

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE

House Bill 1337 (Delegate Minnick)
Environmental Matters

Ethics - Public Official - Membership on Board or Executive Unit with Advisory Capacity

This bill exempts a public official who is appointed to a board or executive unit that has authority to act only in an advisory capacity from State ethics requirements prohibiting officials or employees from holding specified outside employment and financial interests.

To qualify for exemption, the official must be appointed in accordance with a statutory requirement of appointment on recommendation of an entity or organization entitled by statute to have representation on the board or executive unit.

Fiscal Summary

State Effect: The bill would not directly affect State finances.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: Subject to exceptions, and excluding members of the General Assembly, a State or public official or employee may not • be employed by or have a financial interest in an entity that is subject to their authority or the authority of the governmental unit they are affiliated with; or an entity that is negotiating or has entered a contract with that governmental unit, or a subcontractor on a contract with the governmental unit; or

- hold any other employment relationship that would impair the impartiality and independent judgment of the official or employee.

Exceptions to these restrictions include:

- employment or a financial interest allowed by State Ethics Commission regulation if the employment does not create a conflict of interest or the appearance of a conflict of interest, or the financial interest is disclosed;
- public officials appointed to a regulatory or licensing unit pursuant to a statutory requirement that entities subject to the jurisdiction of the unit be represented in appointments to it; and
- a member of a board holding the employment or financial interest when appointed if the employment or financial interest is publicly disclosed to the appointing authority, the Ethics Commission, and, if applicable, the Senate before confirmation.

The Ethics Commission may also exempt an official or employee of an executive unit in extraordinary circumstances, upon the recommendation of the Governor, at the request of the executive unit involved, where failure to grant an exemption would limit the State's ability to recruit and hire highly qualified or uniquely qualified professionals for public service, or assure the availability of competent services to the public. Ethics Commission regulations set out further guidelines with respect to conflicts of interest arising from outside employment or financial interests.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 21, 2007
ncs/jr

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