

Introduced _____
Public Hearing _____
Council Action _____
Executive Action _____
Effective Date _____

County Council of Howard County, Maryland

2022 Legislative Session

Legislative Day No. 9

Bill No. 47 -2022

Introduced by: The Chairperson
at the request of the Howard County Ethics Commission

AN ACT amending the Howard County Ethics Code to conform to state law changes; adding a definition; requiring the Howard County Ethics Commission to certify compliance with certain requirements and submit a certain report on or before a certain date each year; amending certain provisions relating to the solicitation and acceptance of gifts and disclosure of confidential information; adding a certain anti-retaliation provision; amending certain provisions relating to financial disclosure statements; and generally relating to the Howard County Ethics Code.

Introduced and read first time _____, 2022. Ordered posted and hearing scheduled.

By order _____
Michelle R. Harrod, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on _____, 2022.

By order _____
Michelle R. Harrod, Administrator

This Bill was read the third time on _____, 2022 and Passed ____, Passed with amendments _____, Failed _____.

By order _____
Michelle R. Harrod, Administrator

Sealed with the County Seal and presented to the County Executive for approval this ____ day of _____, 2022 at ____ a.m./p.m.

By order _____
Michelle R. Harrod, Administrator

Approved/Vetoed by the County Executive _____, 2022

Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; Text in small capitals indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment.

1 **Section 1. Be it enacted** by the County Council of Howard County, Maryland, that the Howard County
2 Code is hereby amended as follows:

3 By amending:

4 Title 22. General Provisions.

5 Subtitle 2. Howard County Public Ethics Law.

6 Section 22.202. Definitions.

7 Section 22.203. Administration.

8 Section 22.204. Prohibited conduct and interests.

9 Section 22.206. Financial disclosure statements.

10

11

Title 22. General Provisions

12

Subtitle 2. Howard County Public Ethics Law

13 **Sec. 22.202. Definitions.**

14 In this subtitle, the following terms have the meanings indicated:

15 (a) (1) *Business entity* means a corporation, general or limited partnership, limited liability
16 company, limited liability partnership, sole proprietorship, joint venture,
17 unincorporated association or firm, institution, trust, foundation, or other organization,
18 whether or not operated for profit.

19 (2) Business entity does not include a governmental entity.

20 (b) *Commission* means the Howard County Ethics Commission established under section
21 22.203 of this subtitle.

22 (c) (1) *Compensation* means any money or thing of value, regardless of form, received or to
23 be received by any individual covered by this subtitle from an employer for service
24 rendered.

25 (2) For the purposes of section 22.207 of this subtitle, if lobbying is only a portion of
26 a person's employment, "compensation" means a prorated amount based on the
27 time devoted to lobbying compared to the time devoted to other employment
28 duties.

29 (d) *County* means Howard County.

- 1 (e) *Doing business with* means:
- 2 (1) Having or negotiating a contract that involves the commitment, either in a single
3 or combination of transactions, of \$5,000.00 or more of County controlled funds;
4 or
- 5 (2) Being regulated by or otherwise subject to the authority of the County; or
- 6 (3) Being registered as a lobbyist under section 22.207 of this subtitle.
- 7 (f) (1) *Elected official* means any individual who holds an elective office of the County.
- 8 (2) *Elected official* does not include the sheriff, state's attorney, register of wills, the
9 clerk of the court, or a member of the Maryland General Assembly.
- 10 (g) (1) Employee means an individual who is employed by the County or the Howard
11 County Library, including a contingent employee.
- 12 (2) *Employee* does not include an elected local official.
- 13 (3) *Employee* does not include an employee of:
- 14 (i) The offices of the sheriff, state's attorney, register of wills, or the clerk of the
15 court;
- 16 (ii) The County health department; or
- 17 (iii) The County department of social services.
- 18 (4) Employee does not include a contractual employee, unless the contractual employee is
19 subject to this subtitle by the terms of a contract.
- 20 (h) *Financial interest* means:
- 21 (1) Ownership of any interest as the result of which the owner has received, within
22 the past three years, or is presently receiving, or in the future is entitled to receive,
23 more than \$1,000.00 per year; or
- 24 (2) Ownership, or the ownership of securities of any kind representing or convertible
25 into ownership, of more than 3 percent of a business entity by a County official or
26 employee, or the spouse of an official or employee.

- 1 (i) (1) *Gift* means the transfer of anything of economic value, regardless of the form,
2 without adequate and lawful consideration.
- 3 (2) *Gift* does not include a political campaign contribution regulated under the
4 Elections Article of the Annotated Code of Maryland or any other provision of
5 State or local law regulating the conduct of elections or the receipt of political
6 campaign contributions.
- 7 (j) *Immediate family* means a spouse and dependent children.
- 8 (k) (1) *Interest* means a legal or equitable economic interest, whether or not subject to an
9 encumbrance or a condition, that is owned or held, in whole or in part, jointly or
10 severally, directly or indirectly.
- 11 (2) For purposes of section 22.204 of this subtitle, "interest" includes any interest held
12 at any time during the reporting period.
- 13 (3) *Interest* does not include:
- 14 (i) An interest held in the capacity of a personal agent, custodian, fiduciary, or
15 personal representative, trustee, unless the holder has an equitable interest in the
16 subject matter;
- 17 (ii) An interest in a time or demand deposit in a financial institution;
- 18 (iii) An interest in an insurance policy, endowment policy or annuity contract under
19 which an insurer promises to pay a fixed amount of money either in a lump sum
20 or periodically for life or a specified period;
- 21 (iv) A common trust fund or a trust which forms part of a pension or profit sharing
22 plan which has more than 25 participants and which has been determined by the
23 internal revenue service to be a qualified trust under the Internal Revenue Code;
- 24 (v) A college savings plan under the Internal Revenue Code; or
- 25 (vi) A mutual fund that is publicly traded on a national scale unless the mutual fund is
26 composed primarily of holdings of stocks and interests in a specific sector or area
27 that is regulated by the department in which the individual is employed.
- 28 (l) *Lobbyist* means a person required to register and report expenses related to lobbying
29 under section 22.207 of this subtitle.

