



COMMISSION MEMBERS:

JANET E. McHUGH, *Chair*
JAMES N. ROBEY, JR.
CRAIG D. ROSWELL
GENEAU M. THAMES

STATE ETHICS COMMISSION

**45 CALVERT STREET, 3RD FLOOR
ANNAPOLIS, MARYLAND 21401**

**410-260-7770
Toll Free 1-877-669-6085
FAX: 410-260-7746**

JENNIFER K. ALLGAIR
Executive Director
WILLIAM J. COLQUHOUN
General Counsel
KATHERINE P. THOMPSON
Staff Counsel
KIRSTEN S. KROGEN
Assistant General Counsel

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**House Bill 1058 – Public Ethics– Disclosures, Training, and Use of Confidential
Information (Integrity in High Office Act)**

Testimony before the Environment and Transportation Committee

The State Ethics Commission (“Commission”) takes no position on House Bill 1058 – Public Ethics– Disclosures, Training, and Use of Confidential Information (Integrity in High Office Act). The Commission defers to the General Assembly as to the appropriateness of enacting this bill, as is normally the case in matters affecting State ethics policy. However, the Commission does wish to provide input for consideration as the bill will have an impact on the Commission both fiscally and operationally.

This bill will make multiple changes to the Public Ethics Law. It adds additional provisions to the conflicts of interest prohibitions of the law, creates a new training requirement for certain elected officials, expands some of the financial disclosure requirements, and requires the Commission to notify and provide a summary of advice in certain circumstance to the Joint Ethics Committee. Based on the Commission’s experience in the development of the financial disclosure system and training system, a subsequent work order to address issues not covered in the original contract, the Commission’s best estimate as to the cost of these new requirements is \$240,000 for Fiscal Year 2022.

The breakdown of the cost includes a required maintenance agreement of \$50,000 with the Commission’s current vendor, an additional financial disclosure form module for elected Executive Branch officials added to the current system at \$100,000, changes to the existing financial disclosure modules to reflect the changes in this legislation at \$25,000, changes to the current ethics training module at \$15,000, and a new training module at \$50,000 to address training requirements for elected Executive Branch officials as set forth in this legislation. Because many provisions of the Public Ethics Law are different for elected Executive Branch officials and State employees, a separate training module is necessary. Of course, until the project is put out for bid, the best we can do is estimate.

There may be some necessary changes to the local government regulations of the State Ethics Commission as a result of this legislation. Additionally, local jurisdictions may be required to amend existing local ethics laws to reflect the changes in this legislation to the Public Ethics Law that will also be applicable to local officials and employees for conflict of interest and financial disclosure. The Commission will be required to review any amended local ethics law for approval.