

Council of the Town of Leonardtown Ordinance No. 213 Subject: Ethics

Council Public Hearing:		, 2022	
Date Passed on Second Reading:			, 2022
Date Effective:	, 2022		

AN ORDINANCE concerning

CHAPTER 9 – CODE OF ETHICS OF THE TOWN OF LEONARDTOWN

FOR the purpose of amending Chapter 9 – Code of Ethics of the Town of Leonardtown to incorporate amendments enacted by the Maryland General Assembly pursuant to House Bill 363 – Chapter 252, Acts of 2021 and House Bill 1058 – Chapter 425, Acts of 2021; providing that the title of this ordinance shall be deemed a fair summary and generally relating to the Code of Ethics of the Town of Leonardtown.

RECITALS

WHEREAS, pursuant to Md. Code Ann., General Provisions § 5-808 and Code of Maryland Regulations ("COMAR") 19A.04.01.03(A), the Council of the Town of Leonardtown (the "Council") is authorized and empowered to enact conflict of interest provisions similar to Title 5 (Maryland Public Ethics Law), Subtitle 5 (Conflicts of Interest) of the General Provisions Article of the Annotated Code of Maryland; and

WHEREAS, pursuant to House Bill 363 – Chapter 252, Acts of 2021 ("HB 363") and House Bill 1058 – Chapter 425, Acts of 2021 ("HB 1058"), the Maryland General Assembly enacted certain changes to the Maryland Public Ethics Law, codified in Title 5 of the General Provisions Article of the Maryland Annotated Code which must be adopted by those local governments which are required to enact a local ethics law, including the Town of Leonardtown; and

WHEREAS, the Council is desirous of amending Chapter 9 (Ethics) of the Code of the Town of Leonardtown (the "Town Code") for the purpose of incorporating the amendments enacted by HB 363 and HB 1058; and

WHEREAS, pursuant to COMAR 19A.04.03.02, a municipality may submit proposed ethics provisions and amendments to the State Ethics Commission for review and comment prior to final enactment; and

WHEREAS, a copy of this Ordinance has been submitted to the State Ethics Commission for review and comment, and the State Ethics Commission has returned a favorable recommendation; and

WHEREAS, the Council finds that the amendments set forth herein would be in the best interest of the health, safety, and welfare of the citizens of the Town.

SECTION I. BE IT ORDAINED BY THE COUNCIL OF THE TOWN OF LEONARDTOWN that Chapter 9 – Code of Ethics of the Town of Leonardtown be and it is hereby amended as follows:

§ 9-4. Conflicts of Interest.

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- H. Solicitation and acceptance of gifts.
 - (1) An official or employee may not solicit any gift.
 - (2) An official or employee may not directly solicit or facilitate the solicitation of a gift on behalf of another person.
 - (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:
 - (a) Is doing business with or seeking to do business with the Town of Leonardtown office, agency, board or commission with which the official or employee is affiliated;
 - (b) Has financial interests that may be substantially and materially affected, in a manner distinguishable from the public generally, by the performance or nonperformance of the official duties of the official or employee; or
 - (c) Is engaged in an activity regulated or controlled by the official's or employee's governmental unit; or
 - (d) Is 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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I. Disclosure of confidential information.

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

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K. Retaliation.

An official or employee may not retaliate against an individual for reporting or participating in an investigation of a potential violation of this chapter.

§ 9-5 Financial disclosure – local elected officials and candidates to be local elected officials.

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C. Public record.

- (1) The commission or office designated by the commission shall maintain all financial disclosure statements filed under this chapter.
- (2) Financial disclosure statements shall be made available during normal office hours for examination and copying by the public, subject to reasonable fees and administrative procedures established by the Commission.
- (3) If an individual examines or copies a financial disclosure statement, the Commission or the office designated by the Commission shall record:
 - (a) The name and home address of the individual reviewing or copying the statement; and
 - (b) The name of the person whose financial disclosure statement was examined or copied.
- (4) Upon request by the official or employee whose financial disclosure statement was examined or copied, the Commission or the office designated by the Commission shall provide the official with a copy of the name and home address of the person who reviewed the official's financial disclosure statement.
- (5) The Commission or office designated by the Commission shall not provide public access to an individual's home address that the individual has designated as his/her home address. An individual requesting a financial disclosure statement for examining or

copying shall only be permitted to examine or copy a version of the financial disclosure statement with the subject individual's home address redacted.

