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MINUTES OF THE STATE ETHICS COMMISSION MEETING

July 17, 2013 VIA TELEPHONE CONFERENCE CALL

Commission Members Participating: Paul M. Vettori, *Chair*
Robert G. Blue
Julian L. Lapides
Andrea Leahy-Fuccheck

Commission Member Absent: Jacob Yosef Miliman

Staff Members Participating: Michael W. Lord, Executive Director
Jennifer K. Allgair, General Counsel
William J. Colquhoun, Staff Counsel
Katherine P. Thompson, Assistant General Counsel
Megan W. Schutz, Legal Assistant
Jennifer Whitehead, Legal Assistant
James Bell, Intern

The telephone conference call meeting convened at 9:00 a.m. Commission staff participated in the call at the Commission's offices in Annapolis.

ITEM 1: Local Government: City of Rockville

Discussion: Ms. Allgair presented proposed amendments to the local ethics law for the City of Rockville.

Decision: The Commission approved the proposed amendments to the City of Rockville's local ethics law as meeting the requirements of Subtitle 8 of the Public Ethics Law and COMAR 19A.04.

ITEM 2: Local Government: Town of Chevy Chase

Discussion: Ms. Allgair presented proposed amendments to the local ethics law for the Town of Chevy Chase.

Decision: The Commission rejected the proposed local ethics law for the Town of Chevy Chase. The proposed law included a definition of "interest" which excluded certain property interests. The Commission determined that the proposed definition would inhibit the administration of the conflict of interest and financial disclosure provisions by the local jurisdiction. The Commission also recommended

additional provisions to be included in the financial disclosure requirements for candidates for local elected office. The Commission directed staff to provide these recommendations to the Town Attorney for the Town of Chevy Chase.

The meeting was closed at 9:10 a.m. to consider confidential enforcement and informal advice matters.

ITEM 3: Enforcement (A-20-13)

Discussion: Mr. Colquhoun presented information regarding the Commission's current practice of publishing a list of registered lobbyists earning more than \$50,000 in a reporting period and also publishing a ranking of individual regulated lobbyists' earning as part of the Commission's Annual Report. The Commission is not required to publish this information by either its regulations or the provisions of the Public Ethics Law. Mr. Colquhoun requested that the Commission review the practice of registered lobbyists owning lobbying firms including all compensation earned by other registered lobbyists within the same firm under one Lobbyist Activity Report, rather than having each lobbyist report the compensation received individually. Concerns about this practice were raised with the Commission's staff.

Decision: The Commission determined to cease publishing the earned income rankings. Instead, the Commission will publish a list in alphabetical order of all individual registered lobbyists who earn over \$50,000 in a six month reporting period. The Commission also determined that a registered lobbyist may not report the earnings of other lobbyists in the firm as their compensation at line B-7 of the Activity Report (Form #4).

ITEM 4: Informal Matter – State Highway Administration (13-0216)

Discussion: Ms. Allgair briefed the Commission on a request for advice regarding the application of the procurement ethics and post-employment provisions of the Public Ethics Law to a former State employee's activities for his new employer and his new employer's eligibility to work on a particular State contract.

Decision: The Commission determined that the former State employee assisted his former State agency with the development of the procurement at issue and therefore his new employer was barred from bidding or serving as a sub consultant for other bidders on this particular procurement contract. The post-employment provisions would also prohibit this former State employee from working directly on this matter.

ITEM 5: Informal Matter – State Highway Administration (13-0207)

Discussion: Ms. Allgair briefed the Commission on a request for advice received from an employee of the State Highway Administration regarding the application of the secondary employment provisions of the Public Ethics Law to his ability to earn additional compensation from the design and sale of a device he created for his State agency. The employee also asked for advice regarding patent law issues.

Decision: The Commission determined that the secondary employment provisions of the Public Ethics Law prohibit the employee from earning additional compensation from the sale of this device to his agency or other State agencies. The Commission further determined that earnings from the sale of the device to other private entities may also be prohibited as inconsistent outside employment. The Commission determined that it could not advise the employee on his questions related to patent law. The Commission directed staff to obtain the employee's permission to write to his agency on his behalf and request assistance from the Office of the Attorney General in providing the employee with advice regarding the patent law questions. The Commission also directed staff to request that the employee's agency consider nominating him for an Innovative Idea Program award for the design of the device at issue.

ITEM 6: Informal Matter (13-0230)

Discussion: Mr. Lord briefed the Commission on a request from an Executive Branch Official. The official was asked to serve on the Board of Trustees of an organization that sets standards for public and private accounting entities. The official has been asked to serve in one of the designated government seats on the Board. The official's agency does not have any authority or business relationship with the outside entity.

Decision: The Commission determined that the secondary employment provisions of the Public Ethics Law do not prohibit the official from serving on the Board of Trustees of the private entity. The Commission directed staff to advise the official of the prestige of office restrictions in the Public Ethics Law.

ITEM 7: Informal Matter (13-0235)

Discussion: Mr. Lord briefed the Commission on a request from a member of a State board administered by the Technology Development Corporation ("TEDCO"). The official applied for a grant from another State board which is also administered by TEDCO. Her State board service does not involve the other Board or grant program for which she applied. She asked for guidance regarding the application of the provisions of the Public Ethics Law to her situation.

Decision: The Commission determined that if the official receives the grant from the TEDCO board at issue, she should resign from the State board at that time. Until the grant is awarded, she may continue to serve on the State board, but may not participate in any board matters related to that particular grant program. This is unlikely to occur since the State board she serves on does not administer or review the grant program for which she had applied.

The meeting was adjourned at 9:41 a.m.