ORDINANCE 21-01 AMENDING CHAPTER 9, "ETHICS", OF THE CODE OF THE TOWN OF NORTH BEACH TO INCORPORATE CHANGES IN STATE LAW WITH RESPECT TO LOCAL ETHICS ORDINANCES

WHEREAS, pursuant to Md. Code Ann., Local Gov't. Article, § 5-202 the Mayor and Town Council of North Beach has the authority to pass such ordinances as it deems necessary to assure the good government of the Town; protect and preserve the Town's rights, property, and privileges; and preserve peace and good order; and

WHEREAS, Md. Code Ann., Gen. Provs. Art., Title 5, the Maryland Public Ethics Law, provides in § 5-807 that, each municipal corporation in the State shall enact provisions to govern the public ethics of local officials relating to conflicts of interest, financial disclosure, and lobbying; and

WHEREAS, on or about January 1, 2014, by Ordinance No. 13-10, the Town enacted an ordinance repealing and re-enacting its Public Ethics Law in order to comply with revisions to State law and to strengthen its conflict of interest restrictions and financial disclosure requirements, in the interests of ensuring the highest integrity of Town officials and promoting public confidence in the absence of corruption and conflict of interest in Town government; and

WHEREAS, with the goal of increasing transparency in government and continuing to ensure the highest integrity of Town officials and to promote public confidence in the absence of corruption and conflict of interest in Town government, the Town wishes to make further amendments to the Public Ethics Law to incorporate revisions to State law requirements.

Section 1. NOW THEREFORE BE IT ORDAINED AND ENACTED by the Council of the Town of North Beach, that Chapter 9, "Ethics", of the North Beach Town Code, § 9-2, "Applicability", shall be and hereby is amended as follows:

§ 9-2. Applicability AND DEFINITIONS.

<u>A.</u> The provisions of this chapter apply to all Town elected officials, employees, and appointees to boards and commissions of the Town.

- B. "DESIGNATED SECOND HOME" MEANS:
 - (1) IF AN INDIVIDUAL OWNS ONE SECOND HOME, THE INDIVIDUAL'S SECOND HOME; OR
- (2) If an individual owns more than one second home, any one second home the individual identifies to the Commission as the individual's designated second home.
- C. HOME ADDRESS" MEANS THE ADDRESS OF AN INDIVIDUAL'S:
 - (1) PRINCIPAL HOME; AND
 - (2) DESIGNATED SECOND HOME, IF ANY.
- D. "PRINCIPAL HOME" MEANS THE SOLE RESIDENTIAL PROPERTY THAT AN INDIVIDUAL OCCUPIES AS THE INDIVIDUAL'S PRIMARY RESIDENCE, WHETHER OWNED OR RENTED BY THE INDIVIDUAL.

- E. "SECOND HOME" MEAN S A RESIDENTIAL PROPERTY THAT:
 - (1) AN INDIVIDUAL OCCUPIES FOR SOME PORTION OF THE FILING YEAR; AND
 - (2) IS NOT A RENTAL PROPERTY OR A TIME SHARE.
- F. "GIFT" MEANS THE TRANSFER OF ANYTHING OF ECONOMIC VALUE, REGARDLESS OF THE FORM, WITHOUT ADEQUATE AND LAWFUL CONSIDERATION. "GIFT" DOES NOT INCLUDE A POLITICAL CAMPAIGN CONTRIBUTION.
- G. "QUALIFIED RELATIVE" MEANS A SPOUSE, PARENT, CHILD, OR SIBLING.
- **Section 2. BE IT FURTHER ORDAINED AND ENACTED** by the Council of the Town of North Beach, that Chapter 9, "Ethics", of the North Beach Town Code, § 9-3, "Ethics Commission", shall be and hereby is amended as follows:
- § 9-3. Ethics Commission.
- A. There is a North Beach Ethics Commission that consists of three members appointed by the Mayor.
- B. The Commission shall certify to the State Ethics Commission on or before October 1 of each year that the Town is in compliance with the requirements of <u>State Government-GENERAL PROVISIONS</u> Article, Title <u>155</u>, Subtitle 8, Annotated Code of Maryland, for elected local officials.
- C. The Commission shall determine if changes to this chapter are required to be in compliance with the requirements of State Government GENERAL PROVISIONS Article, Title 155, Subtitle 8, Annotated Code of Maryland, and shall forward any recommended changes and amendments to the Town Council for enactment.
- D. The Commission may adopt other policies and procedures to assist in the implementation of the Commission's programs established in this chapter.
- **Section 3. BE IT FURTHER ORDAINED AND ENACTED** by the Council of the Town of North Beach, that Chapter 9, "Ethics", of the North Beach Town Code, § 9-4, "Conflicts of Interest", shall be and hereby is amended as follows:
- § 9-4. Conflicts of interest.
- A. In this chapter, the following are defined as:

GIFT

The transfer of anything of economic value, regardless of the form, without adequate and lawful consideration. "Gift" does not include a political campaign contribution regulated under the Election Law Article, Annotated Code of Maryland, or any other provision of state or local law resulting in the conduct of elections or the receipt of political campaign contributions.

QUALIFIED RELATIVE

A spouse, parent, child, or sibling.

B. All Town elected officials, officials appointed to Town boards and commissions subject to this chapter, and employees are subject to this section.

<u>C.B.</u> Participation prohibitions.

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D.C. Employment and financial interest restrictions.

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E.D. Post-employment limitations and restrictions.

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F.E. Contingent compensation. Except in a judicial or quasi-judicial proceeding, an official or employee may not assist or represent a party for contingent compensation in any matter before or involving the Town.

G.F. Use of prestige of office.

- (1) An official or employee may not intentionally use the prestige of office or public position for the private gain of that official or employee or the private gain of another, <u>OR TO INFLUENCE</u>, EXCEPT AS PART OF THE OFFICIAL DUTIES OF THE OFFICIAL OR EMPLOYEE OR AS A <u>USUAL AND CUSTOMARY CONSTITUENT SERVICE WITHOUT ADDITIONAL COMPENSATION</u>, THE AWARD OF A STATE OR LOCAL CONTRACT TO A SPECIFIC PERSON.
- (2) AN OFFICIAL MAY NOT DIRECTLY OR INDIRECTLY INITIATE A SOLICITATION FOR A PERSON TO RETAIN THE COMPENSATED SERVICES OF A PARTICULAR REGULATED LOBBYIST OR LOBBYING FIRM.
- (3) AN OFFICIAL, OTHER THAN AN ELECTED OFFICIAL, OR EMPLOYEE MAY NOT USE PUBLIC RESOURCES OR THE TITLE OF THE OFFICIAL OR EMPLOYEE TO SOLICIT A CONTRIBUTION AS THAT TERM IS DEFINED IN THE ELECTION LAW ARTICLE.
- (4) AN ELECTED OFFICIAL MAY NOT USE PUBLIC RESOURCES TO SOLICIT A CONTRIBUTION AS THAT TERM IS DEFINED IN THE ELECTION LAW ARTICLE.
- (2)(5) This subsection does not prohibit the performance of usual and customary constituent services by an elected local official without additional compensation.

(H)(G) Solicitation and acceptance of gifts.