- (6) 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) A governmental entity of the State or a local government in the State; or
 - (c) A quasi-governmental entity of the State or a local government in the State.

 In all sections of this chapter, "quasi-governmental entity" means an entity 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.
- D. Retention Requirements. The Commission or the office designated by the Commission shall retain financial disclosure statements for four years from the date of receipt.
- E. <u>An individual who is required to disclose the name of a business under this chapter</u> shall disclose any other names that the business is trading as or doing business as.

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E. F. Contents of statement.

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- (4) Gifts.
 - (a) A statement filed under this chapter shall include a schedule of each gift in excess of \$20.00 in value, or a series of gifts totaling \$100.00 or more, received during the reporting period from or on behalf of, directly or indirectly, any one person who does business with or is regulated by the Town of Leonardtown, or from an association, on any entity acting on behalf of an association that is engaged only in representing counties or municipal corporations.

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- (9) <u>Relationship with University of Maryland Medical System, State or local</u> government, or quasi-governmental entity.
 - (a) An individual shall disclose the information specified in Md. Code Ann., General Provisions § 5-607(j)(1) 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 of a local government in the State.
- (b) For each financial or contractual relationship reported, the schedule shall include:
 - [1] A description of the relationship;
 - [2] The subject matter of the relationship; and
 - [3] The consideration.
- (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.
- F. For the purposes of § 9-5(G)(1) and (2) of this chapter, the 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 by a business entity in which the individual held a 30 percent or greater interest at any time during the reporting period, at any time during the applicable period, by:
 - (a) A business entity in which the individual held a 10 percent or greater interest;
 - (b) A business entity described in subchapter (A) above in which the business entity held a 25 percent or greater interest;
 - (c) A business entity described in subchapter (B) above in which the business entity held a 50 percent 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 percent or greater interest.
 - (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.

SECTION II. AND BE IT FURTHER ORDAINED that the recitals to this Ordinance are incorporated herein and deemed a substantive part of this Ordinance.

SECTION III. AND BE IT FURTHER ORDAINED that, in this Ordinance, unless a section of the Town Code is expressly repealed in its entirety and reenacted, new or added language is underlined and in boldface type, and deleted text is crossed out with a single strikethrough. With respect to the substantive provisions of this Ordinance set forth in Section 1, language added after the date of introduction is in bold, italicized font and language deleted after the date of introduction is crossed out with a double strikethrough.

SECTION IV. AND BE IT FURTHER ORDAINED that, if any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions of this Ordinance, it being the intent of the Commissioners of Leonardtown that this Ordinance shall stand, notwithstanding the invalidity of any section, subsection, sentence, clause, phrase, or portion hereof.

SECTION V. AND BE IT FURTHER ORDAINED that all ordinances or parts of ordinances inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency.

SECTION VI. AND BE IT FURTHER ORDAINED that the title of this Ordinance, or a condensed version thereof, shall be deemed to be, and is, a fair summary of this Ordinance for publication and all other purposes.

SECTION VII. AND BE IT FURTHER ORDAINED that this Ordinance shall become effective immediately upon passage.

SIGNATURES FOLLOW ON THE NEXT PAGE

Attest:	Councilpersons of Leonardtown:	Councilpersons of Leonardtown:			
Laschelle E. McKay Town Administrator	J. Maguire Mattingly, IV Vice President				
Seal:	Nick Colvin Councilperson				
	Heather Earhart Councilperson				
	Christy Hollander Councilperson				
	Mary Maday Slade Councilperson				
This Ordinance was presented Section 210 of the Charter of the Tow	I to the Mayor for his approval or disapproval p n of Leonardtown this day of	oursuant to 			
	Laschelle E. McKay, Town Admir	iistrator			
	10 of the Charter of the Town of Leonardtown this Ordinance this day of				
	Daniel W. Burris, Mayor				