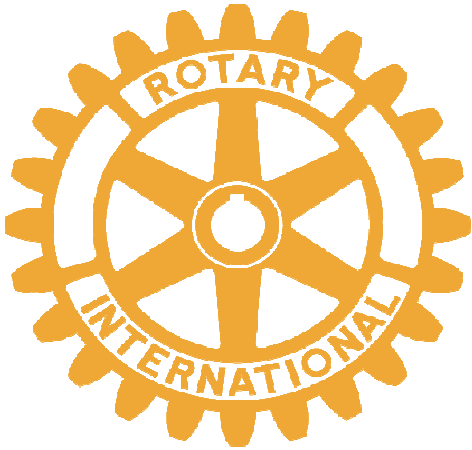




2016 COUNCIL ON LEGISLATION OF ROTARY INTERNATIONAL

REPRESENTATIVE'S REPORT TO DISTRICT 9500.

09-15 April 2016 | Chicago, Illinois, USA

PDG Ed King,

THE COUNCIL.

The Council on Legislation is the legislative body of Rotary International, which has the authority to amend its constitutional documents. The Council is an essential element of Rotary's governance. Every three years, members from around the world gather in Chicago to consider proposed changes to the policies that govern the organization and its member clubs. This year the Council met between 10 -15 April in Chicago. It is a working meeting where one representative from each Rotary district meets debate and vote on legislation proposed by clubs, districts, the General Council of RIBI, the RI Board, and the Council. The meeting is conducted in English, with simultaneous interpretation in six languages:

- French, Japanese, Korean, Portuguese, Spanish & Mandarin Chinese

Each Rotary district sends a representative to the Council. Representatives deliberate and act upon all proposed enactments and resolutions. Enactments seek to change Rotary's constitutional documents, and resolutions express an opinion or make a recommendation to the RI Board. The Council gives each District a voice in how our organization is governed.

Including the 530 District Representatives, the Council had over 600 attendees. District representatives make up the voting members of the Council. Non-voting members include the:

- Council Chair, Council Vice Chair, Parliamentarian, Constitution & Bylaws Committee, RI President, RI President-elect, RI Board of Directors, General Secretary, Past RI Presidents, Trustees' Representative and Members-at-Large.

Over 60% of District Representatives were attending for a Council the first time. This being as a result of a decision taken at the 2013 Council that no Rotarian shall attend more than three Councils on Legislation as a representative.

Measures that have been adopted take effect 1 July, 2016.

2016 COUNCIL*(a copy of Voting Outcomes for all items is attached)*

1. Highlights/Major Initiatives.

It is now generally accepted that the 2016 Council on Legislation may well be remembered as one of the most progressive in Rotary history.

Some quite progressive initiatives have been passed particularly

1) Enactment 16-21 .Allowing for more flexibility in club meetings & attendance.

Essentially Clubs will have now the option to:

- determine when & how often the club meets
- decide what constitutes a meeting
- set applicable attendance requirements
- modify or eliminate termination policies for non-attendance.
- decide how often they cancel meetings

These modifications could be more or less stringent than RI policies. If a club chooses to disregard this additional flexibility, the existing constitutional requirements will remain in effect for that club.

- A club, however, must meet at least two times a month.

- 2) **E Clubs:** With the passage of Enactment 16-21, the distinction between e-clubs and traditional clubs will be eliminated. The council recognized that clubs have been meeting in a number of ways, and given this new flexibility, the distinction was no longer meaningful. However, Clubs that have “e-club” in their names can keep it, should they choose to do so.

The proposed Resolution 16 - 162 requesting the RI Board to consider forming an e-district for e-clubs, was defeated for similar reasons.

- 3) **Enactment 16 – 36.** Individual Rotary Clubs will now have the flexibility to remove or modify the membership classification system in their club bylaws & to modify some of the provisions regarding membership. But **not** on the basis of gender, race, colour, creed, national origin or sexual orientation. So a club will be able to retain the existing classification system or eliminate it entirely or revise it to be either more or less stringent.

Examples might include eliminating the classification system and allowing quality individuals to be considered for membership based on criteria that is representative of the community & best fits the clubs strategic visions. Nevertheless clubs that wish to, can retain their existing membership classification system.

- 4) **Enactment 16 – 38.** By an overwhelming vote representatives also approved removing six membership criteria from the Article 5 of the RI Constitution and replacing them with a simple requirement that a member be a person of good character who has a good reputation in their business or community and is willing to serve the community. *“A club shall be composed of adult persons who demonstrate good character, integrity, and leadership; possess good reputation within their business, profession, and/or community; and are willing to serve in their community and/or around the world.”* This recognised that clubs need the enhanced freedom in order to determine what works best in their communities, noting that “one size does not fit all”.

- 5) **Enactment 16 – 99.** To increase per capita dues.

In speaking to the proposal to increase the per capita dues by USD4.00 per year RI Treasurer Per Hoyer advised that this increase was based on a five-year financial forecast that predicted that if Rotary didn’t either raise dues or make drastic cuts, its reserves would dip below mandated levels by 2020. The yearly per capita dues that clubs pay to RI will be \$60 in 2017-18, \$64 in 2018-19, and \$68 in 2019-20. The next council will establish the rate after that.