1 (m) *Lobbying* means:

2 (1) Communicating in the presence of a County official or employee with the intent
3 to influence any official action of that official or employee; or

4 (2) Engaging in activities with the express purpose of soliciting others to
5 communicate with a County official or employee with the intent to influence that
6 official or employee.

7 (n) *Official* means an elected official, an employee of the County, or a person appointed to
8 or employed by the County or any County agency, board, commission, or similar
9 entity:

10 (1) Whether or not paid in whole or in part with County funds; and

11 (2) Whether or not compensated.

12 (o) *Person* includes an individual or business entity.

13 (P) QUASI-GOVERNMENTAL ENTITY MEANS AN ENTITY THAT IS CREATED BY STATE STATUTE,
14 THAT PERFORMS A PUBLIC FUNCTION, AND THAT IS SUPPORTED IN WHOLE OR IN PART BY
15 THE STATE OR COUNTY BUT IS MANAGED PRIVATELY.

16 [[(p)] (Q) *Qualified relative* means a spouse, parent, child, brother or sister.

17 **Sec. 22.203. Administration.**

18 (a) There is a Howard County Ethics Commission that consists of five members, appointed by
19 the County Executive with the concurrence of the County Council.

20 (b) In addition to the qualifications set forth for board and commission members generally in
21 title 6, subtitle 3 of this Code, members of the Ethics Commission shall not:

22 (1) Serve more than two consecutive terms;

23 (2) Hold or be a candidate for any elected or appointed Office of the United States, the
24 State, any political subdivision or incorporated municipality of the State, or of any
25 political party;

26 (3) Be an employee of the County or of any political party; and

27 (4) Be otherwise required to file a lobbying registration pursuant this subtitle.

- 1 (c) (1) The Commission shall elect a chairman from among its members.
- 2 (2) The term of the chairman is one year.
- 3 (3) The chairman may be reelected.
- 4 (d) A majority vote of the Commission shall consist of three or more votes. A quorum consists
5 of three members present.
- 6 (e) (1) The County Solicitor shall assist the commission in carrying out the Commission's duties;
- 7 (2) If a conflict of interest under section 22.204 of this subtitle or other conflict prohibits
8 the County Solicitor from assisting the Commission in a matter, the County shall
9 provide sufficient funds for the Commission to hire independent counsel for the
10 duration of the conflict.
- 11 (f) The County Solicitor shall designate an Executive Secretary who shall attend all meetings.
- 12 (g) The Commission is the advisory body responsible for interpreting this subtitle and advising
13 persons subject to this subtitle regarding its application.
- 14 (h) The Commission shall hear and decide, with the advice of the County Solicitor or other
15 legal counsel if appropriate, all complaints filed regarding alleged violations of this subtitle
16 by any person.
- 17 (i) The Commission shall keep on file the minutes of its proceedings in accordance with State
18 of Maryland's Open Meetings Act. The Commission, or an office designated by the
19 Commission, shall retain as a public record all forms submitted by any person under this
20 subtitle for the longer of:
- 21 (1) Four years after receipt; or
- 22 (2) If the person is an elected official, the entirety of the person's term.
- 23 (j) The Commission shall conduct a public information and education program regarding the
24 purpose and implementation of this subtitle.
- 25 (k) [[The Commission shall certify to the state ethics commission on or before October 1 of
26 each year that the County is in compliance with the requirements of the State Government
27 Article, title 15, subtitle 8, of the Annotated Code of Maryland for Elected Local Officials.]]

1 ON OR BEFORE OCTOBER 1 OF EACH YEAR, THE COMMISSION SHALL:

2 (1) CERTIFY TO THE STATE ETHICS COMMISSION THAT THE COUNTY IS IN COMPLIANCE WITH
3 THE REQUIREMENTS OF THE GENERAL PROVISIONS ARTICLE, TITLE 5, SUBTITLE 8 OF THE
4 ANNOTATED CODE OF MARYLAND FOR ELECTED LOCAL OFFICIALS; AND

5 (2) SUBMIT TO THE LOCAL GOVERNING BODY A REPORT ON THE ADMINISTRATION OF THE
6 PUBLIC ETHICS LAWS BY THE COMMISSION IN COMPLIANCE WITH THE REQUIREMENTS OF THE
7 GENERAL PROVISIONS ARTICLE, TITLE 5, SUBTITLE 8 OF THE ANNOTATED CODE OF
8 MARYLAND.

9 (l) The Commission shall:

10 (1) Determine if changes to this subtitle are required to be in compliance with the
11 requirements of the [[State Government]] GENERAL PROVISIONS Article, title [[15]] 5,
12 subtitle 8, of the Annotated Code of Maryland; and

13 (2) Forward any recommended changes and amendments to the County Council for
14 enactment.

15 (m) (1) Any person subject to this subtitle may request an advisory opinion from the
16 Commission concerning the application of this subtitle.

