

## Chapter 2 PUBLIC ETHICS\*

-----  
\*Cross reference(s)--Personnel Code, Ch. 3.  
-----

Sec. 2-1. Short title.

Sec. 2-2. Applicability.

Sec. 2-3. Definitions.

Sec. 2-4. Ethics Commission.

Sec. 2-5. Conflicts of interest.

Sec. 2-6. Financial disclosure—Village elected officials and candidates to be Village elected officials.

Sec. 2-7. Financial disclosure—employees and appointed officials.

Sec. 2-8. Enforcement.

### **Sec. 2-1. Short title.**

This Chapter may be cited as the “Chevy Chase Village Public Ethics Ordinance”.

(No. 10-01-12, 12-10-12)

### **Sec. 2-2. Applicability.**

The provisions of this Chapter apply to all Village elected officials, employees, and appointees to boards and commissions of the Village.

(No. 10-01-12, 12-10-12)

### **Sec. 2-3. Definitions.**

In this Chapter, the following terms have the meanings indicated.

- (a) “Business entity” means:
  - (1) a corporation, general or limited partnership, sole proprietorship, joint venture, unincorporated association or firm, institution, trust, foundation, or other organization, whether or not operated for profit.
  - (2) “Business entity” does not include a governmental entity.
  - (3) “Business entity” includes a mutual fund or managed fund, the disclosure of which requires only information as to the fund itself, and not partnerships, corporations or other entities in which the fund has invested.
- (b) “Commission” means the Chevy Chase Village Ethics Commission established under section 2-4 of this Chapter.

- (c) "Compensation" means any money or thing of value, regardless of form, received or to be received by any individual covered by this Chapter from an employer for service rendered.
- (d) "Doing business with" means:
  - (1) Having or negotiating a contract that involves the commitment, either in a single or combination of transactions, of five thousand dollars (\$5,000) or more of Village controlled funds; or
  - (2) Being regulated by or otherwise subject to the authority of the Village.
- (e) "Elected official" means any individual who holds an elective office of the Village.
- (f) "Employee" means:
  - (1) an individual who is employed by the Village.
  - (2) "Employee" does not include an local elected official.
- (g) "Financial interest" means:
  - (1) Ownership of any interest as the result of which the owner has received, within the past three (3) years, or is presently receiving, or in the future is entitled to receive, more than one thousand dollars (\$1,000) per year; or
  - (2) Ownership, or the ownership of securities of any kind representing or convertible into ownership, of more than three percent (3%) of a business entity by a Village official or employee, or the spouse of an official or employee.
- (h) "Gift" means:
  - (1) the transfer of anything of economic value, regardless of the form, without adequate and lawful consideration.
  - (2) "Gift" does not include a political campaign contribution regulated under Election Law Article, Annotated Code of Maryland, or any other provision of State or local law regulating the conduct of elections or the receipt of political campaign contributions.
- (i) "Immediate family" means a spouse and dependent children.
- (j) "Interest" means:
  - (1) a legal or equitable economic interest, whether or not subject to an encumbrance or a condition, that is owned or held, in whole or in part, jointly or severally, directly or indirectly.
  - (2) For purposes of section 2-6 of this Chapter, "interest" includes any interest held at any time during the reporting period.
  - (3) "Interest" does not include:

- (i) An interest held in the capacity of a personal agent, custodian, fiduciary, personal representative, or trustee, unless the holder has an equitable interest in the subject matter;
  - (ii) An interest in a time or demand deposit in a financial institution;
  - (iii) An interest in an insurance policy, endowment policy, or annuity contract under which an insurer promises to pay a fixed amount of money either in a lump sum or periodically for life or a specified period;
  - (iv) A common trust fund or a trust which forms part of a pension or profit sharing plan which has more than twenty-five (25) participants and which has been determined by the Internal Revenue Service to be a qualified trust under the Internal Revenue Code; or
  - (v) A college savings plan under the Internal Revenue Code.
  - (vi) A mutual fund or exchange-traded fund that is publicly traded on a national scale unless the mutual fund or exchange-traded fund is composed primarily of holdings of stocks and interests in a specific sector or area that is regulated by the Village.
- (k) “Official” means an elected official, an employee of the Village, or a person appointed to or employed by the Village or any Village agency, board, commission, or similar entity:
- (1) Whether or not paid in whole or in part with Village funds; and
  - (2) Whether or not compensated.
- (l) “Person” includes an individual or business entity.
- (m) “Qualified relative” means a spouse, parent, child, brother, or sister.
- (n) “Quasi-governmental entity” means 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.

