

SENATE BILL 129

G2

4lr0105

(PRE-FILED)

By: **Chair, Education, Health, and Environmental Affairs Committee (By Request – Departmental – Ethics Commission, State)**

Requested: November 6, 2013

Introduced and read first time: January 8, 2014

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: January 31, 2014

CHAPTER _____

1 AN ACT concerning

2 **Public Ethics – Officials and Regulated Lobbyists – Late-Filing Penalties**

3 FOR the purpose of altering certain fees that an official or a regulated lobbyist must
4 pay for failing to file in a timely manner a required report or financial disclosure
5 statement form with the State Ethics Commission; and generally relating to
6 public ethics, officials, regulated lobbyists, and penalties.

7 ~~BY repealing and reenacting, with amendments,~~
8 ~~Article – State Government~~
9 ~~Section 15-405~~
10 ~~Annotated Code of Maryland~~
11 ~~(2009 Replacement Volume and 2013 Supplement)~~

12 BY repealing and reenacting, with amendments,
13 Article – General Provisions
14 Section 5-405
15 Annotated Code of Maryland
16 (As enacted by Chapter _____ (H.B. 270) of the Acts of the General Assembly of
17 2014)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 ~~Article State Government~~

2 ~~15-405.~~

3 ~~(a) After the Ethics Commission considers all of the evidence presented at~~
4 ~~the hearing, it shall make findings of fact and conclusions of law with respect to each~~
5 ~~alleged violation.~~

6 ~~(b) If the Ethics Commission determines that the respondent has not~~
7 ~~violated this title, the Ethics Commission shall:~~

8 ~~(1) dismiss the complaint in a signed order; and~~

9 ~~(2) promptly send a copy of the order to the complainant and the~~
10 ~~respondent.~~

11 ~~(c) If the Ethics Commission determines that the respondent has violated~~
12 ~~any provision of this title, the Ethics Commission may:~~

13 ~~(1) issue an order of compliance directing the respondent to cease and~~
14 ~~desist from the violation;~~

15 ~~(2) issue a reprimand; or~~

16 ~~(3) recommend to the appropriate authority other appropriate~~
17 ~~discipline of the respondent, including censure or removal, if that discipline is~~
18 ~~authorized by law.~~

19 ~~(d) If the Ethics Commission determines that a respondent has violated~~
20 ~~Subtitle 7 of this title, the Ethics Commission may:~~

21 ~~(1) require a respondent who is a regulated lobbyist to file any~~
22 ~~additional reports or information that reasonably relates to information required~~
23 ~~under §§ 15-703 and 15-704 of this title;~~

24 ~~(2) impose a fine not exceeding \$5,000 for each violation; or~~

25 ~~(3) subject to subsection (e) of this section, suspend the registration of~~
26 ~~a regulated lobbyist.~~

27 ~~(e) (1) If the Ethics Commission determines it necessary to protect the~~
28 ~~public interest and the integrity of the governmental process, the Ethics Commission~~
29 ~~may issue an order to:~~

30 ~~(i) suspend the registration of an individual regulated lobbyist~~
31 ~~if the Ethics Commission determines that the individual regulated lobbyist:~~

1 ~~1. has knowingly and willfully violated Subtitle 7 of this~~
2 ~~title; or~~

3 ~~2. has been convicted of a criminal offense arising from~~
4 ~~lobbying activities; or~~

5 ~~(ii) revoke the registration of an individual regulated lobbyist if~~
6 ~~the Ethics Commission determines that, based on acts arising from lobbying activities,~~
7 ~~the individual regulated lobbyist has been convicted of bribery, theft, or other crime~~
8 ~~involving moral turpitude.~~

9 ~~(2) If the Commission suspends the registration of an individual~~
10 ~~regulated lobbyist under paragraph (1) of this subsection, the individual regulated~~
11 ~~lobbyist may not engage in lobbying for compensation for a period, not to exceed 3~~
12 ~~years, that the Commission determines as to that individual regulated lobbyist is~~
13 ~~necessary to satisfy the purposes of this subsection.~~

14 ~~(3) If the Commission revokes the registration of an individual~~
15 ~~regulated lobbyist under paragraph (1) of this subsection, the individual regulated~~
16 ~~lobbyist may not engage in lobbying for compensation.~~

17 ~~(4) If the Ethics Commission initiates a complaint based on a violation~~
18 ~~or conviction described in paragraph (1) of this subsection, the Ethics Commission~~
19 ~~shall initiate the complaint within 2 years of:~~

20 ~~(i) the Ethics Commission's knowledge of the violation; or~~

21 ~~(ii) the date the conviction becomes final.~~

22 ~~(5) The termination or expiration of the registration of an individual~~
23 ~~regulated lobbyist does not limit the authority of the Ethics Commission to issue an~~
24 ~~order under this subsection.~~

25 ~~(f) (1) Subject to paragraph (2) of this subsection, an individual whose~~
26 ~~registration as an individual regulated lobbyist is revoked or suspended under~~
27 ~~subsection (c) of this section may apply to the Ethics Commission for reinstatement.~~

28 ~~(2) The Ethics Commission may reinstate the registration of an~~
29 ~~individual whose registration as a regulated lobbyist has been revoked or suspended~~
30 ~~under subsection (c) of this section if the Commission determines that reinstatement~~
31 ~~of the individual would not be detrimental to the public interest and the integrity of~~
32 ~~the governmental process, based on:~~