17 (2) The Commission shall respond promptly to a request for an advisory opinion and shall
18 provide interpretations of this subtitle based on the facts provided or reasonably
19 available to the Commission within 60 days of the request.

20 (3) In accordance with all applicable State and County laws regarding public records, the
21 Commission shall publish or otherwise make available to the public copies of the
22 advisory opinions, with the identities of the subjects deleted.

23 (4) The Commission may adopt additional policies and procedures related to the advisory
24 opinion request process.

25 (n) (1) Any person may file a complaint with the Commission alleging a violation of any of the
26 provisions of this subtitle.

27 (2) A complaint shall be in writing and under oath; and

- 1 (3) The Commission may refer a complaint to the County Solicitor, or other legal counsel
2 if appropriate, for investigation and review.
- 3 (4) The Commission may reject without further proceedings any complaint which it deems
4 to be plainly frivolous or which, assuming the facts alleged were true, does not state a
5 violation of this subtitle.
- 6 (5) The Commission may dismiss a complaint if, after receiving an investigative report,
7 the Commission determines that there are insufficient facts upon which to base a
8 determination of a violation.
- 9 (6) If there is a reasonable basis for believing a violation has occurred, the subject of the
10 complaint shall be given an opportunity for a hearing conducted in accordance with the
11 applicable County Rules of Procedure.
- 12 (7) A final determination of a violation resulting from the hearing shall include findings of
13 fact and conclusions of law.
- 14 (8) Upon finding a violation, the Commission may take any enforcement action provided
15 for in section 22.208 of this subtitle.
- 16 (9) (i) After a complaint is filed and until a final finding of a violation by the Commission,
17 all actions regarding a complaint are confidential.
- 18 (ii) A finding of a violation is public information.
- 19 (10) The Commission may adopt additional policies and procedures related to complaints,
20 complaint hearings, the use of independent investigators and staff, the use of witness
21 and document subpoenas, and cure and settlement agreements.
- 22 (o) The Commission may grant exemptions to or modifications of the conflict of interest and
23 financial disclosure provisions of this subtitle to officials or employees serving as members
24 of County boards and commissions, when the Commission finds that the exemption or
25 modification would not be contrary to the purposes of this subtitle, and the application of
26 this subtitle would:
- 27 (1) Constitute an unreasonable invasion of privacy; and
- 28 (2) Significantly reduce the availability of qualified persons for public service.

- 1 (p) The Commission may:
- 2 (1) Assess a late fee of \$2.00 per day up to a maximum of \$250.00 for a failure to timely
- 3 file a financial disclosure statement required under section 22.206 of this subtitle; and
- 4 (2) Assess a late fee of \$10.00 per day up to a maximum of \$250.00 for a failure to file a
- 5 timely lobbyist registration or lobbyist report required under section 22.207 of this
- 6 subtitle.

7 (q) (1) The Executive Secretary or a designee, on behalf of the Commission, may issue

8 subpoenas:

- 9 (i) For the attendance of witnesses to testify; or
- 10 (ii) To produce documents and other evidence relevant and necessary to the
- 11 administration and enforcement of this subtitle.
- 12 (2) A subpoena shall be served by hand-delivering or mailing by certified mail a copy
- 13 either to the person named or to an agent authorized by appointment or by law to
- 14 receive service for the person named.
- 15 (3) A subpoena may be judicially enforced.

16 **Sec. 22.204. Prohibited conduct and interests.**

17 (a) *Participation Prohibitions.*

- 18 (1) Except as permitted by Commission regulation or opinion, an official or employee may
- 19 not participate in:
- 20 (i) Except in the exercise of an administrative or ministerial duty that does not affect
- 21 the disposition or decision of the matter, any matter in which, to the knowledge of
- 22 the official or employee, the official or employee or a qualified relative of the
- 23 official or employee has an interest.
- 24 (ii) Except in the exercise of an administrative or ministerial duty that does not affect
- 25 the disposition or decision with respect to the matter, any matter in which any of
- 26 the following is a party:

- 1 a. A business entity in which the official or employee has a direct financial interest
2 of which the official or employee may reasonably be expected to know;
- 3 b. A business entity for which the official, employee, or a qualified relative of the
4 official or employee is an officer, director, trustee, partner, or employee;
- 5 c. A business entity with which the official or employee or, to the knowledge of the
6 official or employee, a qualified relative is negotiating or has any arrangement
7 concerning prospective employment;
- 8 d. If the contract reasonably could be expected to result in a conflict between the
9 private interests of the official or employee and the official duties of the official or
10 employee, a business entity that is a party to an existing contract with the official
11 or employee, or which, to the knowledge of the official or employee, is a party to
12 a contract with a qualified relative;
- 13 e. An entity, doing business with the County, in which a direct financial interest is
14 owned by another entity in which the official or employee has a direct financial
15 interest, if the official or employee may be reasonably expected to know of both
16 direct financial interests; or
- 17 f. A business entity that:
- 18 1. The official or employee knows is a creditor or obligee of the official or
19 employee or a qualified relative of the official or employee with respect to a
20 thing of economic value; and
- 21 2. As a creditor or obligee, is in a position to directly and substantially affect the
22 interest of the official or employee or a qualified relative of the official or
23 employee.
- 24 (2) A person who is disqualified from participating under paragraph 1. of this subsection
25 shall disclose the nature and circumstances of the conflict and may participate or act if:
- 26 (i) The disqualification leaves a body with less than a quorum capable of acting;
- 27 (ii) The disqualified official or employee is required by law to act; or
- 28 (iii) The disqualified official or employee is the only person authorized to act.