(No. 10-01-12, 12-10-12; No. 10-01-14, 12-08-14; No. 12-02-17, 01-08-18; No. 10-01-22, 10-10-22.)

**Sec. 2-4. Ethics Commission.**

- (a) There is a Village Ethics Commission that consists of three (3) members, appointed by the Chair of the Village with the concurrence of the Village Board of Managers.
- (b) The Commission members shall serve three (3) year overlapping terms.
- (c) A Commission member may serve until a successor is appointed and qualifies.
- (d) The Commission shall elect a chair from among its members.
  - (1) The term of the chair is one (1) year.
  - (2) The chair may be reelected.
- (e) The Village Attorney shall assist the Commission in carrying out the Commission’s duties.

(f) If a conflict of interest under section 2-5 of this Chapter or other conflict prohibits the Village Attorney from assisting the Commission in a matter, the Village shall provide sufficient funds for the Commission to hire independent counsel for the duration of the conflict.

(g) The Commission is the advisory body responsible for interpreting this Chapter and advising persons subject to this Chapter regarding its application.

(h) The Commission shall hear and decide, with the advice of the Village Attorney or other legal counsel if appropriate, all complaints filed regarding alleged violations of this Chapter by any person.

(i) The Commission shall conduct a public information and education program regarding the purpose and implementation of this Chapter.

(j) The Commission shall certify to the State Ethics Commission on or before October 1 of each year that the Village is in compliance with the requirements of State Government Article, Title 15, Subtitle 8, Annotated Code of Maryland, for local elected officials.

(k) The Commission shall:

- (1) Determine if changes to this Chapter are required to be in compliance with the requirements of State Government Article, Title 15, Subtitle 8, Annotated Code of Maryland; and
- (2) Shall forward any recommended changes and amendments to the Village Board of Managers for enactment.

(l) Any person subject to this Chapter may request an advisory opinion from the Commission concerning the application of this Chapter.

- (1) The Commission shall respond promptly to a request for an advisory opinion and shall provide interpretations of this Chapter based on the facts provided or reasonably available to the Commission within sixty (60) days of the request.
- (2) In accordance with all applicable State and Village laws regarding public records, the Commission shall publish or otherwise make available to the public copies of the advisory opinions, with the identities of the subjects deleted.
- (3) The Commission may adopt additional policies and procedures related to the advisory opinion request process.

(m) Any person may file a complaint with the Commission alleging a violation of any of the provisions of this Chapter.

- (1) A complaint shall be in writing and under oath.
- (2) The Commission may refer a complaint to the Village Attorney, or other legal counsel if appropriate, for investigation and review.
- (3) The Commission may dismiss a complaint if, after receiving an investigative report, the Commission determines that there are insufficient facts upon which to base a determination of a violation.
- (4) If there is a reasonable basis for believing a violation has occurred, the subject of the complaint shall be given an opportunity for a hearing conducted in accordance with the applicable Village rules of procedure.

- (5) A final determination of a violation resulting from the hearing shall include findings of fact and conclusions of law.
- (6) Upon finding of a violation, the Commission may take any enforcement action provided for in section 2-8 of this Chapter.
- (7) (i) After a complaint is filed and until a final finding of a violation by the Commission, all actions regarding a complaint are confidential.  
(ii) A finding of a violation is public information.
- (8) The Commission may adopt additional policies and procedures related to complaints, complaint hearings, the use of independent investigators and staff, the use of witness and document subpoenas, and cure and settlement agreements.