33 ~~(i) the nature and circumstances of the original misconduct or~~
34 ~~violation leading to revocation or suspension;~~

35 ~~(ii) the individual's subsequent conduct and reformation; and~~

1 ~~(iii) the present ability of the individual to comply with the~~
2 ~~provisions of the ethics law.~~

3 ~~(g) (1) If the respondent is a regulated lobbyist, for each report required~~
4 ~~under Subtitle 7 of this title that is filed late the respondent shall pay a fee of \$10 for~~
5 ~~each late day, not to exceed a total of ~~[\$250] \$1,000.~~~~

6 ~~(2) If the respondent is an official, for each financial disclosure~~
7 ~~statement found to have been filed late, the respondent shall pay a fee of ~~[\$2] \$5~~ for~~
8 ~~each late day, not to exceed a total of ~~[\$250] \$500.~~~~

9 Article – General Provisions

10 5–405.

11 (a) After the Ethics Commission considers all of the evidence presented at
12 the hearing, the Ethics Commission shall make findings of fact and conclusions of law
13 with respect to each alleged violation.

14 (b) If the Ethics Commission determines that the respondent has not
15 violated this title, the Ethics Commission shall:

16 (1) dismiss the complaint in a signed order; and

17 (2) promptly send a copy of the order to the complainant and the
18 respondent.

19 (c) If the Ethics Commission determines that the respondent has violated
20 any provision of this title, the Ethics Commission may:

21 (1) issue an order of compliance directing the respondent to cease and
22 desist from the violation;

23 (2) issue a reprimand; or

24 (3) recommend to the appropriate authority other appropriate
25 discipline of the respondent, including censure or removal, if that discipline is
26 authorized by law.

27 (d) If the Ethics Commission determines that a respondent has violated
28 Subtitle 7 of this title, the Ethics Commission may:

29 (1) require a respondent who is a regulated lobbyist to file any
30 additional reports or information that reasonably relates to information required
31 under §§ 5–703 and 5–704 of this title;

1 (2) impose a fine not exceeding \$5,000 for each violation; or

2 (3) subject to subsection (e) of this section, suspend the registration of
3 a regulated lobbyist.

4 (e) (1) If the Ethics Commission determines it necessary to protect the
5 public interest and the integrity of the governmental process, the Ethics Commission
6 may issue an order to:

7 (i) suspend the registration of an individual regulated lobbyist
8 if the Ethics Commission determines that the individual regulated lobbyist:

9 1. has knowingly and willfully violated Subtitle 7 of this
10 title; or

11 2. has been convicted of a criminal offense arising from
12 lobbying activities; or

13 (ii) revoke the registration of an individual regulated lobbyist if
14 the Ethics Commission determines that, based on acts arising from lobbying activities,
15 the individual regulated lobbyist has been convicted of bribery, theft, or other crime
16 involving moral turpitude.

17 (2) If the Ethics Commission suspends the registration of an
18 individual regulated lobbyist under paragraph (1) of this subsection, the individual
19 regulated lobbyist may not engage in lobbying for compensation for a period, not to
20 exceed 3 years, that the Ethics Commission determines as to that individual regulated
21 lobbyist is necessary to satisfy the purposes of this subsection.

22 (3) If the Ethics Commission revokes the registration of an individual
23 regulated lobbyist under paragraph (1) of this subsection, the individual regulated
24 lobbyist may not engage in lobbying for compensation.

25 (4) If the Ethics Commission initiates a complaint based on a violation
26 or conviction described in paragraph (1) of this subsection, the Ethics Commission
27 shall initiate the complaint within 2 years after the earlier of:

28 (i) the Ethics Commission's knowledge of the violation; or

29 (ii) the date the conviction becomes final.

30 (5) The termination or expiration of the registration of an individual
31 regulated lobbyist does not limit the authority of the Ethics Commission to issue an
32 order under this subsection.

1 (f) (1) An individual whose registration as an individual regulated
 2 lobbyist is revoked or suspended under subsection (e) of this section may apply to the
 3 Ethics Commission for reinstatement.

4 (2) The Ethics Commission may reinstate the registration of an
 5 individual whose registration as a regulated lobbyist has been revoked or suspended
 6 under subsection (e) of this section if the Ethics Commission determines that
 7 reinstatement of the individual would not be detrimental to the public interest and the
 8 integrity of the governmental process, based on:

9 (i) the nature and circumstances of the original misconduct or
 10 violation leading to revocation or suspension;

11 (ii) the individual's subsequent conduct and reformation; and

12 (iii) the present ability of the individual to comply with the
 13 ethics law.

14 (g) (1) If the respondent is a regulated lobbyist, for each report required
 15 under Subtitle 7 of this title that is filed late the respondent shall pay a fee of \$10 for
 16 each late day, not to exceed a total of [~~\$250~~] **\$1,000.**

17 (2) If the respondent is an official, for each financial disclosure
 18 statement found to have been filed late, the respondent shall pay a fee of [~~\$2~~] **\$5** for
 19 each late day, not to exceed a total of [~~\$250~~] **\$500.**

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 21 October 1, 2014.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.