

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

House Bill 1369 (Delegates Gilchrist and Haddaway-Riccio)
Environmental Matters

Ethics Law - Financial Disclosure Statement by Elected Local Official of
Municipal Corporation - Confidential Information

This bill makes various changes to the Public Ethics Law related to the financial disclosure statements of elected local officials of a municipal corporation.

Fiscal Summary

State Effect: The bill does not materially affect State operations or finances.

Local Effect: Local government workloads increase minimally to update financial disclosure forms and due to the confidentiality requirements on specified parts of the financial disclosure statements of an elected local official of a municipal corporation. It is assumed that any additional workload can be handled with existing resources.

Small Business Effect: None.

Analysis

Bill Summary: The financial disclosure provisions for elected local officials of a municipal corporation *may* be modified to the extent necessary to make the provisions relevant to the prevention of conflicts of interest in that jurisdiction.

An elected local official of a municipal corporation is not required to disclose a real property interest that is located outside of the State unless the property is acquired from or in conjunction with a person that (1) has done business with the municipal corporation at any time in the past 10 years or (2) is presently doing business with the municipal corporation.

If filed by an elected local official of a municipal corporation, any part of a financial disclosure statement that discloses information regarding a qualified relative must be confidential and may not be disclosed. However, the provision does not prohibit disclosure to (1) a local ethics commission and its staff; (2) a court with appropriate jurisdiction; or (3) any part of the financial disclosure statement that is found in violation by a local ethics commission.

Current Law: The Maryland Public Ethics Law requires each county and municipal corporation to enact provisions governing the public ethics of local officials related to conflicts of interest, financial disclosure, and lobbying. Chapter 277 of 2010 requires that the ethics laws of a county or municipal corporation must be similar to or substantively similar to the State Public Ethics Law, but may be more stringent based on local circumstances where more stringent provisions are necessary to prevent conflicts of interest. Chapter 277 of 2010 also specifies that the financial disclosure laws of a county or municipal corporation must equal or exceed the requirements of the State Public Ethics Law and *must* be modified if necessary to make the provisions relevant to the prevention of conflicts of interest in the jurisdiction.

To assist local governments in developing ethics regulations, the State Ethics Commission is required to adopt, by regulation, model provisions for local governments that relate to conflicts of interest, financial disclosure, and regulation of lobbying. These model provisions may be adopted by or imposed upon a local jurisdiction. If the State Ethics Commission determines that a local jurisdiction has not complied with the requirements of the State Public Ethics Law, the commission may petition a circuit court to compel compliance.

Additional Information

Prior Introductions: None.

Cross File: SB 913 (Senator Raskin, *et al.*) - Education, Health, and Environmental Affairs.

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

Fiscal Note History: First Reader - February 26, 2014
mc/kdm

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