(n) The Commission may grant exemptions to or modifications of the conflict of interest and financial disclosure provisions of this Chapter to officials or employees serving as members of Village boards and commissions, when the Commission finds that the exemption or modification would not be contrary to the purposes of this Chapter, and the application of this Chapter would:

- (1) Constitute an unreasonable invasion of privacy; and
- (2) Significantly reduce the availability of qualified persons for public service.

(No. 10-01-12, 12-10-12)

**Sec. 2-5. Conflicts of interest.**

(a) In this section, “qualified relative” means a spouse, parent, child, or sibling.

(b) All Village elected officials, officials appointed to Village boards and commissions subject to this Chapter, and employees are subject to this section.

(c) Participation prohibitions. Except as permitted by Commission regulation or opinion, an official or employee may not participate in:

- (1) Except in the exercise of an administrative or ministerial duty that does not affect the disposition or decision of the matter, any matter in which, to the knowledge of the official or employee, the official or employee, or a qualified relative of the official or employee has an interest.
- (2) Except in the exercise of an administrative or ministerial duty that does not affect the disposition or decision with respect to the matter, any matter in which any of the following is a party:
  - (i) A business entity in which the official or employee has a direct financial interest of which the official or employee may reasonably be expected to know;
  - (ii) A business entity for which the official, employee, or a qualified relative of the official or employee is an officer, director, trustee, partner, or employee;

- (iii) A business entity with which the official or employee or, to the knowledge of the official or employee, a qualified relative is negotiating employment or has any arrangement concerning prospective employment.
  - (iv) If the contract reasonably could be expected to result in a conflict between the private interests of the official or employee and the official duties of the official or employee, a business entity that is a party to an existing contract with the official or employee, or which, to the knowledge of the official or employee, is a party to a contract with a qualified relative;
  - (v) An entity, doing business with the Village, in which a direct financial interest is owned by another entity in which the official or employee has a direct financial interest, if the official or employee may be reasonably expected to know of both direct financial interests; or
  - (vi) A business entity that:
    - (A) The official or employee knows is a creditor or obligee of the official or employee or a qualified relative of the official or employee with respect to a thing of economic value; and
    - (B) As a creditor or obligee, is in a position to directly and substantially affect the interest of the official or employee or a qualified relative of the official or employee.
- (3) A person who is disqualified from participating under paragraphs (1) or (2) of this subsection shall disclose the nature and circumstances of the conflict and may participate or act if:
- (i) The disqualification leaves a body with less than a quorum capable of acting;
  - (ii) The disqualified official or employee is required by law to act; or
  - (iii) The disqualified official or employee is the only person authorized to act.
- (4) The prohibitions of paragraphs 1 and 2 of this subsection do not apply if participation is allowed by regulation or opinion of the Commission.

(d) Employment and financial interest restrictions.

- (1) Except as permitted by regulation of the Commission when the interest is disclosed or when the employment does not create a conflict of interest or appearance of conflict, an official or employee may not:
  - (i) Be employed by or have a financial interest in any entity:
    - (A) Subject to the authority of the official or employee or the Village agency, board, commission with which the official or employee is affiliated; or
    - (B) That is negotiating or has entered a contract with the agency, board, or commission with which the official or employee is affiliated; or

- (ii) Hold any other employment relationship that would impair the impartiality or independence of judgment of the official or employee.

(2) This prohibition does not apply to:

- (i) An official or employee who is appointed to a regulatory or licensing authority pursuant to a statutory requirement that persons subject to the jurisdiction of the authority be represented in appointments to the authority;
- (ii) Subject to other provisions of law, a member of a board or commission in regard to a financial interest or employment held at the time of appointment, provided the financial interest or employment is publicly disclosed to the appointing authority and the Commission;
- (iii) An official or employee whose duties are ministerial, if the private employment or financial interest does not create a conflict of interest or the appearance of a conflict of interest, as permitted by and in accordance with regulations adopted by the Commission; or
- (iv) Employment or financial interests allowed by regulation of the Commission if the employment does not create a conflict of interest or the appearance of a conflict of interest or the financial interest is disclosed.