1 (3) The prohibitions of paragraph 1. of this subsection do not apply if participation is
2 allowed by regulation or opinion of the Commission.

3 (4) A former regulated lobbyist who is or becomes subject to this subtitle as an employee
4 or official, other than an elected official or an appointed official, may not participate in
5 a case, contract, or other specific matter as an employee or official, other than an
6 elected official or appointed official, for one calendar year after the termination of the
7 registration of the former regulated lobbyist if the former regulated lobbyist previously
8 assisted or represented another party for compensation in the matter.

9 (b) *Employment and Financial Interest Restrictions.*

10 (1) Except as permitted by regulation of the commission when the interest is disclosed or
11 when the employment does not create a conflict of interest or appearance of conflict,
12 an official or employee may not:

13 (i) Be employed by or have a financial interest in any entity:

14 a. Subject to the authority of the official or employee or the County agency, board,
15 commission with which the official or employee is affiliated; or

16 b. That is negotiating or has entered a contract with the agency, board, or
17 commission with which the official or employee is affiliated; or

18 (ii) Hold any other employment relationship that would impair the impartiality or
19 independence of judgment of the official or employee.

20 (2) The prohibitions of paragraph (1) of this subsection do not apply to:

21 (i) An official or employee who is appointed to a regulatory or licensing authority
22 pursuant to a statutory requirement that persons subject to the jurisdiction of the
23 authority be represented in appointments to the authority;

24 (ii) Subject to other provisions of law, a member of a board or commission in regard
25 to a financial interest or employment held at the time of appointment, provided the
26 financial interest or employment is publicly disclosed to the appointing authority
27 and the Commission;

1 (iii) An official or employee whose duties are ministerial, if the private employment or
2 financial interest does not create a conflict of interest or the appearance of a
3 conflict of interest, as permitted and in accordance with regulations adopted by
4 the Commission; or

5 (iv) Employment or financial interests allowed by regulation of the Commission if the
6 employment does not create a conflict of interest or the appearance of a conflict of
7 interest or the financial interest is disclosed.

8 (c) *Post-Employment Limitations and Restrictions.*

9 (1) A former official or employee may not assist or represent any party other than the
10 County for compensation in a case, contract, or other specific matter involving the
11 County if that matter is one in which the former official or employee significantly
12 participated as an official or employee.

13 (2) For a year after the former elected official leaves office, a former elected official may
14 not assist or represent another party for compensation in a matter that is the subject of
15 legislative action before Howard County.

16 (d) *Contingent Compensation.* Except in a judicial or quasi-judicial proceeding, an official or
17 employee may not assist or represent a party for contingent compensation in any matter
18 before or involving the County.

19 (e) *Use of Prestige of Office.*

20 (1) An official or employee may not intentionally use the prestige of office or public
21 position for the private gain of that official or employee or the private gain of another.

22 (2) This subsection does not prohibit the performance of usual and customary constituent
23 services by an elected official without additional compensation.

24 (f) *Solicitation and Acceptance of Gifts.*

25 (1) An official or employee may not solicit any gift.

26 (2) An official or employee may not directly solicit or facilitate the solicitation of a gift, on
27 behalf of another person, from an individual regulated lobbyist.

1 (3) An official or employee may not knowingly accept a gift, directly or indirectly, from a
2 person that the official or employee knows or has the reason to know:

3 (i) Is doing business with or seeking to do business with the County office, agency,
4 board or commission with which the official or employee is affiliated;

5 (ii) Has financial interests that may be substantially and materially affected, in a
6 manner distinguishable from the public generally, by the performance or
7 nonperformance of the official duties of the official or employee;

8 (iii) Is engaged in an activity regulated or controlled by the official's or employee's
9 governmental unit; [[or]]

10 (iv) Is a lobbyist with respect to matters within the jurisdiction of the official or
11 employee; OR

12 (v) IS AN ASSOCIATION, OR ANY ENTITY ACTING ON BEHALF OF AN ASSOCIATION, THAT
13 IS ENGAGED ONLY IN REPRESENTING COUNTIES OR MUNICIPAL CORPORATIONS.

14 (4) (i) Subsection (4)(ii) does not apply to a gift:

15 a. That would tend to impair the impartiality and the independence of judgment of
16 the official or employee receiving the gift;

17 b. Of significant value that would give the appearance of impairing the impartiality
18 and independence of judgment of the official or employee; or

19 c. Of significant value that the recipient official or employee believes or has reason
20 to believe is designed to impair the impartiality and independence of judgment of
21 the official or employee.

22 (ii) Notwithstanding paragraph (3) of this subsection, an official or employee may
23 accept the following:

24 a. Meals and beverages consumed in the presence of the donor or sponsoring entity;

25 b. Ceremonial gifts or awards that have insignificant monetary value;

26 c. Unsolicited gifts of nominal value that do not exceed \$20.00 in cost or trivial
27 items of informational value;

- 1 d. Reasonable expenses for food, travel, lodging, and scheduled entertainment of the
2 official or the employee at a meeting which is given in return for the participation
3 of the official or employee in a panel or speaking engagement at the meeting;
- 4 e. Gifts of tickets or free admission extended to an elected official to attend a
5 charitable, cultural, or political event, if the purpose of this gift or admission is a
6 courtesy or ceremony extended to the elected official's office;
- 7 f. A specific gift or class of gifts that the Commission exempts from the operation of
8 this subsection upon a finding, in writing, that acceptance of the gift or class of
9 gifts would not be detrimental to the impartial conduct of the business of the
10 County and that the gift is purely personal and private in nature;
- 11 g. Gifts from a person related to the official or employee by blood or marriage, or
12 any other individual who is a member of the household of the official or
13 employee; or
- 14 h. Honoraria for speaking to or participating in a meeting, provided that the offering
15 of the honorarium is not related, in any way, to the official's or employee's official
16 position.

