EXECUTIVE DEPARTMENT STATE OF MARYLAND

COMMISSION MEMBERS: JANET E. McHUGH, *Chair* BONNIE A KIRKLAND JAMES N. ROBEY, JR. CRAIG D. ROSWELL GENEAU M. THAMES



STATE ETHICS COMMISSION

45 CALVERT STREET, 3rd FLOOR

ANNAPOLIS, MARYLAND 21401

410-260-7770 / 1-877-669-6085

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LARRY HOGAN GOVERNOR

JENNIFER K. ALLGAIR Executive Director WILLIAM J. COLQUHOUN General Counsel KATHERINE P. THOMPSON Staff Counsel ANA L. HENRY Assistant General Counsel

August 26, 2022

Re: Required Amendments to Local Ethics Laws

Dear Municipal Official:

I am writing to notify your municipality that the requirements under the State Ethics Law are changing. House Bill 363 and House Bill 1058 were enacted during the 2021 General Assembly session, which made multiple modifications to the State Ethics Law, which will change the requirements for local government ethics laws. Those changes include new conflict of interest provisions and additional disclosures for State elected officials that local governments must incorporate into their ethics ordinances for their elected officials. The State Ethics Commission updated its local government regulations in COMAR 19A.04 to reflect the required changes. I have included an attachment describing the changes that need to be included in the new drafts of the ethics law, highlighting the additional provisions that must be included in a law to be compliant with State law. In addition, I have also included our new model laws with the changes highlighted.

As you are aware, counties and municipalities are required to adopt local ethics laws or ordinances that must include conflict of interest and financial disclosure provisions for local elected officials that are at least equivalent to the State's provisions; financial disclosure provisions for candidates for local elected office that are at least equivalent to State provisions; conflict of interest and financial disclosure provisions for local elected officials that are similar to State provisions; and local lobbying provisions that are substantially similar to State provisions. (SB315 – Chapter 277 of the Acts of 2010 and Subtitle 8 of Maryland Public Ethics Law).

Commission staff is available to provide guidance and assistance to your municipality as you work through updating your law to incorporate the new changes. Please do not hesitate to contact us should you have any questions regarding the new local government ethics law requirements. As a reminder, any and all future changes to the ethics ordinance must be submitted to the Commission for review and approval in compliance with Subtitle 8 of the Maryland Public Ethics Law and COMAR 19A.04.

Please also note that there were changes that were required as a result of legislation passed in the 2017 General Assembly Session (House Bill 879). If your municipality has not updated your ordinance to reflect those required modifications, please let me know and I will send you information regarding those changes.

Finally, Section §5-807(c) of the Public Ethics Law requires each local jurisdiction to file the Local Government Ethics Law Annual Certification by October 1 of each year. The certification form is attached to this email and may be returned electronically or by regular mail. Please contact our office if you have any questions regarding this matter.

Sincerely,

Willow 2 Colephan

William J. Colquhoun General Counsel

enc.

O-05- 2023 An Ordinance to Amend Chapter 16, "Ethics"

City Council of the City of Glenarden, Maryland 2023 Legislation

Ordinance Number:	<u>O-5-2023</u>
Sponsored:	Council President Curtis. Council Vice President Ferguson.
_	Councilmembers Erika L. Fareed, Kathleen J. Guillaume,
	Maurice A. Hairston, James A. Herring, and Robin Jones
Session:	
	<u>Public Hearing, January 17, 2023</u>
	Regular Session January 23, 2023(First Reading)
Date of Introduction: Regular Session February 20. 2023 (Second Reading)	

An Ordinance to Amend Chapter 16, "Ethics"

WHEREAS, the City of Glenarden is a municipal corporation of the State of Maryland; and

WHEREAS, Maryland Code, § 5-801, et seq., of the General Provisions Article requires municipal corporations to enact ethics laws and requires that the State Ethics Commission approve all municipal ethics ordinances; and

WHEREAS, the Maryland General Assembly enacted House Bill 363 and House Bill 1058 during the 2021 legislative session, which added new laws to the Maryland Public Ethics Law and requires local governments to incorporate certain changes into their respective ethics ordinances; and

WHEREAS, the City Council finds it necessary and in the public interest to amend Chapter 16 to comply with the State-mandated ethics code requirements.

NOW, THEREFORE, BE IT ORDAINED by the City Council of Glenarden, Maryland sitting in regular session this <u>20th day of February 2023</u> that:

1. Chapter 16, § **16-4** Definitions; be and is hereby amended to read as follows: § **16-4 Definitions.**

In this chapter the following terms have the meanings indicated:

* * *

OUASI-GOVERNMENTAL ENTITY

An entity that is created by State statute, that performs a public function, and that is supported in whole or in part by the State but is managed privately.