(e) Post-employment limitations and restrictions.

- (1) A former official or employee may not assist or represent any party other than the Village for compensation in a case, contract, or other specific matter involving the Village if that matter is one in which the former official or employee significantly participated as an official or employee.
- (2) A former member of the Village Board of Managers may not assist or represent another party for compensation in a matter that is the subject of legislative action for one (1) calendar year after the member of the Village Board of Managers leaves office.

(f) 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 Village.

(g) 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, or to influence, except as part of the official duties of the official or employee or as a usual and customary constituent service without additional compensation, the award of a 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) This subsection does not prohibit the performance of usual and customary constituent services by an local elected official without additional compensation.

(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, from an individual regulated lobbyist.
- (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:
  - (i) Is doing business with or seeking to do business with the Village office, agency, board, or commission with which the official or employee is affiliated;
  - (ii) 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;
  - (iii) Is engaged in an activity regulated or controlled by the official's or employee's governmental unit; or
  - (iv) Is an association, or any entity acting on behalf of an association, that is engaged only in representing counties or municipal corporations.
- (4) Paragraph (5) of this subsection does not apply to a gift:
  - (i) That would tend to impair the impartiality and the independence of judgment of the official or employee receiving the gift;
  - (ii) Of significant value that would give the appearance of impairing the impartiality and independence of judgment of the official or employee; or
  - (iii) 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.
- (5) Notwithstanding paragraph (3) of this subsection, an official or employee may accept the following:
  - (i) Meals and beverages consumed in the presence of the donor or sponsoring entity;
  - (ii) Ceremonial gifts or awards that have insignificant monetary value;
  - (iii) Unsolicited gifts of nominal value that do not exceed twenty dollars (\$20) in cost or trivial items of informational value;
  - (iv) Reasonable expenses for food, travel, lodging, and scheduled entertainment of the official or the employee at a meeting which is given in return for the participation of the official or employee in a panel or speaking engagement at the meeting;
  - (v) Gifts of tickets or free admission extended to an local elected official to attend a charitable, cultural, or political event, if the purpose of this gift or



admission is a courtesy or ceremony extended to the elected official's office;

- (vi) A specific gift or class of gifts that the Commission exempts from the operation of this subsection upon a finding, in writing, that acceptance of the gift or class of gifts would not be detrimental to the impartial conduct of the business of the Village and that the gift is purely personal and private in nature;
- (vii) Gifts from a person related to the official or employee by blood or marriage, or any other individual who is a member of the household of the official or employee; or
- (viii) Honoraria for speaking to or participating in a meeting, provided that the offering of the honorarium is not related in any way to the official's or employee's official position.

(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.

(j) Participation in procurement.

- (1) An individual or a person that employs an individual who assists a Village 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.

(k) An official or employee may not retaliate against an individual for reporting or participating in an investigation of a potential violation of the Village Public Ethics law.

(No. 10-01-12, 12-10-12; No. 12-02-17, 01-08-18; No. 10-01-22, 10-10-22.)

## **Sec. 2-6. Financial disclosure — Village elected officials and candidates to be Village elected officials.**

(a) This section applies to all Village elected officials and candidates to be Village elected officials.

(b) Except as provided in subsection (d) of this section, a Village elected official or a candidate to be a Village elected official shall file the financial disclosure statement required under this section:

- (1) On a form provided by the Commission, including electronically-generated schedules containing the information sought by the Commission;
- (2) Under oath or affirmation; and
- (3) With the Commission.

(c) Deadlines for filing statements.

- (1) An incumbent Village elected official shall file a financial disclosure statement annually no later than April 30 of each year for the preceding calendar year.
- (2) An individual who applies to fill a vacancy in an office for which a financial disclosure statement is required and who has not already filed a financial disclosure statement shall file a financial disclosure statement for the preceding calendar year with the certificate of appointment.
- (3) An individual who, other than by reason of death, leaves an office for which a financial disclosure statement is required shall file a statement within sixty (60) days after leaving the office.

