

The Corporation of Hamilton

A Financially Responsible Path to Real Reform

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There is no question that the Municipalities Act of 1923, which governs the Corporations of Hamilton and St. George, is in need of reform. The question is, what kind of reform?

Government's plan to "reform" the Municipalities Act (for which they have paid at least \$800,000 so far) is to abolish the Corporations and take over their assets.

The Corporation of Hamilton has a different approach – one that would modernise the Corporations and ensure that each resident of Hamilton has the right to vote and a voice in the city's future. And we've already begun to implement some of these reforms.

We believe that any reform plan must respect the following core points:

1. City voting rights will not be abolished or eroded but will be expanded;
2. The Corporations operations, assets and revenues will not be transferred to the Bermuda Government;
3. Elected City Councillors including the position of Mayor will have no less autonomy and authority than they presently enjoy.

In the fall of 2008, the Corporation of Hamilton submitted to Government a 41-page document of recommended changes to the Municipalities Act of 1923. These recommendations were designed to modernise the Corporation structure and make it more democratic. Government has not yet responded to these recommendations.

In 2009, a new leadership team, led by Mayor Charles Gosling, took office on a promise to reform the Corporation and make it more transparent. To that end, it has already implemented several concrete measures, including:

- Opening all Corporation board meetings to the public for the first time.
- Holding regular town hall meetings where the public can comment and question the Corporation leadership team.
- Publishing the Corporation budget so the public can see how their tax dollars are being spent.

In January 2010, the new Corporation team sent a revised version of its recommended reforms to Government. To date, Government has still not responded to these recommendations.

The Corporation leadership team remains committed to bringing real reform to Hamilton. Despite this commitment, however, most of these reform measures cannot be enacted without Government action. Rather than work with us, however, Government has instead chosen to spend \$800,000 on foreign consultants without regard to the recommendations of the very bodies they wish to reform. If reform is truly the goal of Government, then we stand ready and look forward to working with them.

The following pages outlines highlights of its plan to reform the Municipalities Act. The full document as submitted to Government can be found at www.cityhall.bm.

MAKING VOTING EASIER & ACCESSIBLE TO ALL HAMILTON RESIDENTS

Expand the right to vote in municipal elections to all Hamilton residents without regard to property ownership, familial relationship or tax status. Under the current provisions of the Municipalities Act 1923, the right of individuals to vote in Corporation elections remains tied to either property ownership or taxation and in one instance familial relationship, but this requirement unfairly disenfranchises many who live within the municipal boundaries. For example, a husband and wife who own a home within the municipal boundaries can vote, but their adult children who still live at home cannot. Two adults who own property jointly but who are not husband and wife only get one vote. The nonresident owners of a rental property within the municipal boundaries get up to two votes, but their tenants—if there is more than one—get only one.

We seek to expand the franchise in the Corporation to include all individuals included on the Parliamentary Register and ordinarily resident within the municipal boundaries, therefore removing for these individuals the last link between the right to vote and property ownership or taxation and bringing the municipal franchise into greater alignment with the national franchise.

Simplify municipal voter registration by using the Parliamentary Register as proof of residence for electors. If the right to vote is no longer tied to ownership of property, the Corporation would simply require proof of residency to establish eligibility to vote in municipal elections. Using Bermuda's Parliamentary Register reflects the simplicity of voter registration in the U.K., where inclusion on the national register is sufficient to qualify a citizen to vote in both national and municipal elections.

Protect the right to vote from frivolous or malicious objections. Under current law, a person may object to another individual's right to vote with a \$10 fee. We suggest protecting the right to vote from frivolous or malicious objections by raising the fee that shall accompany an objection to \$100.

Protect the integrity of the vote from undue influence. Current law prohibits the supply of intoxicating liquor to individuals to influence their vote. While we certainly agree with that notion, it does not go far enough. We recommend amending the law to prohibit the offering of ANY inducement or bribe meant to influence the outcome of a municipal election.

Protect the integrity of the vote from candidate influence. In accordance with Parliamentary election rules, we recommend prohibiting candidates for municipal office from entering the area where polling is underway (except to cast his or her own vote).

Allow proxy voting to avoid disenfranchisement. Many voters complain that they are disenfranchised when they cannot be present to vote in a municipal election due to travel, disability or medical emergency. The short time frame for municipal elections further complicates this. We recommend allowing for proxy votes, where all voters (except for nominees) who are unable to vote in person due to travel, disability or medical emergency can ask someone to vote on their behalf.

Provide more flexibility in the selection of Nominees. Under current law, companies, partnerships, and associations may select a single nominee to vote on their behalf in municipal elections. We seek to provide more flexibility by changing the qualifications for a nominee to reflect Parliamentary Election rules (Commonwealth citizens, age 18 or over, who are either born Bermudian or have been granted Bermudian status). We also seek to allow for changes of nominee to occur up to the poll date.

