

SENATE BILL 314

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2002 Regular Session
2r1975
CF 2r1833

By: **Senator Collins**

Introduced and read first time: January 25, 2002

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Ethics Law - Regulated Lobbyists Serving on Boards and Commissions**

3 FOR the purpose of specifying that a lobbyist may not serve on a board or commission
4 that is an executive unit of State government if a conflict is reasonably expected
5 to occur between the lobbyist's duties on the board or commission and the
6 individual's private interest or the private interest of the entity represented by
7 the lobbyist; repealing a provision of the Maryland Public Ethics Law that
8 prohibits a regulated lobbyist from serving in certain State government
9 positions; and generally relating to the Maryland Public Ethics Law.

10 BY repealing and reenacting, with amendments,
11 Article - State Government
12 Section 15-501
13 Annotated Code of Maryland
14 (1999 Replacement Volume and 2001 Supplement)

15 BY repealing
16 Article - State Government
17 Section 15-703(f)(3)
18 Annotated Code of Maryland
19 (1999 Replacement Volume and 2001 Supplement)

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

22 **Article - State Government**

23 15-501.

24 (a) Except as otherwise provided in subsection (c) of this section, an official or
25 employee may not participate in a matter if:

26 (1) the official or employee or a qualifying relative of the official or
27 employee has an interest in the matter and the official or employee knows of the
28 interest; or

1 (2) any of the following is a party to the matter:

2 (i) a business entity in which the official or employee has a direct
3 financial interest of which the official or employee reasonably may be expected to
4 know;

5 (ii) a business entity, including a limited liability company or a
6 limited liability partnership, of which any of the following is an officer, director,
7 trustee, partner, or employee:

8 1. the official or employee; or

9 2. if known to the official or employee, a qualifying relative of
10 the official or employee;

11 (iii) a business entity with which any of the following has applied for
12 a position, is negotiating employment, or has arranged prospective employment:

13 1. the official or employee; or

14 2. if known to the official or employee, a qualifying relative of
15 the official or employee;

16 (iv) if the contract reasonably could be expected to result in a
17 conflict between the private interest and the official State duties of the official or
18 employee, a business entity that is a party to a contract with:

19 1. the official or employee; or

20 2. if known to the official or employee, a qualifying relative of
21 the official or employee;

22 (v) a business entity, either engaged in a transaction with the State
23 or subject to regulation by the official's or employee's governmental unit, in which a
24 direct financial interest is owned by another business entity if the official or
25 employee:

26 1. has a direct financial interest in the other business entity;
27 and

28 2. reasonably may be expected to know of both financial
29 interests; or

30 (vi) a business entity that:

31 1. the official or employee knows is a creditor or obligee of
32 the official or employee, or of a qualifying relative of the official or employee, with
33 respect to a thing of economic value; and

34 2. as a creditor or obligee, is in a position to affect directly
35 and substantially the interest of the official, employee, or qualifying relative.

1 (b) (1) The prohibitions of subsection (a) of this section do not apply if
2 participation is allowed:

3 (i) as to officials and employees subject to the authority of the
4 Ethics Commission, by regulation of the Ethics Commission;

5 (ii) by the opinion of an advisory body; or

6 (iii) by another provision of this subtitle.

7 (2) This section does not prohibit participation by an official or employee
8 that is limited to the exercise of an administrative or ministerial duty that does not
9 affect the disposition or decision with respect to the matter involved.

10 (c) An official or employee who otherwise would be disqualified from
11 participation under subsection (a) of this section shall disclose the nature and
12 circumstances of the conflict, and may participate or act, if:

13 (1) the disqualification would leave a body with less than a quorum
14 capable of acting;

15 (2) the disqualified official or employee is required by law to act; or

16 (3) the disqualified official or employee is the only individual authorized
17 to act.

18 (D) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, A
19 REGULATED LOBBYIST MAY NOT SERVE ON A BOARD OR COMMISSION THAT IS AN
20 EXECUTIVE UNIT IF A CONFLICT IS REASONABLY EXPECTED TO OCCUR BETWEEN:

21 (1) THE OFFICIAL STATE DUTIES OF THE LOBBYIST AS AN APPOINTEE
22 TO THE BOARD OR COMMISSION; AND

23 (2) THE PRIVATE INTEREST OF:

24 (I) THE REGULATED LOBBYIST; OR

25 (II) AN ENTITY REPRESENTED BY THE LOBBYIST.

26 15-703.

27 (f) [(3) (i) Except as provided in subparagraph (ii) of this paragraph, if a
28 regulated lobbyist is or becomes subject to regulation under this title as an official or
29 employee, the regulated lobbyist shall immediately terminate the registration in
30 accordance with paragraph (2) of this subsection.

31 (ii) Subparagraph (i) of this paragraph does not apply to a
32 regulated lobbyist appointed to an advisory governmental body of limited duration.]

33 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
34 October 1, 2002.