(d) The financial disclosure statement required by this section shall cover:

- (1) The calendar year immediately preceding the year in which the individual left office, unless a statement covering that year has already been filed by the individual; and
- (2) The portion of the current calendar year during which the individual held the office.

(e) Candidates to be Village elected officials.

- (1) Except for an official who has filed a financial disclosure statement under another provision of this section for the reporting period, a candidate to be a Village elected official shall file a financial disclosure statement with the certificate of candidacy between February 15 and March 15 in the year of the election.
- (2) A candidate is not qualified unless a statement has been filed in proper form.
- (3) The financial disclosure form required by this section shall be reviewed by the Ethics Commission within ten (10) days of filing.

(f) Public record.

- (1) The Commission or office designated by the Commission shall maintain all financial disclosure statements filed under this section.
- (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:
  - (i) The name and home address of the individual reviewing or copying the statement; and
  - (ii) 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) For statements filed after January 1, 2019, the Commission or the office designated by the Commission may not provide public access to an individual's home address that the individual has designated as the individual's home address.
- (6) The Commission or office designated by the Commission shall not provide public access to information related to consideration received from:
  - (i) The University of Maryland Medical System;
  - (ii) a governmental entity of the state or a local government in the state; or
  - (iii) a quasi-governmental entity of the state or local government in the state.

(g) Retention requirements. The Commission or the office designated by the Commission shall retain financial disclosure statements for four (4) years from the date of receipt, except in the case of unsuccessful candidates for public office in which case such statements shall be retained for sixty (60) days after the election is final.

(h) Contents of statement.

- (1) Interests in real property.
  - (i) A statement filed under this section shall include a schedule of all interests in real property wherever located.
  - (ii) For each interest in real property, the schedule shall include:
    - (A) The nature of the property and the location by street address, mailing address, or legal description of the property;
    - (B) The nature and extent of the interest held, including any conditions and encumbrances on the interest;
    - (C) The date when, the manner in which, and the identity of the person from whom the interest was acquired;
    - (D) The nature and amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired;
    - (E) If any interest was transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the consideration received for the interest, and the identity of the person to whom the interest was transferred; and
    - (F) The identity of any other person with an interest in the property.
- (2) Interests in corporations and partnerships.
  - (i) A statement filed under this section shall include a schedule of all interests in any corporation, partnership, limited liability partnership, limited liability corporation, mutual fund, managed fund, or other business entity regardless of whether it does business with the Village.
  - (ii) For each interest reported under this paragraph, the schedule shall include:

- (A) The name and, if known, address of the principal office of the corporation, partnership, limited liability partnership, limited liability corporation, mutual fund, managed fund, or other business entity;
  - (B) The nature and amount of the interest held, including any conditions and encumbrances on the interest;
  - (C) With respect to any interest transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the consideration received for the interest, and, if known, the identity of the person to whom the interest was transferred; and
  - (D) With respect to any interest acquired during the reporting period:
    - 1. The date when, the manner in which, and, if known, the identity of the person from whom the interest was acquired; and
    - 2. The nature and the amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired.
- (iii) An individual may satisfy the requirement to report the amount of the interest held, transferred, or acquired under items (ii)(B) - (D) of this paragraph by reporting, instead of a dollar amount:
- (A) For an equity interest in a corporation, mutual fund, or managed fund, the number of shares held, transferred, or acquired and, unless the shares are publicly traded, the percentage or estimated percentage of equity interest held, transferred, or acquired; or
  - (B) For an equity interest in a partnership, the percentage or estimated percentage of equity interest held, transferred, or acquired.
- (3) Interests in business entities doing business with the Village.
- (i) A statement filed under this section shall include a schedule of all interests in any business entity that does business with the Village, other than interests reported under paragraph (2) of this subsection.
  - (ii) For each interest reported under this paragraph, the schedule shall include:
    - (A) The name and address of the principal office of the business entity;
    - (B) The nature and amount of the interest held, including any conditions to and encumbrances on the interest;
    - (C) With respect to any interest transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the consideration received in exchange for the interest, and, if known, the identity of the person to whom the interest was transferred; and
    - (D) With respect to any interest acquired during the reporting period:

1. The date when, the manner in which, and the identity of the person from whom the interest was acquired; and
  2. The nature and the amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired.
- (4) Gifts.
- (i) A statement filed under this section shall include a schedule of each gift in excess of twenty dollars (\$20) in value or a series of gifts totaling one hundred dollars (\$100) 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 Village or from an association, or any entity acting on behalf of an association that is engaged only in representing counties or municipal corporations.
  - (ii) For each gift reported, the schedule shall include:
    - (A) A description of the nature and value of the gift; and
    - (B) The identity of the person from whom, or on behalf of whom, directly or indirectly, the gift was received.
- (5) Employment with or interests in entities doing business with the Village.
- (i) A statement filed under this section shall include a schedule of all offices, directorships, and salaried employment by the individual or member of the immediate family of the individual held at any time during the reporting period with entities doing business with the Village.
  - (ii) For each position reported under this paragraph, the schedule shall include:
    - (A) The name and address of the principal office of the business entity;
    - (B) The title and nature of the office, directorship, or salaried employment held and the date it commenced; and
    - (C) The name of each Village agency with which the entity is involved.
- (6) Indebtedness to entities doing business with the Village.
- (i) A statement filed under this section shall include a schedule of all liabilities, excluding retail credit accounts, to persons doing business with the Village owed at any time during the reporting period:
    - (A) By the individual; or
    - (B) By a member of the immediate family of the individual if the individual was involved in the transaction giving rise to the liability.
  - (ii) For each liability reported under this paragraph, the schedule shall include:
    - (A) The identity of the person to whom the liability was owed and the date the liability was incurred;
    - (B) The amount of the liability owed as of the end of the reporting period;

- (C) The terms of payment of the liability and the extent to which the principal amount of the liability was increased or reduced during the year; and
  - (D) The security given, if any, for the liability.
- (7) A statement filed under this section shall include a schedule of the immediate family members of the individual employed by the Village in any capacity at any time during the reporting period.
  - (8) Sources of earned income.
    - (i) 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.
    - (ii) A minor child's employment or business ownership need not be disclosed if the agency that employs the individual does not regulate, exercise authority over, or contract with the place of employment or business entity of the minor child.
  - (9) 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.
  - (10) Relationship with University of Maryland Medical System, state or local government, or quasi-governmental entity.
    - (i) An individual shall disclose the information specified in General Provisions Article §5-607(j)(1), Annotated Code of Maryland, for any financial or contractual relationship with:
      - (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 local government in the state.
    - (ii) For each financial or contractual relationship reported, the schedule shall include:
      - (A) a description of the relationship;
      - (B) the subject matter of the relationship; and
      - (C) the consideration.

(i) For the purposes of section 2-6(h)(1), (2), and (3) 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 at any time during the applicable period, by:
  - (i) a business entity in which the individual held a ten percent (10%) or greater interest;

- (ii) a business entity described in section (i) of this subsection in which the business entity held a twenty five percent (25%) or greater interest;
  - (iii) a business entity described in section (ii) of this subsection in which the business entity held a fifty percent (50%) or greater interest; and
  - (iv) a business entity in which the individual directly or indirectly, through an interest in one or a combination of other business entities, holds a ten percent (10%) or greater interest.
- (3) An interest held by a trust or an estate in which, at any time during the reporting period:
- (i) The individual held a reversionary interest or was a beneficiary; or
  - (ii) If a revocable trust, the individual was a settlor.

