

SENATE BILL 1065

G2, L6, P1

3lr3411
CF HB 1397

By: **Senator Raskin (Chair, Workgroup to Conduct a Review of Disclosure Requirements of the Public Ethics Laws)**

Constitutional Requirements Complied with for Introduction in the last 35 Days of Session

Introduced and read first time: March 16, 2013

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Public Ethics – Public Officials, Local Governments, and Lobbyists –**
3 **Training, Reporting, and Enforcement**

4 FOR the purpose of repealing a requirement that a certain regulated lobbyist attend a
5 certain training course in a certain time period; altering the information related
6 to employment and sources of earned income that a member of the General
7 Assembly is required to report to the Joint Ethics Committee; requiring a
8 regulated lobbyist to complete a certain training course in a certain time period;
9 requiring an individual who was a public official and registers as a regulated
10 lobbyist in a certain time period to seek certain advice from the State Ethics
11 Commission; authorizing the State Ethics Commission, after making a certain
12 determination, to issue a certain order directing a county or municipal
13 corporation to comply with certain provisions of the Public Ethics Law;
14 authorizing the State Ethics Commission, after making a certain determination,
15 to issue a certain order directing a school board to comply with certain
16 provisions of the Public Ethics Law; authorizing the State Ethics Commission to
17 petition a certain circuit court to compel a school board to comply with certain
18 requirements; altering the duties, reporting requirements, and termination date
19 of a certain workgroup established to study public ethics; and generally relating
20 to public ethics, public officials, local governments, and lobbyists.

21 BY repealing and reenacting, with amendments,
22 Article – State Government
23 Section 15–205(b) and (e), 15–513(b), and 15–808
24 Annotated Code of Maryland
25 (2009 Replacement Volume and 2012 Supplement)

26 BY repealing and reenacting, without amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – State Government
2 Section 15–513(c) and (d) and 15–607(h) and (i)
3 Annotated Code of Maryland
4 (2009 Replacement Volume and 2012 Supplement)

5 BY adding to
6 Article – State Government
7 Section 15–716, 15–717, and 15–816
8 Annotated Code of Maryland
9 (2009 Replacement Volume and 2012 Supplement)

10 BY repealing and reenacting, with amendments,
11 Chapter 620 of the Acts of the General Assembly of 2012
12 Section 2 and 3

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

15 **Article – State Government**

16 15–205.

17 (b) (1) The Ethics Commission shall adopt by regulation model provisions
18 for local governments **AND SCHOOL BOARDS** that relate to:

- 19 (i) conflicts of interest;
20 (ii) financial disclosure; and
21 (iii) regulation of lobbying.

22 (2) Model provisions adopted under paragraph (1) of this subsection
23 may be:

- 24 (i) adopted by any local jurisdiction **OR SCHOOL BOARD**; or
25 (ii) in accordance with Subtitle 8 of this title, imposed on a local
26 jurisdiction **OR SCHOOL BOARD**.

27 (e) (1) **[(i)]** The Ethics Commission shall provide a training course for
28 regulated lobbyists and prospective regulated lobbyists at least twice each year
29 regarding the provisions of the Maryland Public Ethics Law relevant to regulated
30 lobbyists. One such course shall be conducted in the month of January.

31 **[(ii)]** A regulated lobbyist, other than the employer of a regulated
32 lobbyist as described in § 15–701(a)(6) of this title, shall attend a training course

1 provided under subparagraph (i) of this paragraph at least once in any 2-year period
2 during which a lobbyist has registered with the Ethics Commission.]

3 (2) At the time of a person's initial registration as a regulated lobbyist,
4 the Ethics Commission shall provide the person with information relating to the
5 provisions of the Maryland Public Ethics Law relevant to regulated lobbyists.

6 15-513.

7 (b) (1) A legislator shall report the following information in writing to the
8 Joint Ethics Committee at the times and in the manner required by the Joint Ethics
9 Committee:

10 (i) subject to paragraph (2) of this subsection, if representing a
11 person for compensation before a State or local government agency, except in a judicial
12 proceeding or in a quasi-judicial proceeding, the name of the person represented, the
13 services performed, and the consideration. The Joint Ethics Committee may adopt
14 procedures to keep confidential the name of the person represented if that information
15 is privileged or confidential pursuant to any provision of law governing proceedings
16 before that State agency.

