

March 3, 2020

**Testimony on HB 1404**  
**Public Ethics – Financial Disclosure – Requirements (Conflicts of Interest Act)**  
**Environment and Transportation**

**Position: Favorable**

Common Cause Maryland supports HB 1404 which would help to ensure that once elected, a Governor places certain interests in a blind trust or divests from private assets and holdings to completely avoid any possibility of a conflict of interest.

During his term in office, Governor Hogan has engaged in official actions that have led the public to question decisions made and whether they benefit his and his relatives own economic and financial interests. While the Governor has handed ownership of his company over to his brother and has been granted a financial interest exception by the Maryland Ethics Commission, his relationship with the trustees and his brother all create the appearance of a conflict. Even moreso as trustees are permitted to provide the Governor with updates on the company's finances and real estate dealings which may very well impact his official actions in his own interest.

For the record, Governor Hogan does seem to be continuously seeking counsel from the state Ethics commission, but we believe divestment or selling the ownership of his company would have been the action needed to completely avoid conflicts.

Conflicts of interest are cancerous to our democracy. When our elected officials put their personal interests first, they are sending a message to people throughout the state that their needs are not a priority. Conflicts of Interest put elected officials' jobs as public servants and good policy making in jeopardy.

HB 1404 seeks to ensure those in the position of Governor in the future work to avoid conflicts at all costs by ensuring that family members are unable to serve as trustee when the Governor has chosen not to divest and, instead, a blind trust is in place. Also that no communications from trustees regarding income or overall management of the company are allowed. HB 1404 also calls for greater disclosure.

Because HB 1404 would help to prevent ethical lapses and give Marylanders confidence in our Governor, we request a favorable report.