17 (g) *Disclosure of Confidential Information.* Other than in the discharge of official duties, an
18 official or employee OR FORMER OFFICIAL OR FORMER EMPLOYEE may not disclose or use
19 confidential information, that the official or employee acquired by reason of the official's or
20 employee's public position OR FORMER PUBLIC POSITION and that is not available to the
21 public, for the economic benefit of the official or employee or that of another person.

22 (h) *Participation in Procurement.*

23 (1) An individual or a person that employs an individual who assists a County, agency or
24 unit in the drafting of specifications, an invitation for bids, or a request for proposals
25 for a procurement, may not submit a bid or proposal for that procurement, or assist or
26 represent another person, directly or indirectly, who is submitting a bid or proposal for
27 the procurement.

28 (2) The Commission may establish exemptions from the requirements of this section for
29 providing descriptive literature, sole source procurements, and written comments
30 solicited by the procuring agency.

1 (I) *ANTI-RETALIATION.* AN OFFICIAL OR EMPLOYEE MAY NOT RETALIATE AGAINST AN INDIVIDUAL
2 FOR REPORTING OR PARTICIPATING IN AN INVESTIGATION OF A POTENTIAL VIOLATION OF THE
3 LOCAL ETHICS LAW OR ORDINANCE.

4 **Sec. 22.206. Financial disclosure statements.**

5 (a) This section applies to all elected officials, all candidates to be elected officials, all
6 employees holding positions listed in subsection (b) of this section, all persons appointed to
7 the boards and commissions listed in subsection (c) of this section, and certain high school
8 members of boards and commissions.

9 (b) This section applies to the following County employees:

10 (1) All executive exempt positions as listed in section 1.306 "Executive Exempt" of the
11 Howard County Code;

12 (2) All employees authorized to draft specifications for, negotiate or execute a contract
13 which commits the County or any of its boards, agencies or departments to expend in
14 excess of \$2,500.00; and

15 (3) All employees in a managerial or policy-making positions as determined by the
16 commission upon recommendation of their department or agency head. In making such
17 a recommendation, the department or agency head shall consider such factors as the
18 employee's responsibility for decision making and policy recommendation in the areas
19 of contracting, procurement, administration and/or monitoring of grants and subsidies,
20 planning or zoning, inspecting, licensing, regulating, auditing and budgeting; and

21 (c) This section applies to members of the following boards and commissions:

22 (1) Board of Appeals;

23 (2) Planning Board;

24 (3) Recreation and Parks Board;

25 (4) Public Works Board;

26 (5) Ethics Commission;

27 (6) Housing and Community Development Board;

- 1 (7) Agricultural Preservation Board;
- 2 (8) Equal Business Opportunity Commission;
- 3 (9) Historic Preservation Commission;
- 4 (10) Board of Library Trustees;
- 5 (11) Howard County Housing Commission;
- 6 (12) Economic Development Authority Board;
- 7 (13) Howard County Pension Oversight Commission;
- 8 (14) Local Behavioral Health Advisory Board;
- 9 (15) Howard County Alcoholic Beverage Hearing Board;
- 10 (16) Howard County Revenue Authority Board;
- 11 (17) Design Advisory Panel;
- 12 (18) Animal Matters Hearing Board;
- 13 (19) Advisory Board on Consumer Protection;
- 14 (20) Board of Electrical Examiners;
- 15 (21) Board of Health;
- 16 (22) Human Rights Commission; and
- 17 (23) Police Accountability Board.

18 (d) This section shall apply to high school members of boards and commissions as follows:

- 19 (1) A high school student member of a board or commission listed in subsection (c) of this
20 section shall file a statement of financial interest on a form that the Commission
21 provides.
- 22 (2) The high school student member statement shall only include the following
23 information regarding interests that may create a conflict between the student member's
24 personal interests and the individual's duties as a board or commission member:

- 1 (i) A schedule of sources of earned income of the high school student member and of
2 the member's parent(s) or legal guardian(s) that exceed \$100.00, including the
3 name and address of each place of salaried employment and of each business
4 entity solely or partially owned and from where income was earned. Where the
5 source of income is an attorney-client or a physician/psychiatrist/psychologist-
6 patient relationship, the names of individual clients or patients need not be
7 disclosed;
- 8 (ii) A schedule of each gift in excess of \$20.00 in value (or an aggregate of \$100.00
9 from any one person) directly or indirectly from a person(s) who does business
10 with Howard County. This schedule as to each such gift, shall include:
- 11 a. The nature and value of the gift; and
12 b. The identity of the person from whom, directly or indirectly, the gift was
13 received;
14 c. For purposes of this subsection, gift does not include:
- 15 i. Ceremonial gifts or awards of insignificant monetary value; or
16 ii. Unsolicited gifts of nominal value or trivial items of informational value; and
- 17 (iii) A list of family members employed by the County in accordance with subsection
18 (j)(7) of this section; and
- 19 (e) Except as provided in subsection (g) of this section, an elected official, employee, appointee
20 to a board or commission, or candidate to be an elected official shall file the financial
21 disclosure statement required under this subsection:
- 22 (1) On a form provided by the Commission;
23 (2) Under oath or affirmation;
24 (3) With the Commission; and
25 (4) The Commission may require that a financial disclosure statement be submitted
26 through an electronic process for which the oath or affirmation shall be made by an
27 electronic signature that:
- 28 (i) Is attached to and made part of the financial disclosure statement;

- 1 (ii) Is made expressly under the penalties of perjury; and
2 (iii) Subjects the individual making the signature to the penalties of perjury to the
3 same extent as an oath or affirmation before an individual authorized to
4 administer oaths.