Give voters more time to learn about the candidates. Under current law, municipal elections are to be held between three and seven days after the nomination day. That often leaves little time for voters to learn about the candidates and their platforms. We recommend changing that timeframe to require elections be held between 14 and 17 days after nomination day.

ELIMINATING PRIVILEGE & INCREASING ACCOUNTABILITY IN THE CORPORATION

Eliminate privilege-based leadership by expanding the number of Councillors to eight, and giving the three most senior Councillors the honorary title of Alderman with no special voting privileges. When the Municipalities Act was written in the early 20th Century, the structure of the Corporation reflected the common practice of having a bicameral legislature. For decades at the Corporation, custom and practice dictated that Councillors would eventually move up to Aldermen according to seniority, and the Mayor would come from the ranks of

Aldermen according to seniority. Alderman, in the Act, are given special status and privilege in terms of voting and other matters. This concept of seniority-based privilege, however, was never supported in law. Therefore, we recommend removing the privilege-based structure, by expanding the current number of Councillor positions from five to eight. The three most senior Councillors would be given the honorary title of Alderman, but would receive no special privileges. (The Deputy Mayor, currently selected from among the Aldermen, would instead be selected from the Councillors.)

Allow for simple majority rule on Municipal matters. Under the current privilege-based system, no act of the Corporation is valid unless approved by two Aldermen and the Mayor. In other words, for example, if all five Councillors and one Alderman support a measure, yet the other two Aldermen oppose it, they have the ability to block the measure despite the overwhelming support of the body. We recommend eliminating this privileged vote, and mandating that an act be valid with the support of a simple majority of the Councillors and of the Mayor.

Make it easier for anyone, regardless of personal wealth, to run for municipal office. Currently, the Corporation's elected leaders serve without any form of pay. Given the time demands of the job, this often precludes those who do not come from some means. We do not believe that personal wealth should be either a disqualifier from, or a prerequisite for, running for office. Therefore, we recommend a provision stating that the Mayor and Councillors shall be provided compensation for their service, in order to make it possible for more people to run for municipal office.

Allow for an override of the Mayor's veto by supermajority vote. Under current law, if the entire Council supports a measure but the Mayor does not, his dissent would kill the measure. We recommend that the vote by a supermajority of six councillors be allowed to override the Mayor's veto and enact the measure.

Minimize the length of vacancies so to avoid disrupting the people's business. Currently there is no requirement for a vacancy in the Corporation leadership to be filled within a given time period. Having no requirement can lead to political manipulation and can interfere with the proper running of the people's business. Therefore, we recommend that special elections to fill vacancies be held within 90 days from the date of the vacancy.

Keep corruption off the Corporation board. If a Mayor or a Councillor has been convicted of a serious crime, including "white collar crime," there should be a provision for disqualifying that person from holding office.

MODERNIZING THE CORPORATION'S AUTHORITY

Update the City boundaries to include current realities. It stands to reason that any property owned by the Corporation, and any area currently benefitting from Corporation services, should fall under the jurisdiction of the Corporation and its taxpayers. Therefore, we propose expanding the City boundaries to include all properties owned by the Corporation of Hamilton, as well as extending the western boundary to include the area currently serviced by the Corporation for sewage.

Share responsibility for public safety. Currently, the Corporation leadership is given no authority over policing within the city limits. And while the Corporation has hired several City Rangers, they are not given the same authority as the police. We believe that the Corporation should partner with the police to provide for public safety within the city. We therefore recommend that the Corporation be authorized to hire City Rangers that would be able to carry out the duties of the police within the City limits.

Get tough on deadbeat debtors. We believe that those who do not pay back money they owe to the taxpayers should face penalties. Therefore, we recommend that the Corporation be given authority to impose finance charges on unpaid debts to the Corporation.

Authorize the Corporation to cover the cost of important capital projects. The Corporation leadership team is widely recognized across Bermuda for its strong record of fiscal responsibility, operating debt-free with a balanced budget. Despite its strong record, however, the current limit on borrowing for the Corporation of Hamilton is \$20 million – an insufficient figure in today’s market to adequately cover the cost of projected capital projects. We recommend raising that figure to \$50 million.

Allow the Corporation to determine its own parking fees without Parliamentary approval. Under current law, Corporations are not allowed to determine their own parking fees without parliamentary approval. We recommend granting this authority so that local communities can determine their own fees.

Empower the Corporation to protect property values by allowing local property taxes to be charged on vacant or derelict properties. Too often, owners of vacant or derelict properties take advantage of the current system by enjoying the benefits of rising values of their properties, while driving down the values of their neighbors properties. We recommend allowing the Corporations to assess property taxes on these properties.

Give municipalities the save powers and authority over planning matters as the EEZ. The authority given to the EEZ has resulted in tremendous benefit to the local

community. As the Corporations are elected bodies, granting them the same authority would give local citizens the ability to create the same opportunities throughout their communities.