

Department of Legislative Services  
Maryland General Assembly  
2024 Session

FISCAL AND POLICY NOTE  
Third Reader - Revised

Senate Bill 1124

(Senator Jackson)

Education, Energy, and the Environment

Rules and Executive Nominations

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**Calvert County - Ethics - Conflict of Interest and Commissioner Expulsion**

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This emergency bill requires Calvert County to (1) include provisions in its ethics law that are equivalent to or exceed the provisions of State law relating to a court's authority to enforce the ethics law; (2) include provisions in its ethics law that require the Calvert County Ethics Commission to make public any recommendation it makes to expel a commissioner; and (3) enact a law or regulation that authorizes the governing body to remove a county elected official from office for violations of conflict of interest statutes, as specified.

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**Fiscal Summary**

**State Effect:** The bill does not materially affect State operations or finances.

**Local Effect:** The bill is not expected to affect Calvert County government operations or finances.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** State ethics law requires counties to enact provisions governing the public ethics of local officials relating to conflicts of interest, financial disclosure, and lobbying. Generally, local governments must establish conflict of interest and financial disclosure provisions that are similar with State law. For elected officials, conflict of interest and financial disclosure provisions must be at least as stringent as the equivalent rule that applies to State elected officials.

### *Conflicts of Interest and Financial Disclosures, Generally*

The Maryland Public Ethics Law regulating conflicts of interest *generally* prohibits a State official or employee from (1) being employed or having a financial interest in an entity subject to the authority of that official or employee or of the governmental unit with which the official or employee is affiliated; (2) being employed or having financial interest in an entity that is negotiating or has entered a contract with that governmental unit or an entity that is a subcontractor on a contract with that governmental unit; or (3) holding any other employment relationship that would impair the impartiality and independent judgment of the official or employee; (4) soliciting or accepting any gift exceeding \$20 in value, among others; (5) intentionally using the prestige of office for private gain or influence, as specified; (6) disclosing or using confidential information acquired by reason of the individual's public position and not available to the public; (7) unlawfully harassing or discriminating against certain individuals; or (8) retaliating against an individual for reporting or participating in the investigation of a potential violation of the Maryland Public Ethics Law. The State Ethics Commission may make certain exemptions specified by statute.

The Maryland Public Ethics Law regulating financial disclosures *generally* requires elected officials, candidates for State elected offices, certain State employees, and other State officials to identify real estate interests, equity interests, and other relationships such as employment, debts, and gifts as specified by statute. Financial disclosures are available to the public and maintained by the Ethics Commission. A State official or employee may not participate in a matter if the official or employee has specified conflicts of interest, including if the official or employee or a qualifying relative has an interest in the matter and the official or employee knows of the interest.

### *Judicial Relief*

The court may compel compliance with an Ethics Commission order by issuing an order to cease and desist from the violation or granting other injunctive relief. The court may also impose a fine, as specified, or void an official act of an official or employee if (1) the official or employee had a conflict of interest that is prohibited; (2) the act arose from or concerned the subject matter of the conflict; (3) the proceeding was brought within 90 days after the act occurred; and (4) the court determines that the conflict had an impact on the act. The court may not void an official act that appropriates public funds, imposes a tax, or provides for the issuance of a bond, a note, or any other evidence of public obligation.

### *Local Government Article § 12-107 (Public Ethics Laws and Regulations)*

Except in Baltimore City, a county's governing body may enact a law or regulation (1) designed to prevent conflicts between private interests and public duties of county

officers or employees, including the governing body and (2) to govern the conduct and actions of county officers and employees, including the governing body, in performing their public duties. The governing body of a county may enact a law or regulation to provide a penalty, including a fine, forfeiture, imprisonment, or a removal from office for violation of any law or regulation.

“Local official” includes an individual who is designated as a local official and whose position is funded wholly or partly by the State.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** HB 834 (Calvert County Delegation) - Environment and Transportation.

**Information Source(s):** Judiciary (Administrative Office of the Courts); State Ethics Commission; Department of Legislative Services

**Fiscal Note History:** First Reader - March 26, 2024  
md/mcr Third Reader - April 6, 2024  
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