5 (f) *Deadlines for Filing Statements.*

6 (1) An incumbent official or employee shall file a financial disclosure statement annually
7 no later than April 30th of each year for the preceding calendar year.

8 (2) An official or employee who is appointed to fill a vacancy in an office for which a
9 financial disclosure statement is required and who has not already filed a financial
10 disclosure statement shall file a statement for the preceding calendar year within 30
11 days after appointment.

12 (3) (i) An individual who, other than by reasons of death, leaves an office for which a
13 statement is required shall file a statement upon resignation or termination of office.

14 (ii) The statement shall cover:

15 a. The calendar year immediately preceding the year in which the individual left
16 office, unless a statement covering that year has already been filed by the
17 individual; and

18 b. The portion of the current calendar year during which the individual held the
19 office.

20 (g) *Candidates to be Elected Officials.*

21 (1) Except an official or employee who has filed a financial disclosure statement under
22 another provision of this section for the reporting period, a candidate to be an elected
23 official shall file a financial disclosure statement each year beginning with the year in
24 which the certificate of candidacy is filed through the year of the election.

25 (2) (i) A candidate to be an elected official shall file a statement required under this section:

26 a. In the year the certificate of candidacy is filed, no later than the filing of the
27 certificate of candidacy;

- 1 b. In the year of the election, on or before the earlier of April 30 or the last day for
2 the withdrawal of candidacy; and
- 3 c. In all other years for which a statement is required, on or before April 30.
- 4 (ii) The initial financial disclosure statement shall include the preceding calendar year
5 through the date of the certificate of candidacy filed with the Board of Elections
6 for Howard County.
- 7 (3) A candidate to be an elected official:
- 8 (i) May file the statement required under subsection (g)(2)(i) of this section with the
9 County Board of Elections with the certificate of candidacy or with the
10 Commission prior to filing the certificate of candidacy; and
- 11 (ii) Shall file the statements required under subsections (g)(2)(ii) and (iii) of this
12 section with the Commission.
- 13 (4) If a candidate fails to file a statement required by this section after written notice is
14 provided by the County Board of Elections at least [20] 8 days before the last day for
15 the withdrawal of candidacy, the candidate is deemed to have withdrawn the
16 candidacy.
- 17 (5) The County Board of Elections may not accept any certificate of candidacy unless a
18 statement required under this section has been filed in proper form.
- 19 (6) Within 30 days of the receipt of a statement required under this section, the County
20 Board of Elections shall forward the statement to the Commission, or an office
21 designated by the Commission.
- 22 (h) *Public Record.*
- 23 (1) The Commission, or an office designated by the Commission, shall maintain all
24 financial disclosure statements filed under this section.
- 25 (2) The Commission, or an office designated by the Commission, shall make financial
26 disclosure statements available during normal office hours, for examination and
27 copying by the public subject to reasonable fees and administrative procedures
28 established by the County.

- 1 (3) The Commission shall redact an individual's home address before allowing the public
2 to see a disclosure statement.
- 3 (4) If an individual examines or copies a financial disclosure statement, the Commission or
4 the office designated by the Commission shall record:
- 5 (i) The name and home address of the individual reviewing or copying the statement;
6 and
- 7 (ii) The name of the person whose financial disclosure statement was examined or
8 copied.
- 9 (5) The Commission, or the office designated by the Commission, shall provide the
10 official or employee with a copy of the name and home address of the person who
11 reviewed the official's or employee's financial disclosure statement.
- 12 (6) A financial disclosure statement required by this subtitle shall not be used in any way
13 for, or be made available for commercial purposes.
- 14 (7) THE COMMISSION, OR THE OFFICE DESIGNATED BY THE COMMISSION, SHALL NOT PROVIDE
15 PUBLIC ACCESS TO INFORMATION RELATED TO CONSIDERATION RECEIVED FROM:
- 16 (I) THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM;
- 17 (II) A GOVERNMENTAL ENTITY OF THE STATE OR A LOCAL GOVERNMENT IN THE STATE;
18 OR
- 19 (III) A QUASI-GOVERNMENTAL ENTITY OF THE STATE OR LOCAL GOVERNMENT IN THE
20 STATE.
- 21 (i) Retention Requirements. The Commission, or the office designated by the Commission,
22 shall retain financial disclosure statements for the longer of:
- 23 (1) Four years after receipt; or
- 24 (2) If the person is an elected official, the entirety of the person's term.
- 25 (j) *Contents of Statement.* Employees and elected officials shall disclose all the information
26 required by this subsection. Members of boards and commissions listed in subsection (c) of
27 this section shall disclose the information required by this subsection only with respect to

1 those interests, gifts, compensated positions, and liabilities that may create a conflict, as
2 prohibited by section 22.204 of this subtitle, between the member's personal interests and
3 the member's official local duties as a board or Commission member.

4 (1) Interests in real property.

5 (i) A statement filed under this section shall include a schedule of all interests in real
6 property wherever located.

