

Chapter 201

(Senate Bill 395)

AN ACT concerning

Ethics – Local Government – Conflict of Interest and Financial Disclosure

FOR the purpose of requiring that certain authorized modifications of local conflict of interest and financial disclosure laws and regulations be made in accordance with regulations adopted by the State Ethics Commission and consistent with certain intent; authorizing rather than requiring a county or municipal corporation to modify certain local financial disclosure laws under certain circumstances; and generally relating to local conflict of interest and financial disclosure laws and regulations.

BY repealing and reenacting, without amendments,

Article – General Provisions

Section 5–807

Annotated Code of Maryland

(2014 Volume and 2015 Supplement)

BY repealing and reenacting, with amendments,

Article – General Provisions

Section 5–808, 5–809, 5–816, and 5–817

Annotated Code of Maryland

(2014 Volume and 2015 Supplement)

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

Article – General Provisions

5–807.

(a) Subject to § 5–209 of this title, each county and each municipal corporation shall enact provisions to govern the public ethics of local officials relating to:

- (1) conflicts of interest;
- (2) financial disclosure; and
- (3) lobbying.

(b) On or before October 1 of each year, each local ethics commission or appropriate entity shall certify to the Ethics Commission that the county or municipal corporation is in compliance with the requirements of this part for elected local officials.

5–808.

(a) Except as provided in subsection (b) of this section, the conflict of interest provisions enacted by a county or municipal corporation under § 5–807 of this subtitle:

(1) shall be similar to the provisions of Subtitle 5 of this title; but

(2) **IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE**, may be modified to the extent necessary to make the provisions relevant to the prevention of conflicts of interest in that jurisdiction.

(b) The conflict of interest provisions for elected local officials enacted by a county or municipal corporation under § 5–807 of this subtitle:

(1) shall be equivalent to or exceed the requirements of Subtitle 5 of this title; but

(2) **IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE**, may be modified to the extent necessary to make the provisions relevant to the prevention of conflicts of interest in that jurisdiction.

5–809.

(a) In this section, “local official” includes an individual who is designated as a local official and whose position is funded wholly or partly by the State.

(b) (1) Except as provided in paragraph (2) of this subsection and subsection (c) of this section, the financial disclosure provisions enacted by a county or municipal corporation under § 5–807 of this subtitle:

(i) shall be similar to the provisions of Subtitle 6 of this title; but

(ii) **[shall] IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE, MAY** be modified to the extent necessary to make the provisions relevant to the prevention of conflicts of interest in that jurisdiction.

(2) The financial disclosure provisions for elected local officials enacted by a county or municipal corporation under § 5–807 of this subtitle:

(i) shall be equivalent to or exceed the requirements of Subtitle 6 of this title; but

(ii) [shall] **IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE**, MAY be modified to the extent necessary to make the provisions relevant to the prevention of conflicts of interest in that jurisdiction.

(c) (1) This subtitle does not compel the governing body of a county or municipal corporation to require a local official to file a financial disclosure statement except when the personal interest of the local official will present a potential conflict with the public interest in connection with an anticipated public action of the local official.

(2) The governing body of a county or municipal corporation shall require a local official to file a financial disclosure statement at least annually to report on gifts received by the local official.

(3) The financial disclosure provisions shall require that a statement be filed:

(i) under paragraph (1) of this subsection sufficiently in advance of the action to provide adequate disclosure to the public; and

(ii) by an elected local official under subsection (b)(2) of this section on or before April 30 of each year.

(d) Financial disclosure provisions applicable to a candidate shall be consistent with the provisions applicable to an incumbent holding the office involved.

5-816.

(a) In accordance with this section, a school board:

(1) may adopt conflict of interest regulations applicable to officials and employees of the school system; and

(2) shall adopt conflict of interest regulations applicable to members of the school board.

(b) (1) The conflict of interest regulations adopted by a school board under subsection (a)(1) of this section:

(i) shall be similar to the provisions of Subtitle 5 of this title; but

(ii) **IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE**, may be modified to the extent necessary to make the regulations relevant to the prevention of conflicts of interest in that school system.

(2) The conflict of interest regulations adopted by a school board under subsection (a)(2) of this section:

(i) shall be equivalent to or exceed the requirements of Subtitle 5 of this title; but

(ii) **IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE**, may be modified to the extent necessary to make the regulations relevant to the prevention of conflicts of interest in that school system.

(c) Unless a school board adopts and maintains conflict of interest regulations under subsection (a)(1) of this section, the provisions enacted by the county under § 5–808 of this subtitle shall apply to officials and employees of that school system.

5–817.

(a) (1) In accordance with this section, a school board:

(i) may adopt financial disclosure regulations applicable to officials and employees of that school system; and

(ii) shall adopt financial disclosure regulations applicable to members of the school board.

(2) (i) The regulations adopted under paragraph (1)(i) of this subsection shall apply to:

1. the superintendent of that school system; and

2. those other officials and employees of that school system designated by the school board, subject to subparagraph (iii) of this paragraph.

(ii) The regulations adopted under paragraph (1)(ii) of this subsection shall apply to:

1. each member of the school board; and

2. if the school board is an elected board under Title 3, Subtitle 1, Part III of the Education Article, each candidate for election to the school board.

(iii) The regulations may not apply to a classroom teacher unless the teacher has additional duties, not normally expected of classroom teachers, that cause the teacher for other reasons to be covered by the financial disclosure regulations.

(b) (1) Except as provided in subsection (c) of this section, the regulations adopted under subsection (a)(1)(i) of this section:

(i) shall be similar to the provisions of Subtitle 6 of this title; but

(ii) **IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE**, may be modified to the extent necessary to make the regulations relevant to the prevention of conflicts of interest in that school system.

(2) The regulations adopted under subsection (a)(1)(ii) of this section:

(i) shall be equivalent to or exceed the requirements of Subtitle 6 of this title; but

(ii) **IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE ETHICS COMMISSION AND CONSISTENT WITH THE INTENT OF THIS TITLE**, may be modified to the extent necessary to make the regulations relevant to the prevention of conflicts of interest in that school system.

(c) (1) (i) This section does not compel a school board to require an individual to file a financial disclosure statement except:

1. when the personal interest of the individual will present a potential conflict with the public interest in connection with an anticipated public action of the individual; and

2. at least annually to report on gifts received by the individual.

(ii) The regulations adopted under subsection (a)(1)(i) of this section shall require that a statement filed under subparagraph (i)1 of this paragraph be filed sufficiently in advance of the public action to provide adequate disclosure to the public.

(2) The regulations adopted under subsection (a)(1)(ii) of this section shall require that a statement filed by a member of a school board be filed on or before April 30 of each year.

(d) Except as provided for a school board member under this part, unless a school board adopts and maintains financial disclosure regulations under this subtitle, the provisions enacted by the county under § 5–809 of this subtitle shall apply to:

(1) the superintendent of that school system; and

(2) the other officials and employees of the school system designated by the governing body of that county.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, April 26, 2016.