

SENATE BILL 970

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By: **Senator Washington**

Introduced and read first time: February 3, 2020

Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Public Ethics – Disclosures and Fines and Penalties – Revisions**

3 FOR the purpose of altering the amount of certain fees and fines that may be imposed by
4 the State Ethics Commission for certain purposes; altering a certain requirement for
5 a certain official to disclose the acceptance of certain tickets or free admission to
6 certain events on a financial disclosure statement; altering the amount of a certain
7 fine that a court may impose for a certain violation of law; requiring the Ethics
8 Counsel to submit a certain list of names to the presiding officers of the General
9 Assembly each year; and generally relating to public ethics.

10 BY repealing and reenacting, without amendments,

11 Article – General Provisions
12 Section 5–405(a) and (h) and 5–607(a)
13 Annotated Code of Maryland
14 (2019 Replacement Volume)

15 BY repealing and reenacting, with amendments,

16 Article – General Provisions
17 Section 5–405(d) and (g), 5–607(e), 5–902, and 5–903
18 Annotated Code of Maryland
19 (2019 Replacement Volume)

20 BY repealing and reenacting, with amendments,

21 Article – State Government
22 Section 2–709
23 Annotated Code of Maryland
24 (2014 Replacement Volume and 2019 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
26 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – General Provisions

1
2 5–405.

3 (a) After the Ethics Commission considers all of the evidence presented at the
4 hearing, the Ethics Commission shall make findings of fact and conclusions of law with
5 respect to each alleged violation.

6 (d) If the Ethics Commission determines that a respondent has violated Subtitle
7 7 of this title, the Ethics Commission may:

8 (1) require a respondent who is a regulated lobbyist to file any additional
9 reports or information that reasonably relates to information required under §§ 5–703 and
10 5–704 of this title;

11 (2) impose a fine not exceeding [~~\$5,000~~] **\$15,000** for each violation; or

12 (3) subject to subsection (e) of this section, suspend the registration of a
13 regulated lobbyist.

14 (g) (1) If the respondent is a regulated lobbyist, for each report required under
15 Subtitle 7 of this title that is filed late, the respondent shall pay a fee of [~~\$10~~] **\$30** for each
16 late day, not to exceed a total of [~~\$1,000~~] **\$3,000**.

17 (2) If the respondent is an official, for each financial disclosure statement
18 found to have been filed late, the respondent shall pay a fee of [~~\$5~~] **\$15** for each late day,
19 not to exceed a total of [~~\$500~~] **\$1,500**.

20 (h) A penalty, fine, or fee assessed under this section shall be distributed to the
21 Fair Campaign Financing Fund established under § 15–103 of the Election Law Article.

22 5–607.

23 (a) A statement that is required under § 5–601(a) of this subtitle shall contain
24 schedules disclosing the information and interests specified in this section, if known, for
25 the individual making the statement for the applicable period.

26 (e) (1) This subsection does not apply to a gift received from a member of the
27 immediate family, another child, or a parent of the individual.

28 (2) The statement shall include a schedule of each gift, specified in
29 paragraph (3) of this subsection, received during the applicable period:

30 (i) by the individual or by another entity at the direction of the
31 individual; and

32 (ii) directly or indirectly, from or on behalf of an entity that is:

- 1 1. a regulated lobbyist;
- 2 2. regulated by the State; or
- 3 3. otherwise an entity doing business with the State.

4 (3) (i) Except as provided in subparagraph (ii) of this paragraph, the
5 schedule shall include each gift with a value of more than \$20 and each of two or more gifts
6 with a cumulative value of \$100 or more received from one entity during the applicable
7 period.

8 (ii) The statement need not include as a gift:

9 1. food or beverages received and consumed by an official of
10 the Legislative Branch in the presence of the donor or sponsoring entity as part of a meal
11 or reception to which all members of a legislative unit were invited;

12 2. food or beverages received by a member of the General
13 Assembly at the time and geographic location of a meeting of a legislative organization for
14 which the member's presiding officer has approved the member's attendance at State
15 expense; or

16 3. except as provided in subparagraph (iii) of this paragraph,
17 a ticket or free admission extended to a member of the General Assembly by the person
18 sponsoring or conducting the event as a courtesy or ceremony to the office to attend a
19 charitable, cultural, or political event to which all members of a legislative unit were
20 invited.