7 (ii) For each interest in real property, the schedule shall include:

8 a. The nature of the property and the location by street address, mailing address, or
9 legal description of the property;

10 b. The nature and extent of the interest held, including any conditions and
11 encumbrances on the interest;

12 c. The date when, the manner in which, and the identity of the person from whom
13 the interest was acquired;

14 d. The nature and amount of the consideration given in exchange for the interest or,
15 if acquired other than by purchase, the fair market value of the interest at the time
16 acquired;

17 e. If any interest was transferred, in whole or in part, at any time during the
18 reporting period, a description of the interest transferred, the nature and amount of
19 the consideration received for the interest, and the identity of the person to whom
20 the interest was transferred; and

21 f. The identity of any other person with an interest in the property.

22 (2) Interests in corporations and partnerships.

23 (i) A statement filed under this section shall include a schedule of all interests in any
24 corporation, partnership, limited liability partnership, or limited liability
25 corporation, regardless of whether the corporation or partnership does business
26 with the County.

27 (ii) For each interest reported under this paragraph, the schedule shall include:

28 a. The name and address of the principal office of the corporation, partnership,
29 limited liability partnership, or limited liability corporation;

- 1 b. The nature and amount of the interest held, including any conditions and
2 encumbrances on the interest;
- 3 c. With respect to any interest transferred, in whole or in part, at any time during the
4 reporting period, a description of the interest transferred, the nature and amount of
5 the consideration received for the interest and, if known, the identity of the person
6 to whom the interest was transferred;
- 7 d. With respect to any interest acquired during the reporting period:
- 8 1. The date when, the manner in which, and the identity of the person from
9 whom the interest was acquired; and
- 10 2. The nature and the amount of the consideration given in exchange for the
11 interest or, if acquired other than by purchase, the fair market value of the
12 interest at the time acquired.
- 13 (iii) An individual may satisfy the requirement to report the amount of the interest held
14 under item (ii)(b) of this paragraph by reporting, instead of a dollar amount:
- 15 a. For an equity interest in a corporation, the number of shares held and, unless the
16 corporation's stock is publicly traded, the percentage of equity interest held; or
17 b. For an equity interest in a partnership, the percentage of equity interest held.
- 18 (3) Interests in business entities doing business with the County.
- 19 (i) A statement filed under this section shall include a schedule of all interests in any
20 business entity that does business with the County, other than interests reported
21 under paragraph (2) of this subsection.
- 22 (ii) For each interest reported under this paragraph, the schedule shall include:
- 23 a. The name and address of the principal office of the business entity;
- 24 b. The nature and amount of the interest held, including any conditions to and
25 encumbrances on the interest;
- 26 c. With respect to any interest transferred, in whole or in part, at any time during the
27 reporting period, a description of the interest transferred, the nature and amount of
28 the consideration received in exchange for the interest and, if known, the identity
29 of the person to whom the interest was transferred; and

- 1 d. With respect to any interest acquired during the reporting period:
- 2 1. The date when, the manner in which, and the identity of the person from
- 3 whom the interest was acquired; and
- 4 2. The nature and the amount of the consideration given in exchange for the
- 5 interest or, if acquired other than by purchase, the fair market value of the
- 6 interest at the time acquired.

7 (4) Gifts.

8 (i) A statement filed under this section shall include a schedule of each gift in excess

9 of \$20.00 in value or a series of gifts totaling \$100.00 or more received during the

10 reporting period from or on behalf of, directly or indirectly, any one person who

11 does business with the County OR FROM AN ASSOCIATION, OR ANY ENTITY ACTING

12 ON BEHALF OF AN ASSOCIATION, THAT IS ENGAGED ONLY IN REPRESENTING

13 COUNTIES OR MUNICIPAL CORPORATIONS.

14 (ii) For each gift reported, the schedule shall include:

- 15 a. A description of the nature and value of the gift; and
- 16 b. The identity of the person from whom, or on behalf of whom, directly or
- 17 indirectly, the gift was received.

18 (5) Employment with or interests in entities doing business with the County.

19 (i) A statement filed under this section shall include a schedule of all offices,

20 directorships, and salaried employment by the individual or member of the

21 immediate family of the individual held at any time during the reporting period

22 with entities doing business with the County.

23 (ii) For each position reported under this paragraph, the schedule shall include:

- 24 a. The name and address of the principal office of the business entity;
- 25 b. The title and nature of the office, directorship, or salaried employment held and
- 26 the date it commenced; and

1 c. The name of each County agency with which the entity is involved as indicated
2 by identifying one or more of the three categories of "doing business", as defined
3 in section 22.202 of this subtitle.

4 (6) Indebtedness to entities doing business with the County.

5 (i) A statement filed under this section shall include a schedule of all liabilities,
6 excluding retail credit accounts, to persons doing business with the County owed
7 at any time during the reporting period:

8 a. By the individual; or

9 b. By a member of the immediate family of the individual if the individual was
10 involved in the transaction giving rise to the liability.

11 (ii) For each liability reported under this paragraph, the schedule shall include:

12 a. The identity of the person to whom the liability was owed and the date the
13 liability was incurred;

14 b. The amount of the liability owed as of the end of the reporting period;

15 c. The terms of payment of the liability and the extent to which the principal amount
16 of the liability was increased or reduced during the year; and

17 d. The security given, if any, for the liability.

18 (7) Employment with the County. A statement filed under this section shall include a
19 schedule of the immediate family members of the individual employed by the County
20 in any capacity at any time during the reporting period.