17 (ii) if representing a State or local government agency for
18 compensation, the name of the agency, the services performed, and the consideration.

19 (iii) the name of any business enterprise subject to regulation by
20 a State agency in which the legislator and a member of the legislator's immediate
21 family (spouse and children living with the legislator), together or separately, have:

22 1. the lesser of:

23 A. 10 percent or more of the capital stock of any
24 corporation; or

25 B. capital stock of any corporation with a cumulative
26 value of \$25,000 or more; and

27 2. any interest in a partnership, limited liability
28 partnership, or limited liability company.

29 (iv) details of any contractual relationship with the State or a
30 State agency, or a local government in the State, including the subject matter and the
31 consideration.

32 (v) details of any transaction with the State, or a local
33 government in the State, involving a monetary consideration.

1 (vi) [any primary employment or business interest and the
2 employer of the legislator or the spouse of the legislator] **FOR THE LEGISLATOR AND**
3 **THE LEGISLATOR'S SPOUSE, THE INFORMATION REQUIRED UNDER § 15-607(H)**
4 **AND (I) OF THIS TITLE**, except for employment as a legislator.

5 (2) A legislator, on the written advice of the Counsel to the Joint
6 Ethics Committee, is not required to report any information under this paragraph if
7 reporting the information would violate standards of client confidentiality or
8 professional conduct.

9 (c) All reports filed under this section shall be:

10 (1) filed electronically on a form required by the Joint Ethics
11 Committee; and

12 (2) maintained as a matter of public record as required in subsection
13 (d) of this section.

14 (d) (1) The Department of Legislative Services shall:

15 (i) compile the reports filed under this section;

16 (ii) make the reports available for public inspection as provided
17 in the Public Information Act; and

18 (iii) as to reports filed on or after January 1, 2013, and except as
19 provided in paragraph (2) of this subsection, make the reports freely available to the
20 public on the Internet through an online registration program.

21 (2) The Department of Legislative Services may not post on the
22 Internet information related to consideration received that is reported under
23 subsection (b) of this section.

24 15-607.

25 (h) The statement shall include a schedule listing the members of the
26 immediate family of the individual who were employed by the State in any capacity at
27 any time during the applicable period.

28 (i) (1) Except as provided in paragraph (2) of this subsection, the
29 statement shall include a schedule listing the name and address of each:

30 (i) place of salaried employment, including secondary
31 employment, of the individual or a member of the individual's immediate family at any
32 time during the applicable period; and

1 (ii) business entity of which the individual or a member of the
2 individual's immediate family was a sole or partial owner, and from which the
3 individual or family member received earned income, at any time during the
4 applicable period.

5 (2) The statement may not include a listing of a minor child's
6 employment or business entities of which the child is sole or partial owner, unless the
7 place of employment or the business entity:

8 (i) is subject to the regulation or authority of the agency that
9 employs the individual; or

10 (ii) has contracts in excess of \$10,000 with the agency that
11 employs the individual.

12 **15-716.**

13 **A REGULATED LOBBYIST, OTHER THAN THE EMPLOYER OF A REGULATED**
14 **LOBBYIST AS DESCRIBED IN § 15-701(A)(6) OF THIS SUBTITLE, SHALL**
15 **COMPLETE A TRAINING COURSE PROVIDED UNDER § 15-205(E)(1) OF THIS**
16 **TITLE AT LEAST ONCE IN EACH YEAR DURING WHICH THE LOBBYIST IS**
17 **REGISTERED WITH THE ETHICS COMMISSION.**

18 **15-717.**

19 **(A) THIS SECTION DOES NOT APPLY TO AN INDIVIDUAL WHO WAS A**
20 **PUBLIC OFFICIAL ONLY AS AN UNCOMPENSATED MEMBER OF A STATE BOARD**
21 **OR COMMISSION.**

22 **(B) WITHIN 45 DAYS OF INITIALLY REGISTERING AS A REGULATED**
23 **LOBBYIST AFTER BEING A PUBLIC OFFICIAL, AN INDIVIDUAL WHO WAS A PUBLIC**
24 **OFFICIAL IN THE EXECUTIVE OR LEGISLATIVE BRANCH AT ANY POINT IN THE**
25 **PRIOR 2 YEARS SHALL SEEK ADVICE FROM THE ETHICS COMMISSION**
26 **REGARDING THE APPLICATION OF THE PUBLIC ETHICS LAW TO THE**
27 **INDIVIDUAL.**

