

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 18

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

Education, Health, and Environmental Affairs

Environment and Transportation

Public Ethics - Bicounty Commissions - Financial Disclosure

This departmental bill requires commissioners of and applicants to the Washington Suburban Transit Commission (WSTC), the Maryland-National Capital Park and Planning Commission (M-NCPPC), and the Washington Suburban Sanitary Commission (WSSC) to (1) *electronically* file a financial disclosure statement with the State Ethics Commission and (2) *submit*, rather than *file*, a paper copy of the electronically filed statement to the chief administrative officer (CAO) of the county from which the commissioner is appointed. In Montgomery County, however, a commissioner or applicant to M-NCPPC or WSTC must submit a paper copy of the electronically filed disclosure statement to the county council. In addition, the Montgomery County Council must transmit to the commission’s executive director each financial disclosure statement submitted by a commissioner or applicant to M-NCPPC. The bill also requires the State Ethics Commission to delete electronically filed statements by applicants upon notification by the CAO of the pertinent county that an applicant was not appointed.

Fiscal Summary

State Effect: None. The State Ethics Commission can implement the bill with existing resources, as the bill generally codifies existing practice.

Local Effect: None. The bill generally codifies existing practice.

Small Business Effect: The State Ethics Commission has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Current Law: Most public and State officials and candidates for State office are required to file financial disclosure statements on an annual basis. This statement must be filed under oath with the State Ethics Commission before April 30 of each year and is required to cover the calendar year that precedes the filing. Chapter 32 of 2014 requires public and State officials and candidates for State office to electronically file financial disclosure statements with the State Ethics Commission. The filing procedures for commissioners of and applicants to bicounty commissions are slightly different.

Filing Procedure for Commissioners: A commissioner of a bicounty commission is required to file the statement with the CAO of the county from which the commissioner is appointed. Additionally, a commissioner of WSTC must file the statement directly with the State Ethics Commission. If a WSTC commissioner holds another public office and is required to file a financial disclosure statement under another State or local law, the commissioner may comply by submitting a copy of the statement filed in accordance with the other law. However, the statement must be supplemented to include any additional information required under the Public Ethics Law. The executive director of a bicounty commission must make disclosure forms available.

Filing Procedure for Applicants: An applicant to a bicounty commission must file the statement with the county council and the CAO of the county from which the applicant seeks appointment according to the schedule shown in **Exhibit 1**.

The CAO must transmit each statement received by a commissioner or applicant to (1) the State Ethics Commission and (2) the executive director of the appropriate bicounty commission to be held on file for the duration of the term of office of the commissioner. The county council and CAO of the county must return all copies of a submitted statement to each applicant not appointed within 15 days after the specified appointment to a bicounty commission has become final.

Exhibit 1
Financial Disclosure Statements – Bicounty Commission Applicants

Commission Applicant	County	Required By	Period Covered
M-NCPPC	Montgomery	5 days before interview, as specified	12-month period ending 60 days before filing or hearing, as specified
	Prince George's	5 days before confirmation hearing	
WSSC	Montgomery and Prince George's	5 days before interview regarding conflicts of interest	
WSTC	Montgomery and Prince George's	10 days before appointment becomes effective	

M-NCPPC = Maryland-National Capital Park and Planning Commission

WSSC = Washington Suburban Sanitary Commission

WSTC = Washington Suburban Transit Commission

Source: Department of Legislative Services

Background: The Public Ethics Law generally requires commissioners and applicants to file financial disclosure statements. However, the electronic filing requirements adopted in 2014 do not specifically apply to bicounty commissions. Additionally, the filing procedure for bicounty commissions differs from other State officials by requiring statements to initially be filed with the CAO. The State Ethics Commission advises that the intent of the bill is to clarify that the electronic filing requirement applies to bicounty commissioners and applicants. The State Ethics Commission further advises that most commissioners fulfill the requirements of current law by filing electronically with the commission and forwarding a paper copy to the CAO of the applicable county. Thus, the bill generally codifies current practice.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Montgomery and Prince George's counties; Maryland-National Capital Park and Planning Commission; Washington Suburban Sanitary Commission; State Ethics Commission; Department of Legislative Services

Fiscal Note History: First Reader - January 17, 2017
mm/kdm Revised - Clarification - January 26, 2017
Third Reader - March 24, 2017
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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: **Public Ethics – Bicounty Commissions – Financial Disclosure**

BILL NUMBER: SB 18

PREPARED BY: **Michael W. Lord**

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

 X WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

 WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS