

*Clerks Note: The effective date has been corrected to 2023.*

Bill No. 17-22  
Concerning: Public Ethics Law –  
Amendments  
Revised: 11/1/2022 Draft No. 3  
Introduced: June 21, 2022  
Enacted: November 1, 2022  
Executive: November 14, 2022  
Effective: February 13, 2023  
Sunset Date: none  
Ch. 33, Laws of Mont. Co. 2022

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President at the Request of the Ethics Commission

### AN ACT to:

- (1) define terms under the Public Ethics Law;
- (2) alter ethics requirements related to procurement;
- (3) prohibit retaliation against an individual for communicating with the Ethics Commission or participating in an investigation of a potential ethics violation;
- (4) alter the required contents of financial disclosure statements; and
- (2) generally amend the Public Ethics Law.

### By amending

Montgomery County Code  
[[Chapter 11B, Procurement  
Section 11B-52]]  
Chapter 2, Administration  
Section 2-148

Chapter 19A, Ethics  
Sections 19A-4, 19A-10, 19A-17, 19A-18, and 19A-19

### By adding

Chapter 19A, Ethics  
Section 19A-13A

#### **Boldface**

#### Underlining

[Single boldface brackets]

#### Double underlining

[[Double boldface brackets]]

\* \* \*

*Heading or defined term.*

*Added to existing law by original bill.*

*Deleted from existing law by original bill.*

*Added by amendment.*

*Deleted from existing law or the bill by amendment.*

*Existing law unaffected by bill.*

*The County Council for Montgomery County, Maryland approves the following Act:*

**Sec 1. Sections ~~[[11B-52,]] 2-148, 19A-4, 19A-10, 19A-17, 19A-18, and 19A-19~~ are amended, and Section 19A-13A is added, as follows:**

**2-148. Appointments, removals, and training.**

\* \* \*

- (d) Each member of a group must complete training on the Maryland Open Meetings Act, [and] basic parliamentary procedure, and the Montgomery County Public Ethics Law. The Executive must establish standards for this training by method 2 regulation.

**11B-52. Ethics; Contractor conduct.**

- (a) Unless authorized by law or the Ethics Commission under Chapter 19A, a person while engaged in a procurement matter with [the County] ~~[[an agency or County agency]]~~ the County must not employ or offer to employ a public employee if the duties of the public employee include significant participation in the procurement matter~~[[, regardless of whether the procurement matter is governed by this Chapter]]~~. [Public] ~~[[Agency or County agency, public]]~~ Public employee, employ, and significant participation, as used in this section, are defined in Chapter 19A.

\* \* \*

**19A-4. Definitions.**

Unless the context clearly indicates otherwise, the following words have the following meanings:

- (a) *Agency or County agency* means:

- (1) any department, principal office, or office of the executive or legislative branch of County government;

- (2) any board, commission, committee, task force, or similar body appointed by the County Executive or County Council;
- (3) the Revenue Authority, the Housing Opportunities Commission, and the Board of License Commissioners;
- (4) each independent fire department or rescue squad that receives funds from the County or uses property owned by the County; and
- (5) any other public body if the Commission finds that:
  - (A) the public body is subject to the County's legislative authority to enact an ethics law; and
  - (B) the policies articulated in section 19A-2 would be significantly furthered by the application of this Chapter to the public body.

\* \* \*

(o) *Restricted donor* means a person or business that:

- (1) is registered or must register as a lobbyist under Section 19A-21;
- (2) does business with the County agency with which the public employee is affiliated;
- (3) is engaged in an activity regulated or controlled by the County agency with which the public employee is affiliated; [or]
- (4) has a financial interest that may be substantially and materially affected in a manner distinguishable from the public generally by the performance or nonperformance of the public employee's duties; or
- (5) is an association, or any entity acting on behalf of an association, that is engaged only in representing counties or municipal corporations.

(p) Quasi-governmental entity means an entity that:

(1) is created by the State of Maryland or County law;

(2) performs a public function; and

(3) is supported in whole or in part by the State of Maryland but is managed privately.

(q) Year means calendar year.

**19A-10. Complaint; Adjudicatory Hearing.**

\* \* \*

(o) A public employee must not retaliate against an individual for:

(1) communicating with the Commission; or

(2) participating in an investigation of a potential violation of this Chapter or of Sections 2-109, 11B-51, or 11B-52(a).

**19A-13A. Contractor Conduct.**

(a) For purposes of this Section, the terms agency or County agency do not include agencies or County agencies that are subject to Section 11B-52.

(b) Unless authorized by law, or by the Ethics Commission under this Chapter, a person while engaged in a procurement matter with an agency or County agency must not employ or offer to employ a public employee if the duties of the public employee include significant participation in the procurement matter.

**19A-17. Who must file a financial disclosure statement.**

The following persons must file a public financial disclosure statement under oath:

\* \* \*

(b) the following public employees:

\* \* \*

(15) the Inspector General and the deputy Inspector General; ~~[[and]]~~

~~(16)~~ members of the Police Accountability Board;

~~(17)~~ members of the Administrative Charging Committee; and

~~[(16)]~~ (18) any person who is appointed to serve in an acting capacity in any position listed in the preceding paragraphs while the position is vacant; and

\* \* \*

**19A-18. Financial disclosure statement; procedures.**

\* \* \*

(b) Each candidate for an office listed in subsection 19A-17(a) must file with the County Board of Elections a financial disclosure statement covering the year prior [year and the current year up] to the date of filing the candidate's certificate of candidacy. The statement must be filed with the certificate of candidacy or certificate of nomination. The County Board of Elections must not accept a certificate of candidacy or certificate of nomination unless a financial disclosure statement in proper form has been filed. ~~[If a]~~ A statement [has been] filed for the prior year under subsection (a)[, then the statement required by this subsection need only cover the current year up to the date of filing the certificate of candidacy or nomination] that is available for inspection under subsection (f) satisfies the requirements of this subsection.

(c) If at the end of a calendar year in which a candidacy is pending and no election has occurred, the candidate must file a financial disclosure statement with the County Board of Elections covering the year just ended. The statement must be filed on or before the last day to withdraw a candidacy. A statement filed under subsection (a) on or before the last

day to withdraw a candidacy covering the year just ended that is available for inspection under subsection (f) satisfies the requirements of the subsection. The County Board of Elections must notify each candidate of this obligation to file the financial disclosure statement at least 20 days before the last day to withdraw a candidacy. If [the candidate does not file a timely statement under this subparagraph, the candidacy is withdrawn by operation of law] a statement required under this subsection is overdue and not filed within 8 days after the candidate receives written notice from the County Board of Elections of the failure to file, the candidate is deemed to have withdrawn the candidacy.

\* \* \*

#### **19A-19. Content of financial disclosure statement.**

- (a) Each financial disclosure statement filed under Section 19A-17(a) must disclose the following:

\* \* \*

(11) *Relationship with University of Maryland Medical System, state or local government, or quasi-governmental entities.*

(A) A filer must disclose any financial or contractual relationship with:

(i) the University of Maryland Medical System;

(ii) a governmental entity of the State of Maryland or of a local government in the State of Maryland; or

(iii) a quasi-governmental entity.

(B) For each financial or contractual relationship reported, the schedule must include:

- 130                   (i)     a description of the relationship;  
 131                   (ii)    the subject matter of the relationship; and  
 132                   (iii)   the consideration.
- 133               (C)   A public employee, other than an elected official or  
 134                   candidate for elective office, is not required to disclose  
 135                   employment as a public official under this paragraph.
- 136               (D)   Prior to the release of a statement, the Commission must  
 137                   redact any information concerning consideration disclosed  
 138                   under this paragraph.
- 139       (b)   For the purposes of subsections (a)(1) and (a)(2), the following interests  
 140               must be treated as the interests of the filer of the statement:
- 141               (1)    an interest held by a member of the filer's immediate family;  
 142               (2)    an interest held by a relative of the filer, if the filer, at any time  
 143                   during the reporting period, directly or indirectly controlled the  
 144                   interest;
- 145               (3)    [an interest held by a business entity in which the filer held a 30%  
 146                   or greater interest at any time during the reporting period; or]
- 147               [(4)]   an interest held by a trust or estate in which, at any time during the  
 148                   reporting period:
- 149                   (A)   the filer held a reversionary interest or was a beneficiary; or  
 150                   (B)   if a revocable trust, the filer was a settlor; or
- 151               (4)    An interest held, at any time during the reporting period, by:  
 152                   (A)   a business entity in which the filer held a 10% or greater  
 153                   interest;

(B) a business entity under subparagraph (A) of this subsection in which the business entity held a ~~[[50%]]~~ 25% or greater interest;

(C) a business entity under subparagraph (B) of this subsection in which the business entity held a 50% or greater interest; and

(D) a business entity in which the ~~[[filed]]~~ filer directly or indirectly, through an interest in one or a combination of other business entities, holds a 10% or greater interest.

(c) Each statement filed under Sections 19A-17(b) and 19A-17(c) must disclose all information required to be disclosed under subsection (a). However, the filer need not specify the nature or amount of consideration given in exchange for an interest or the fair market value of an interest. For a debt, the filer need only disclose the information required under subsection (a)(6)(A).

(d) For each disclosure of the name of a business in a statement filed under this Article, the filer must also disclose any other names that the business is trading as or doing business as.



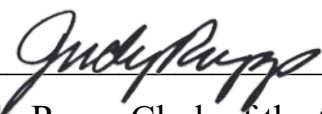
*Approved:*

 _____	11/02/2022 _____
Gabe Albornoz, President, County Council	Date

*Approved:*

 _____	11/14/2022 _____
Marc Elrich, County Executive	Date

*This is a correct copy of Council action.*

 _____	11/14/2022 _____
Judy Rupp, Clerk of the Council	Date