This forecast (*available on My Rotary*) indicated that despite having adopted cost savings measures including:

- i. Improving Club invoicing efficiency
- ii. Outsourcing Printing and Mailing
- iii. Moving to digital publications
- iv. Moving processing and development to India
- v. Combining District Governor Club visits

The demand from Clubs & Districts to improve My Rotary, develop resources so clubs can offer a better membership experience, simplify club and district reporting, improve website access for Rotaractors, and update systems to keep Rotary in compliance with changing global regulations. The proposed increase in the dues will allow RI to pursue these & other initiatives per capita will need to go up by \$4.00 a year from 2016/17.

Interestingly enough all other proposals to further increase the dues (for a variety of reasons) were either defeated or withdrawn.

6) **Enactment 16 – 104. To provide that each club pays dues for a minimum of 10 Members.**

This enactment initiated by the RI Board **failed** to get up (233 -276). The narrowness of the margin could well see this item being resubmitted for the 2019 Council.

7) **Enactment 16 – 113. To provide for a Council on Resolutions**

Council voted to establish a Council on Resolutions will meet annually **online** to consider resolutions — recommendations to the RI Board. Council members will be selected for three-year terms. They'll participate in the Council on Resolution for three years and the Council on Legislation in their final year only. The Council on Resolutions will free the Council on Legislation to concentrate on enactments — changes to Rotary's governing documents. Proponents predict that the Council on Legislation can then be shortened by a day, saving \$300,000.

8) **Miscellaneous Items of Interest.**

- 1) 1,100 remains the minimum number for a District (*"The board may eliminate or change the boundaries of any district with more than 100 clubs or fewer than 1100 Rotarians" see 3.2*).
 - 2) Minimum Numbers needed to Charter a Rotary Club to be 20.
 - 3) Two Rotarians residing at the same address will be able to subscribe jointly to a regional Rotary magazine.
 - 4) Making subscriptions to Rotary Magazines optional failed to pass (209 – 303)
 - 5) Rotaractors will be allowed to become members of Rotary clubs while they are still in Rotaract.
 - 6) The reference to admission fees will be removed from the bylaws
 - 7) A standing committee on membership was established, in recognition that membership is a top priority of the organization
 - 8) Polio eradication was also reaffirmed to be a goal of the highest order.
 - 9) The council has passed along to the Board a request that a video message from the RI president be provided to all district conferences.
 - 10) An Enactment to allow districts to add a geographical name to their district number failed. However, it was recognised that Districts do include "vanity" names (such as District 9830 – Tasmania and that these provide greater clarity both within & outside of Rotary.
 - 11) IT IS RESOLVED by Rotary International that the Board of Directors of Rotary International consider supporting initiatives, at every level of the organization, and in cooperation with other international organizations, to prevent the practice of female genital mutilation.
- Resolution 16 – 126 carried by vote of 377 -128.

- 12) Resolution 16-132 requested the RI Board to consider revising the membership age limits for Interact to end upon graduating from high school for both school based or community based Interact Clubs. (Previously community based club members had to leave upon attaining the age of 18, while school based ones upon graduation).

2. Club Relevant Decisions (changes to **Standard** Rotary Club Constitution or Bylaws)

- 1) To provide for written board meeting minutes “Written minutes should be provided for all board meetings. Such minutes should be available to all members within 60 days of said meeting”. (Article 6 –Section 3) 318 136 Adopted
- 2) To provide that the club treasurer shall be a member of the board 379 72 Adopted
- 3) Section 7 — Committees. This club should have the following committees:
 - i. Club Administration
 - ii. Membership
 - iii. Public Relations
 - iv. Rotary Foundation
 - v. Service Projects
 - vi. Additional committees may be appointed as needed. 238 – 213 Adopted
- 4) To define the purpose of Rotary club -Article 6 Purpose
 - i. The purpose of this club is to pursue the Object of Rotary, carry out successful service projects based on the Five Avenues of Service, contribute to the advancement of Rotary by strengthening membership, support The Rotary Foundation, and develop leaders beyond the club level. (403 -90)
- 5) To amend the second Avenue of Service: Article 5
add words “and lending their vocational skills to club-developed projects in order to address the issues and needs of society” (254 – 210)
- 6) Membership Matters
 - i. Correct drafting error in Article 12 Section 10. Words “*For the purpose of this clause, the member shall be excused from fulfilling attendance responsibilities*” be removed from Subsection (d) and added to the end of the final paragraph of Section 10 (442 48).
 - ii. There were 3 further enactments passed that dealt with suspension of Membership. These were clarifying steps and will form part of the Standard Rotary Constitution when reissued in October.
 - iii. Enactment 16 – 51. Amend the provisions for transferring and former Rotarians. Set out to achieve harmony between the Constitution & Bylaws regarding debt a transferring member might have with former Club (452 – 53)
- 7) Enactment 16-81 authorizes the RI Board to suspend or terminate a club for **litigation-related actions** and to amend the provisions for **repeated election complaints from a district**. This revised enactment allows the RI Board to take action when a club or Rotarian sues RI or The Rotary Foundation prior to exhausting the remedies provided for in the RI Bylaws for disputing elections. Rotarians and clubs are obligated to follow the election review procedures provided for in the RI

