

HOUSE BILL 1369

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CF SB 913

By: **Delegates Gilchrist and Haddaway-Riccio**

Introduced and read first time: February 10, 2014

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Ethics Law – Financial Disclosure Statement by Elected Local Official of**
3 **Municipal Corporation – Confidential Information**

4 FOR the purpose of altering certain financial disclosure provisions governing elected
5 local officials of a municipal corporation; prohibiting the disclosure of certain
6 information concerning certain relatives that is included in the financial
7 disclosure statement filed by an elected local official of a municipal corporation;
8 providing certain exceptions; and generally relating to the financial disclosure
9 statement filed by an elected local official of a municipal corporation.

10 BY repealing and reenacting, without amendments,
11 Article – General Provisions
12 Section 5–804
13 Annotated Code of Maryland
14 (As enacted by Chapter ___ (H.B. 270) of the Acts of the General Assembly of
15 2014)

16 BY repealing and reenacting, with amendments,
17 Article – General Provisions
18 Section 5–809
19 Annotated Code of Maryland
20 (As enacted by Chapter ___ (H.B. 270) of the Acts of the General Assembly of
21 2014)

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

24 **Article – General Provisions**

25 5–804.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 In this part, “elected local official” includes:

2 (1) an individual who holds an elective office of a county or municipal
3 corporation; and

4 (2) a candidate for elective office as a local official of a county or
5 municipal corporation.

6 5–809.

7 (a) In this section, “local official” includes an individual who is designated as
8 a local official and whose position is funded wholly or partly by the State.

9 (b) (1) Except as provided in [paragraph (2)] **PARAGRAPHS (2) AND (3)**
10 of this subsection and subsection (c) of this section, the financial disclosure provisions
11 enacted by a county or municipal corporation under § 5–807 of this subtitle:

12 (i) shall be similar to the provisions of Subtitle 6 of this title;
13 but

14 (ii) shall be modified to the extent necessary to make the
15 provisions relevant to the prevention of conflicts of interest in that jurisdiction.

16 (2) The financial disclosure provisions for elected local officials enacted
17 by a county [or municipal corporation] under § 5–807 of this subtitle:

18 (i) shall be equivalent to or exceed the requirements of Subtitle
19 6 of this title; but

20 (ii) shall be modified to the extent necessary to make the
21 provisions relevant to the prevention of conflicts of interest in that jurisdiction.

22 **(3) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**
23 **PARAGRAPH, THE FINANCIAL DISCLOSURE PROVISIONS FOR ELECTED LOCAL**
24 **OFFICIALS ENACTED BY A MUNICIPAL CORPORATION UNDER § 5–807 OF THIS**
25 **SUBTITLE:**

26 **1. SHALL BE EQUIVALENT TO OR EXCEED THE**
27 **REQUIREMENTS OF SUBTITLE 6 OF THIS TITLE; BUT**

28 **2. MAY BE MODIFIED TO THE EXTENT NECESSARY TO**
29 **MAKE THE PROVISIONS RELEVANT TO THE PREVENTION OF CONFLICTS OF**
30 **INTEREST IN THAT JURISDICTION.**

31 **(II) AN ELECTED LOCAL OFFICIAL OF A MUNICIPAL**
32 **CORPORATION NEED NOT DISCLOSE INTERESTS IN REAL PROPERTY THAT IS**

1 LOCATED OUTSIDE THE STATE UNLESS THE PROPERTY IS ACQUIRED FROM OR
2 IN CONJUNCTION WITH A PERSON THAT AT ANY TIME IN THE PAST 10 YEARS HAS
3 DONE BUSINESS WITH OR IS PRESENTLY DOING BUSINESS WITH THE MUNICIPAL
4 CORPORATION.

5 (c) (1) This subtitle does not compel the governing body of a county or
6 municipal corporation to require a local official to file a financial disclosure statement
7 except when the personal interest of the local official will present a potential conflict
8 with the public interest in connection with an anticipated public action of the local
9 official.

10 (2) The governing body of a county or municipal corporation shall
11 require a local official to file a financial disclosure statement at least annually to
12 report on gifts received by the local official.

13 (3) The financial disclosure provisions shall require that a statement
14 be filed:

15 (i) under paragraph (1) of this subsection sufficiently in
16 advance of the action to provide adequate disclosure to the public; and

17 (ii) by an elected local official under subsection (b)(2) of this
18 section on or before April 30 of each year.

19 (D) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
20 SUBSECTION, ANY PART OF A FINANCIAL DISCLOSURE STATEMENT FILED BY AN
21 ELECTED LOCAL OFFICIAL OF A MUNICIPAL CORPORATION THAT DISCLOSES
22 INFORMATION REGARDING A QUALIFIED RELATIVE:

23 (I) SHALL BE CONFIDENTIAL; AND

24 (II) MAY NOT BE DISCLOSED.

25 (2) PARAGRAPH (1) OF THIS SUBSECTION DOES NOT PROHIBIT
26 DISCLOSURE:

27 (I) 1. TO A LOCAL ETHICS COMMISSION AND ITS STAFF;
28 OR

29 2. TO A COURT OF COMPETENT JURISDICTION; OR

30 (II) ON A FINDING OF A VIOLATION BY A LOCAL ETHICS
31 COMMISSION OF ANY PART OF THE FINANCIAL DISCLOSURE STATEMENT THAT IS
32 THE SUBJECT OF THE FINDING.

1 **[(d) (E)]** Financial disclosure provisions applicable to a candidate shall be
2 consistent with the provisions applicable to an incumbent holding the office involved.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2014.