21 (iii) The statement shall include the acceptance of each [of two or
22 more tickets or free admissions] **TICKET OR FREE ADMISSION**, extended to [a member of
23 the General Assembly] **AN ELECTED CONSTITUTIONAL OFFICER** by the person
24 sponsoring or conducting the event, [with a cumulative value of \$100 or more received from
25 one entity during the applicable period] **AS ALLOWED UNDER § 5-505(C)(2)(VIII) OF**
26 **THIS TITLE.**

27 (4) For each gift subject to this subsection, the schedule shall include:

28 (i) the nature and value of the gift; and

29 (ii) the identity of the entity from which the gift was received,
30 whether directly or indirectly.

31 (5) This subsection does not authorize acceptance of a gift not otherwise
32 allowed by law.

1 5-902.

2 (a) The court may compel compliance with the Ethics Commission's order by:

3 (1) issuing an order to cease and desist from the violation; or

4 (2) granting other injunctive relief.

5 (b) (1) The court may also:

6 (i) impose a fine:

7 1. not exceeding ~~[\$5,000]~~ **\$15,000** for a violation of this title;

8 2. with each day that the violation occurs being a separate
9 offense; and

10 3. which shall be paid to the State Treasurer and deposited
11 in the General Fund; or

12 (ii) except as provided in paragraph (2) of this subsection, void an
13 official act of an official or employee if:

14 1. the official or employee had a conflict of interest that is
15 prohibited by this title;

16 2. the act arose from or concerned the subject matter of the
17 conflict;

18 3. the proceeding was brought within 90 days after the act
19 occurred; and

20 4. the court determines that the conflict had an impact on the
21 act.

22 (2) The court may not void an official act that:

23 (i) appropriates public funds;

24 (ii) imposes a tax; or

25 (iii) provides for the issuance of a bond, a note, or any other evidence
26 of public obligation.

27 (c) After hearing the case, the court may grant all or part of the relief sought.

28 5-903.

1 (a) Except as provided in § 5–716 of this title, a person that knowingly and
2 willfully violates Subtitle 7 of this title is guilty of a misdemeanor and on conviction is
3 subject to a fine not exceeding ~~[\$10,000]~~ **\$30,000** or imprisonment not exceeding 1 year or
4 both.

5 (b) If the person is not an individual, each officer or partner who knowingly
6 authorizes or participates in a violation of Subtitle 7 of this title is guilty of a misdemeanor
7 and on conviction is subject to the penalty specified in subsection (a) of this section.

8 (c) A fine assessed under this section shall be distributed to the Fair Campaign
9 Financing Fund established under § 15–103 of the Election Law Article.

10 Article – State Government

11 2–709.

12 (a) The Executive Director of the Department of Legislative Services, subject to
13 the approval of the President and Speaker, shall appoint an attorney to serve as Counsel
14 to the Committee.

15 (b) The Counsel:

16 (1) shall devote full time to the duties of the Committee, but may not
17 participate in any investigatory or prosecutorial function;

18 (2) may provide information to any person regarding laws, rules, and other
19 standards of ethical conduct applicable to members of the General Assembly;

20 (3) shall carry out any duties prescribed under Title 15, Subtitle 5 of this
21 article;

22 (4) shall meet individually with each member of the General Assembly
23 each year to:

24 (i) advise the member regarding the requirements of any applicable
25 ethics law, rule, or standard of conduct; and

26 (ii) assist the member in preparing statements and reports required
27 to be filed with the Committee under Title 5, Subtitle 5, Part II of the General Provisions
28 Article; [and]

29 **(5) SHALL, EACH YEAR, SUBMIT TO THE PRESIDING OFFICER OF EACH**
30 **HOUSE A LIST OF THE NAMES OF THE MEMBERS FROM THEIR RESPECTIVE HOUSES,**
31 **WITH WHOM THE COUNSEL MET FOR THE PURPOSE OF COMPLYING WITH ITEM (4)**
32 **OF THIS SUBSECTION; AND**

1 ~~[(5)] (6)~~ shall conduct seminars, workshops, and briefings for the benefit
2 of members of the General Assembly, as directed by the Committee, the President, or the
3 Speaker.

4 (c) The assistance of the Counsel to members of the General Assembly:

5 (1) is subject to the attorney client privilege, as set forth in § 9–108 of the
6 Courts Article;

7 (2) is subject to confidentiality under § 5–517 of the General Provisions
8 Article; and

9 (3) is intended as a service to the members and may not be deemed to
10 diminish a member's personal responsibility for adherence to applicable laws, rules, and
11 standards of ethical conduct.

12 (d) The Committee shall have other staff assistance as requested by the
13 Committee and as provided in the budget of the General Assembly.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 October 1, 2020.