

**Department of Legislative Services**

Maryland General Assembly

2002 Session

**FISCAL NOTE**

**Revised**

Senate Bill 314

(Senator Collins)

Education, Health, and Environmental Affairs

Commerce and Government Matters

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

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This bill requires the State Ethics Commission, after a public hearing, to adopt regulations under which a registered lobbyist may serve on a State board or commission without being required to immediately terminate his or her lobbyist registration. The regulations must establish a classification of State boards and commissions on which a registered lobbyist may serve; authorize a registered lobbyist to serve on an advisory body of limited duration; and establish disclosure requirements for a registered lobbyist serving on a State board or commission.

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**Fiscal Summary**

**State Effect:** The bill's requirements could be handled with existing resources.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** A regulated lobbyist who becomes subject to regulation under the Public Ethics Law as a public official or employee is required to immediately terminate his or her lobbyist registration. There is an exemption for a regulated lobbyist appointed to an advisory governmental body of limited duration. Uncodified language in Chapter 631 of 2001 provides a "grandfather provision" for regulated lobbyists currently serving on boards and commissions. Specifically, it provides that a regulated lobbyist who, as of

April 15, 2001, is an official subject to regulation under the Public Ethics Law would not be required to terminate his or her lobbyist registration until November 1, 2002.

An official or employee may not be employed by, or have a financial interest in, an entity subject to the authority of the official or employee or the governmental unit affiliated with the official or employee or an entity that is negotiating or has a contract with the governmental unit or is a subcontractor on a contract with the governmental unit. An official or employee also may not hold any employment relationship that would impair impartiality or independent judgment of the official or employee.

There is an exception from these prohibitions for a member of a board who holds the employment or financial interest when appointed, if the interest is publicly disclosed to the appointing authority, the State Ethics Commission, and if applicable, the Senate of Maryland before Senate confirmation.

**Background:** Chapter 631 of 2001 implemented the recommendations contained in the November 2000 *Report of the Study Commission on Lobbyist Ethics* including the requirements for lobbyist registration and when a regulated lobbyist must terminate registration.

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### Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** State Ethics Commission, Department of Legislative Services

**Fiscal Note History:** First Reader - February 5, 2002  
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