Bylaws as the exclusive method of contesting the right to an elective office or the results of an election. When a club or Rotarian bypasses the remedies provided for in the RI Bylaws by initiating legal action prior to completing the election review procedures, this proposed enactment would allow the RI Board to suspend or terminate a club that either sues RI or The Rotary Foundation, or has a member that sues RI or The Rotary Foundation including their directors, trustees, officers and employees.

In addition, the proposal would remove the references to governor elections and allow the RI Board to act for any repeated election complaints from a district. ***(This too will have little impact in D 9500 but it does show that RI's Patience is being sorely tested from other parts of the Globe.)***

3. District Relevant Decisions

1) District Governors

- i. There were a number of proposals submitted (particularly from the Subcontinent) dealing with Article 13 of RI Bylaws such as:
 1. Tinkering the provisions regarding concurrences to challenges
 2. Amending the provisions regarding special elections
 3. Amend the provisions for selecting the vice-governor (3 Enactments passed on this alone & 2 failed) ***(As these do not directly affect D9500 I suggest we wait publication of revised MoP in October.)***

- 2) Redistricting. Enactment
 16- 86 passed The purpose of this enactment is for the RI Board to complete all redistricting processes at least 24 months before they go into effect. This would give the new districts enough time to elect their leaders and strengthen their leadership in order to avoid unexpected and unwelcome situations that could impact clubs and Rotarians alike.

3) Annual Reporting

- i. Enactment 16-88 To revise the provisions for a district to adopt its annual statement
- ii. Enactment 16-89 To sanction those who improperly administer the district fund

These two items from passed with large majorities indicating council's willingness to strive for acknowledged stewardship in District finances

4) Semi-annual Payments & Club Invoices.

Enactment 16 – 105 replaces “semi-annual payment” with “club invoice,” thereby reflecting the new dues payment plan that replaces the semi-annual report with a club invoice. This enactment would also allow the clubs to work with the RI Board to change the payment dates for club per capita dues and membership reporting. This would give the organization the flexibility to better respond to club

needs and worldwide economic trends and establish the most efficient schedule for per capita dues payment. *Significant redrafting of both the RI Constitution & By Laws will be reflected in the 2016 copy of the Manual of Procedure*

- 5) Resolution 16 - 149 To request the RI Board to consider acknowledging the role and responsibilities of district secretaries was Adopted by a vote of 357 - 121 !

4. The Rotary Foundation

A number of resolutions were submitted not all were successful, but the successful ones included:

- 1) Resolution 16 – 139 - To acknowledge the centennial anniversary of The Rotary Foundation, Proposed by the Board of Directors of RI

This proposed resolution is intended to call to the attention of Rotarians throughout the world that The Rotary Foundation will celebrate its centennial in 2016-2017. An important milestone such as this should be highlighted in order to serve as a catalyst for new members, new donors and greater participation in the programs of The Rotary Foundation. Passage of this resolution will greatly assist in the promotion of the centennial. Action by the Council is an important endorsement for a large-scale, multi-year celebration (Adopted 481 – 27)

- 2) Resolution 16 – 141- To request the Trustees to consider amending the terms for Foundation grants to permit the purchase of equipment for pre- or post-surgical care units Adopted 329 175
- 3) Resolution 16 -142 To request the Trustees to consider allowing district grant subcommittee chairs to monitor and review online grant applications

Adopted 385 113

5. AHEAD

- 1) Clubs, will need to revisit their Constitutions in light of the changes brought about at the Council. I would suggest, that once the new 2016 edition of the Manual of Procedure has been issued a specific summary of the amendments needs be prepared & circulated. Some of the enactments will bring about many changes but with clear heads & cooperation these should be achieved with a minimum of heartburn! Ideally this should be carried out by Club Administration & the District Resolutions Committee. I'm not sure who this will be but I would be quite happy to assist in any way that might be required.
- 2) We need to remember that Resolutions do not affect any of the Constitutional Documents namely, RI Constitution, RI Bylaws and the Standard Club Constitution. Only Enactments passed at Council can bring about change to these documents.
- 3) Before we know about it the next cycle for the 2019 Council will be upon us. I am not fully aware of when the Council on Resolutions will operate, what precise format it

will take nor even who will represent D 9500. As with all change, if we can keep abreast of it we'll be better prepared to influence and benefit from it.

In conclusion, it has been a privilege to have represented District 9500 at the 2016 Council on Legislation. My thanks goes to every member because, probably unbeknown to most, the Council is funded by a small levy on every Rotarian payable as part of our RI Dues.

This Council has achieved much and hopefully has set our great organisation on a more certain path into the future.



Ed King

April, 2016.