

“I have so little knowledge about what’s going on here,” Norris said in an interview.

“I went to prison and then got out. Got a call like five years ago [from Scherr] about this fund. I was assured this was easy to get.

“I just want someone to tell me if I can get it. Tell me the black letter law. I just want an answer, that’s all.”

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Russia divestment promises by states, including Maryland, largely unfulfilled

By Geoff Mulvihill

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Driven by moral outrage over Russia’s invasion of Ukraine earlier this year, U.S. governors and other top state officials made it clear: They wanted to cut their financial ties with Russia.

A few states quickly followed through. Idaho sold $300,000 of bonds in a Russian oil company in early March. A day before the invasion, the Kentucky Teachers Retirement System sold its shares in the Russian bank Sberbank.

But those examples are outliers. Six months into a war that has killed thousands of Ukrainians and displaced over 12 million more, most of the pledges to drop Russian investments — some made with great fanfare during news conferences — have gone unfulfilled, according to an Associated Press review, state retirement administrators and firms that invest state funds.

Swift global reaction has cut off much of Russia’s economy from the rest of the world. That has made it nearly impossible for divestment by state pension funds, university endowments and other public-sector holdings — as well as private investments such as those in 401(k) accounts.
“These pension funds want to get out, but it’s just not realistic to sell everything in the current environment,” said Keith Brainard, research director at the National Association of State Retirement Administrators.

Benjamin Smith, a spokesperson for the Rhode Island treasury, said the factors that make it hard to divest also show that a worldwide effort to isolate Russian President Vladimir Putin is working.

“This is good news because it means that pressure from investors across the world, including Rhode Island, is succeeding in exacting a toll on the Russian economy, making it more difficult for Putin to fund his military operation, state-owned companies, and corrupt network of oligarchs,” he said in an email, noting that Rhode Island’s pension plan exposure in Russia never exceeded 0.3% of its assets.

Any pre-war investments in Russia are now worthless, or nearly so. That’s raising questions from some officials and fund managers about whether divesting is even necessary.

In Hawaii, one of a handful of states where top administration officials did not pledge to divest, Gov. David Ige said at a May 5 news conference that the state’s employee pension system had “very little to almost nothing” invested in Russia.

“The few remaining investments are quite small, and so I didn’t feel compelled to just make a statement for political reasons that we would be divesting,” he said.

Before Russia’s invasion in late February, many government-controlled investments had only small holdings — a fraction of 1% in every reported case — in Russian investments. But even that could amount to millions of dollars.

The largest U.S. public-sector retirement fund, California’s CalPERS, said just 17 cents of every $100 of its portfolio was in Russian investments as the war broke out. Even so, that translated into $765 million worth of stocks, real estate and private equity.

By the end of June, the value had shrunk to $194 million. The entire loss was because the holdings dropped in value; none had been sold.

There is no way to know how much state government entities in the U.S. have invested in Russia or companies based there, but collectively they were worth billions of dollars before the war. Much of the money was invested in Russian government bonds, oil and coal companies as part of emerging-markets index funds.

Quick to condemn the invasion, state officials said they could put pressure on Putin by dumping their Russian investments.

“Our moral imperative before these atrocities demand that you act to address Russia’s aggressions and immediately restrict Russian access to California’s capital and investments,” California Gov. Gavin Newsom wrote in a letter Feb. 28 to the boards overseeing the massive pension funds that serve teachers, state and local government workers and university employees.
Across the country, governors and other top officials made similar statements.

Just after the invasion began, New York Gov. Kathy Hochul signed an executive order calling for divestment “to the extent possible,” while Arizona’s Board of Regents voted to exit any Russian investments.

The treasurers for 36 states plus the District of Columbia and U.S. Virgin Islands signed a joint letter in March advocating divestment of publicly controlled funds from Russia. They noted a financial reason for doing so: “The current crisis also constitutes a substantial risk for states’ investments and our economic security.”

A major chunk of the government holdings in Russia are in the form of index funds that investors use to mimic overall stock market performance. Russian stocks were commonly part of funds specializing in emerging markets. MCSI and other firms that decide which stocks should be in the funds quickly dropped Russian securities.

But the companies that sell investment products based on those indexes were left in the lurch, still leaving pieces of Russian stocks in their investors’ portfolios.

As part of the sanctions, stock markets in the U.S. and elsewhere stopped the trading of Russian stocks. And the Moscow Stock Exchange was closed for nearly a month, reopening with tight controls that keep U.S. investors from selling.

The assets sank in value amid the invasion, though the precise value isn’t always clear.

Maryland said that as of the beginning of February, $197 million of its state retirement and pension system funds were invested in Russian assets. A month later, the state estimated the value had plunged and amounted to just $32 million. The state has been unable to unload its investments.

For the handful of states in which top officials have not endorsed divestment, eroding values like that are a main reason.

Shortly after the invasion, South Carolina Gov. Henry McMaster said the amount of state investments in Russia was “miniscule” and noted that the value was about to “shrink to almost nothing as the Russian economy is being virtually shut off from the world.”

In Florida, Lamar Taylor, the interim executive director of the agency that oversees investments of pension funds, said during a cabinet meeting that some investment managers might seek to unload Russian assets as soon as they’re able, while others could hold on in case they’re worth more later.

At the meeting, Gov. Ron DeSantis said the State Board of Administration has a legal responsibility to try to make money for the retirement system.

“That would violate your fiduciary duty, if you liquidated at massive losses for political reasons rather than for the best interests of the beneficiaries,” he said.
But DeSantis said there was a way to make it easier: Lawmakers passing a bill banning investment in Russia.

“If the Legislature could speak clearly, that would be something we’d welcome here, just to make sure we’re not furthering investments in parts of the world that are not reflective of our interests or values,” he said.

Hank Kim, executive director of the National Conference on Public Employee Retirement Systems, said he has told member pension funds that taking steps to divest is important even if it can’t be completed right away.

“The public has a right to know that it was debated in a serious manner,” he said.