21 (8) Sources of earned income.

22 (i) A statement filed under this section shall include a schedule of the name and
23 address of each place of employment and of each business entity of which the
24 individual or a member of the individual's immediate family was a sole or partial
25 owner and from which the individual or member of the individual's immediate
26 family received earned income, at any time during the reporting period.

27 (ii) Notwithstanding item (i) of this paragraph, the schedule need not disclose:

- 1 a. A minor child's employment or business ownership, if the agency that employs
2 the individual does not regulate, exercise authority over, or contract with the place
3 of employment or business entity of the minor child; or
- 4 b. The names of individual clients or patients, where the source of income is an
5 attorney-client or a physician/psychiatrist/psychologist-patient relationship.
- 6 (iii) For a statement filed on or after January 1, 2019, if the individual's spouse is a
7 lobbyist regulated by the County, the individual shall disclose the entity that has
8 engaged the spouse for lobbying purposes.
- 9 (9) Additional information. A statement filed under this section may also include a
10 schedule of additional interests or information that the individual making the statement
11 wishes to disclose.
- 12 (10) *RELATIONSHIP WITH UNIVERSITY OF MARYLAND MEDICAL SYSTEM, STATE OR LOCAL*
13 *GOVERNMENT, OR QUASI-GOVERNMENTAL ENTITY.*
- 14 (I) AN INDIVIDUAL SHALL DISCLOSE THE INFORMATION SPECIFIED IN THIS SECTION, FOR
15 ANY FINANCIAL OR CONTRACTUAL RELATIONSHIP WITH:
- 16 A. THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM;
- 17 B. A GOVERNMENTAL ENTITY OF THE STATE OR A LOCAL GOVERNMENT IN THE
18 STATE; OR
- 19 C. A QUASI-GOVERNMENTAL ENTITY OF THE STATE OR LOCAL GOVERNMENT IN THE
20 STATE.
- 21 (II) FOR EACH FINANCIAL OR CONTRACTUAL RELATIONSHIP REPORTED, THE SCHEDULE
22 SHALL INCLUDE:
- 23 A. A DESCRIPTION OF THE RELATIONSHIP;
- 24 B. THE SUBJECT MATTER OF THE RELATIONSHIP; AND
- 25 C. THE CONSIDERATION.
- 26 (k) For the purposes of subsections (j)(1), (2) and (3) of this section, the following interests are
27 considered to be the interests of the individual making the statement:

1 (1) An interest held by a member of the individual's immediate family, if the interest was,
2 at any time during the reporting period, directly or indirectly controlled by the
3 individual.

4 (2) [[An interest held by a business entity in which the individual held a 30 percent or
5 greater interest at any time during the reporting period]] AN INTEREST HELD, AT ANY
6 TIME DURING THE APPLICABLE PERIOD, BY:

7 (I) A BUSINESS ENTITY IN WHICH THE INDIVIDUAL HELD A 10 PERCENT OR GREATER
8 INTEREST;

9 (II) A BUSINESS ENTITY DESCRIBED IN SECTION (I) OF THIS SUBSECTION IN WHICH THE
10 BUSINESS ENTITY HELD A 25 PERCENT OR GREATER INTEREST;

11 (III) A BUSINESS ENTITY DESCRIBED IN SECTION (II) OF THIS SUBSECTION IN WHICH THE
12 BUSINESS ENTITY HELD A 50 PERCENT OR GREATER INTEREST; AND

13 (IV) A BUSINESS ENTITY IN WHICH THE INDIVIDUAL DIRECTLY OR INDIRECTLY, THROUGH
14 AN INTEREST IN ONE OR A COMBINATION OF OTHER BUSINESS ENTITIES, HOLDS A 10
15 PERCENT OR GREATER INTEREST.

16 (3) An interest held by a trust or an estate in which, at any time during the reporting
17 period:

18 (i) The individual held a reversionary interest or was a beneficiary, or

19 (ii) If a revocable trust, the individual was a settlor.

20 (L) AN INDIVIDUAL WHO IS REQUIRED TO DISCLOSE THE NAME OF A BUSINESS UNDER THIS SECTION
21 SHALL DISCLOSE ANY OTHER NAMES THAT THE BUSINESS IS TRADING AS OR DOING BUSINESS AS.

22 [[(1)] (M) (1) The Commission shall review the financial disclosure statements submitted under
23 this section for compliance with the provisions of this section and shall notify an individual
24 submitting the statement of any omissions or deficiencies.

25 (2) If, after notification by the Commission of any omission or deficiency, an individual
26 does not cure such within 30 days, the Commission shall refer evidence of any
27 noncompliance with this section to the County Solicitor for appropriate action.

1 (3) The Commission may take appropriate enforcement action to ensure compliance with
2 this section.

3 ~~[(m)]~~ (N) *Incomplete Information*. When the individual required to file is unable to obtain the
4 information needed to complete the schedules required by this section, the individual shall
5 report the unavailability of certain information and shall provide a written statement of the
6 efforts made to obtain the information. The Commission shall conduct an investigation to
7 determine if the individual has used due diligence in attempting to obtain the missing
8 information and whether, considering the circumstances, the omission of the material is
9 justified. In making this determination, the Commission shall request and consider the
10 opinion of the County Solicitor. The Solicitor's opinion and the report of the Commission
11 shall be made part of the statement of the person required to file.

12

13 ***Section 2. Be it further enacted by the County Council of Howard County, Maryland, that this Act***
14 ***shall become effective 61 days after its enactment.***