28 **15-808.**

29 (a) If the Ethics Commission determines that a county or municipal
30 corporation has not complied with **AND HAS NOT MADE GOOD-FAITH EFFORTS**
31 **TOWARD COMPLIANCE WITH** the requirements of this Part I, the Ethics Commission:

32 **(1) MAY ISSUE AN ORDER DIRECTING THE COUNTY OR MUNICIPAL**
33 **CORPORATION TO COMPLY WITH THIS PART I, INCLUDING A LISTING OF**
34 **SPECIFIC AREAS OF NONCOMPLIANCE; AND**

1 **(2)** may petition a circuit court with venue over the proceeding for
2 appropriate relief to compel compliance.

3 (b) The circuit court may grant any available equitable relief.

4 **15-816.**

5 **(A) IF THE ETHICS COMMISSION DETERMINES THAT A SCHOOL BOARD**
6 **HAS NOT COMPLIED WITH AND HAS NOT MADE GOOD-FAITH EFFORTS TOWARD**
7 **COMPLIANCE WITH THE REQUIREMENTS OF THIS PART II, THE ETHICS**
8 **COMMISSION:**

9 **(1) MAY ISSUE AN ORDER DIRECTING THE SCHOOL BOARD TO**
10 **COMPLY WITH THIS PART II, INCLUDING A LISTING OF SPECIFIC AREAS OF**
11 **NONCOMPLIANCE; AND**

12 **(2) MAY PETITION A CIRCUIT COURT WITH VENUE OVER THE**
13 **PROCEEDING FOR APPROPRIATE RELIEF TO COMPEL COMPLIANCE.**

14 **(B) THE CIRCUIT COURT MAY GRANT ANY AVAILABLE EQUITABLE**
15 **RELIEF.**

16 **Chapter 620 of the Acts of 2012**

17 SECTION 2. AND BE IT FURTHER ENACTED, That:

18 (a) The President of the Senate of Maryland and the Speaker of the
19 Maryland House of Delegates jointly shall establish a workgroup [during the 2012
20 interim] to perform a comprehensive and coordinated review of the disclosure
21 requirements of the Maryland Public Ethics Law as it applies to State and local
22 governments.

23 (b) The President and the Speaker may appoint to the workgroup in their
24 discretion:

25 (1) members of the General Assembly;

26 (2) representatives of the Maryland State Ethics Commission;

27 (3) representatives of State, county, and municipal governments;

28 (4) representatives of private sector agencies that promote and
29 encourage government accountability;

1 (5) representatives of public sector employees' unions; and

2 (6) any other interested party.

3 (c) The workgroup shall:

4 (1) review current methods used to provide access to public ethics
5 disclosures and consider any alternative methods that could be made available to
6 citizens and interested parties to more easily access public ethics disclosures;

7 (2) consider options for verifiable notification of electronic or postal
8 access into a public ethics disclosure to be made to the person who is the subject of the
9 inquiry;

10 (3) consider the feasibility and desirability of requiring different levels
11 of public ethics disclosure for different categories of persons based on the person's
12 position of authority and policy making duties;

13 (4) review the information that is currently required to be disclosed
14 and determine:

15 (i) additional information that should be required to be
16 disclosed; and

17 (ii) information that is currently disclosed that no longer needs
18 to be disclosed;

19 (5) consider the implications of current and any proposed disclosure
20 requirements under the Maryland Public Ethics Law on counties and municipal
21 corporations;

22 (6) review the composition, duties, and procedures of the Joint Ethics
23 Committee;

24 (7) review any other aspect of the disclosure requirements [under]
25 **AND ADMINISTRATION OF** the Maryland Public Ethics Law; and

26 (8) on or before December 31, [2012] **2014**, submit, in accordance with
27 § 2-1246 of the State Government Article, any recommended legislation [for the 2013
28 regular session] to the Senate Education, Health, and Environmental Affairs
29 Committee and the House Environmental Matters Committee.

30 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 June 1, 2012. Section 2 of this Act shall remain effective for a period of [1 year] **3**
32 **YEARS** and, at the end of [May 31, 2013] **MAY 31, 2015**, with no further action

1 required by the General Assembly, Section 2 of this Act shall be abrogated and of no
2 further force and effect.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 June 1, 2013.