2. Chapter 16, § **16-6** Conflicts of interest; be and is hereby amended to read as follows: § **16-6** Conflicts of interest.

G. Solicitation and acceptance of gifts.

* * *

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

liow.

(e) ls an association or any entity acting on behalf of an association that is engaged only in representing counties or municipal corporations.

* * *

O-05- 2023 An Ordinance to Amend Chapter 16, "Ethics"

H. Disclosure of confidential information. Other than in the discharge of official duties, an official or employee <u>or former official or employee</u> may not disclose or use confidential information, that the official or employee acquired by reason of the official's or employee's public position <u>or former public position</u> and that is not available to the public, for the economic benefit of the official or employee or that of another person.

J. An official or employee may not retaliate against an individual for reporting or participating in an investigation of a potential violation of the local ethics law or ordinance.

3.Chapter 16, § **16-7** Financial disclosure: local elected officials and candidates to be local elected officials; be and is hereby amended to read as follows: § **16-7** Financial disclosure: local elected officials and candidates to be local elected

officials.

D. Public record.

* * *

(5) The Commission or office designated by the Commission shall not provide public access to information related to consideration received from:

- (a) The University of Maryland Medical System:
- (b) <u>A governmental entity of the State or local government in the</u> <u>State: or</u>
- (c) <u>A quasi-governmental entity of the State or local government</u> <u>in the State</u>.

F. An individual who is required to disclose the name of a business under this section shall disclose any other names that the business is trading as or doing business as.

F.G. Contents of statement.

(4) Gifts.

(a) A statement filed under this section shall include a schedule of each gift in excess of \$20 in value or a series of gifts totaling \$100 or more received during the reporting period from or on behalf of, directly or indirectly, any one person who does business or is regulated by the City or from an association. or any entity acting on behalf of an association that is engaged only in representing counties or municipal corporations.

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(9) Relationship with University of Maryland Medical System, State or Local Government, or Quasi-Governmental Entity.

(a) An individual shall disclose the information specified in General Provisions Article§ S-607(j)(1), Annotated Code of Maryland, for any financial or contractual relationship with:

(1) The University of Maryland Medical System;

(2) A governmental entity of the State or a local government in the State: or

[3] A quasi-governmental entity of the State or local government in the State.

(b) For each : financial or contractual relationship reported, the schedule shall include:

(11 A description of the relationship;

[2) The subject matter of the relationship: and

[31 The consideration.

(9)(10) A statement filed under this section may also include a schedule of additional interests or information that the individual making the statement wishes to disclose.

<u>G.H.</u> For the purposes of § **16-7FG(I)**, **(2)** and **(3)** of this chapter, the c following

interests are considered to be the interests of the individual making the statement:

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

(2) An interest held <u>by a business entity in which the individual held an</u> interest of 30% or greater at any time during the <u>reporting applicable</u> period

(a) <u>A business entity in which the individual held a (10%) or</u> greater interest;

(b) A business entity described in section (a) of this subsection in which the business entity held a 25% or greater interest;
(c) A business entity described in section (b) of this subsection in which the business entity held a 50% or greater interest; and
(d) A business entity in which the individual directly or indirectly, through an interest in one or a combination of other business entities, holds a 10% or greater interest.

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(3) An interest held by a trust or an estate in which, at any time during the reporting period:
(a) The individual held a reversionary interest or was a beneficiary; or
(b) If a revocable trust, the individual was a settlor.

II. I. Review of statements.

NOW, THEREFORE BE IT ORDAINED by the City Council of Glenarden, Maryland, that this Ordinance is and shall become effective immediately following approval by the Mayor or passage by the Council over the Mayor's veto.

The City Council of Glenarden, by and through the City Council

Derek D. Curtis, II, Council President

Angela D. Ferguson, Vice-President

Erika L. Fareed, Councilwoman

Kathleen J. Guillaume, Councilwoman

Maurice A. Hairston, Councilman

James A. Herring, Councilman

Robin Jones, Councilwoman

ATTEST:

Regis Bryant, Acting City Manager

CERTIFICATION

I HEREBY CERTIFY, that on the 20th day of February, 2023 with ____Yes ____No and ____ Abstention(s) that the Ordinance was Approved.

Robin Bailey-Walls, Acting City Clerk

H indicate deletions

Underline indicates additions

Asterisks * * * Indicate matter retained in existing law but omitted herein