- (1) An official or employee may not solicit any gift.
- (2) <u>An official or employee may not directly solicit or facilitate the solicitation of a gift, on behalf of another person, from an individual regulated lobbyist.</u>
- $\frac{(2)(3)}{(2)}$ 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 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;
- (c) Is engaged in an activity regulated or controlled by the official's or employee's governmental unit;
- $\underline{\text{(D)}} \qquad \underline{\text{IS A LOBBYIST WITH RESPECT TO MATTERS WITHIN THE JURISDICTION OF THE}} \\ \text{OFFICIAL OR EMPLOYEE.}$
 - $\frac{(3)}{(4)}$ Section $\frac{H(4)}{G(5)}$ of this section does not apply to a gift:
 - (a) That would tend to impair the impartiality and the independence of

judgment of the official or employee receiving the gift;

- (b) Of significant value that would give the appearance of impairing the impartiality and independence of judgment of the official or employee; or
- (c) Of significant value that the recipient official or employee believes or has reason to believe is designed to impair the impartiality and independence of judgment of the official or employee.
- (4)(5) Notwithstanding Subsection H(3)G(4) of this section, an official or employee may accept the following:

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- <u>HH</u> Disclosure of confidential information. Other than in the discharge of official duties, an 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 and that is not available to the public, for the economic benefit of the official or employee or that of another person.
- J. Participation in procurement.
- (1) An individual or a person that employs an individual who assists a Town agency in the drafting of specifications, an invitation for bids, or a request for proposals for a procurement may not submit a bid or proposal for that procurement or assist or represent another person, directly or indirectly, who is submitting a bid or proposal for the procurement.
- (2) The Commission may establish exemptions from the requirements of this section for providing descriptive literature, sole-source procurements, and written comments solicited by the procuring agency.
- **Section 4. BE IT FURTHER ORDAINED AND ENACTED** by the Council of the Town of North Beach, that Chapter 9, "Ethics", of the North Beach Town Code, § 9-5, "Financial disclosure: local elected officials and candidates to be local elected officials.", shall be and hereby is amended as follows:
- § 9-5. Financial disclosure: local elected officials and candidates to be local elected officials.
- A. Applicability; filing.

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C. PUBLIC RECORD.

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(5) FOR STATEMENTS FILED AFTER JANUARY 1, 2019, THE COMMISSION OR THE OFFICE DESIGNATED BY THE COMMISSION MAY NOT PROVIDE PUBLIC ACCESS TO AN ADDRESS THAT THE INDIVIDUAL HAS DESIGNATED AS THE INDIVIDUAL'S HOME ADDRESS.

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E. Contents of statement.

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- (8) Sources of earned income.
- (a) A statement filed under this section shall include a schedule of the name and address of each place of employment and of each business entity of which the individual or a member of the individual's immediate family was a sole or partial owner and from which the individual or member of the individual's immediate family received earned income, at any time during the reporting period.
- (b) A minor child's employment or business ownership need not be disclosed if the agency that employs the individual <u>TOWN</u> does not regulate, exercise authority over, or contract with the place of employment or business entity of the minor child.
- (C) FOR A STATEMENT FILED ON OR AFTER JANUARY 1, 20 19, IF THE INDIVIDUAL'S SPOUSE IS A LOBBYIST REGULATED BY THE TOWN, THE INDIVIDUAL SHALL DISCLOSE THE ENTITY THAT HAS ENGAGED THE SPOUSE FOR LOBBYING PURPOSES.

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Section 5. BE IT FURTHER ORDAINED AND ENACTED by the Council of the Town of North Beach, that Chapter 9, "Ethics", of the North Beach Town Code, § 9-8, "Enforcement.", shall be and hereby is amended as follows:

§ 9-8. Enforcement.

A. The Commission may:

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- C. Court petition
- (1) Upon request by the Commission, the Town Attorney may file a petition for injunctive or other relief in the Circuit Court of Prince George's FOR CALVERT County, or in any other court having proper venue, for the purpose of requiring compliance with the provisions of this chapter.

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Section 6. BE IT FURTHER ORDAINED by the Council of the Town of North Beach, that this Ordinance shall become effective twenty (20) days after approval by the Mayor or passage by the Council over the Mayor's veto and that a fair summary of each ordinance shall be published at least twice in a county newspaper and also posted in the Town Hall.

By order of the Mayor and Council

Docusigned by:

Mike Benton, Mayor

ATTEST:
Docusigned by:

Stacy Milor

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Stacy Milor, Town Clerk