(j) The Commission shall review the financial disclosure statements submitted under this section for compliance with the provisions of this section and shall notify an individual submitting the statement of any omissions or deficiencies. Any candidate for office notified that a statement is, or appears to the Commission to be, inaccurate or incomplete must provide the additional information required to the Commission or confirm the accuracy and completeness of the statement within five (5) days. If additional information is not provided or the accuracy and completeness of the information is not confirmed, in writing, within the required time to the satisfaction of the Commission that it is in compliance with the Ethics Code, then the candidate is deemed to be not qualified.

(k) The Village Ethics Commission may take appropriate enforcement action to ensure compliance with this section.

(l) An individual who is required to disclose the name of a business under this section shall also disclose any other names under which the business is trading or doing business.

(No. 10-01-12, 12-10-12; No. 10-01-14, 12-08-14, No. 04-02-16; No. 04-02-16, 07-11-16; No. 12-02-17, 01-08-18; No. 02-01-22, 02-14-22; No. 10-01-22, 10-10-22.)

**Sec. 2-7. Financial disclosure — employees and appointed officials.**

(a) This section only applies to the following appointed officials and employees of the Village: the Village Manager, the Director of Municipal Operations, the Finance Director, and the Chief of Police.

(b) A statement filed under this section shall be filed with the Commission under oath or affirmation.

(c) On or before April 30 of each year during which an official or employee holds office, an official or employee shall file a statement disclosing gifts received during the preceding calendar year from any person that contracts with or is regulated by the Village, including the name of the donor of the gift and the approximate retail value at the time of receipt.

(d) An official or employee shall disclose employment and interests that raise conflicts of interest or potential conflicts of interest in connection with a specific proposed action by the employee or official sufficiently in advance of the action to provide adequate disclosure to the public.

(e) The Commission shall maintain all disclosure statements filed under this section as public records available for public inspection and copying as provided in section 2-6(f) and (g) of this Chapter.

(No. 10-01-12, 12-10-12)

**Sec. 2-8. Enforcement.**

(a) The Commission may:

- (1) Assess a late fee of two dollars (\$2) per day up to a maximum of two hundred fifty dollars (\$250) for a failure to timely file a financial disclosure statement required under section 2-6 or 2-7 of this Chapter; and
- (2) Issue a cease and desist order against any person found to be in violation of this Chapter.

(b) Upon a finding of a violation of any provision of this Chapter, the Commission may:

- (1) Issue an order of compliance directing the respondent to cease and desist from the violation;
- (2) Issue a reprimand; or
- (3) Recommend to the appropriate authority other appropriate discipline of the respondent, including censure or removal if that discipline is authorized by law.

(c) Upon request of the Commission, the Village Attorney may file a petition for injunctive or other relief in the circuit court of Montgomery County, or in any other court having proper venue for the purpose of requiring compliance with the provisions of this Chapter.

(1) The court may:

- (i) Issue an order to cease and desist from the violation;
  - (ii) Except as provided in subparagraph (ii) of this paragraph, void an official action taken by an official or employee with a conflict of interest prohibited by this Chapter when the action arises from or concerns the subject matter of the conflict and if the legal action is brought within 90 days of the occurrence of the official action, if the court deems voiding the action to be in the best interest of the public; or
  - (iii) Impose a fine of up to five thousand dollars (\$5,000) for any violation of the provisions of this Chapter, with each day upon which the violation occurs constituting a separate offense.
- (2) A court may not void any official action appropriating public funds, levying taxes, or providing for the issuance of bonds, notes, or other evidences of public obligations.

(d) In addition to any other enforcement provisions in this Chapter, a person who the Commission or a court finds has violated this Chapter:

- (1) Is subject to termination or other disciplinary action; and
- (2) May be suspended from receiving payment of salary or other compensation pending full compliance with the terms of an order of the Commission or a court.

(e) A Village official or employee found to have violated this Chapter is subject to disciplinary or other appropriate personnel action, including removal from office, disciplinary action, suspension of salary, or other sanction.

(f) A finding of a violation of this Chapter by the Commission is public information.



**RESERVED**