



**TOWN COUNCIL INFORMATIONAL
WORK SESSION AGENDA
January 11, 2022**

This meeting is being conducted virtually to limit health risks of COVID-19.
To join the meeting via web join via <https://us02web.zoom.us/j/8697557180>.
To join by phone please call (301) 715-8592 and enter Meeting ID 869 755 7180.

I. Call to Order and Roll Call

II. Pledge of Allegiance

III. Informational discussion on the following:

1. Richfield Station Water Tower Change Order.
2. Snowplow Emergency Expenditure.
3. Town Council to consider cancelling the August 18 Town Meeting for summer break.
4. Town Council to consider moving the June 16th Town Meeting to June 9th due to a conflict with the Maryland Municipal League Conference.
5. Ethics Ordinance Amendments proposed by Ethics Commission.

IV. Council Lightning Round:

V. Adjournment

8200 BAYSIDE ROAD, P.O. BOX 400 CHESAPEAKE BEACH, MARYLAND 20732

(410) 257-2230

(301) 855-8398



To: The Honorable Mayor and Town Council
Subject: Richfield Station Water Tower Change Order
Date: January 7, 2022

From: Holly Wahl, Town Administrator

I. BACKGROUND:

The Town Council authorized a contract to K&K Painting to make repairs to the Richfield Station water tower in the amount of \$320,000, not to exceed \$328,625.

A recap of the proposals received in May of 2021 can be found below:

Contractor	Lump Sum
Manolis Painting, Inc.	\$ 363,845.00
Utility Service Co., Inc	\$ 735,800.00
K&K Painting	\$ 328,625.00
Minoan, Inc.	\$ 432,450.00
Surburban Contractors, LLC.	\$ 499,975.00
D&M Painting	\$ 398,940.00

The Town Council budgeted \$420,000 for this capital expenditure.

II. ADDITIONAL WORK REQUESTED:

During repairs, it was recognized that the interior of the tank needs to be addressed. Having the contractor address the interior of the tank will save the Town further mobilization fees of bringing a contractor back on site to make these repairs.

For this reason, staff requested a change order from the contractor to complete interior cleaning and patching.

It is recommended that the change order be granted in order to give the interior wet area a total wash out with a low-pressure power wash. Once this work is completed, we will be able to survey the tank walls and floor for any more corrosion.

III. FISCAL IMPACT:

Town staff is requesting that Town Council authorize a change in the amount of \$15,000 to perform the clean out. This cost is within the budgeted amount for FY22 and does not require an y additional allocation of funds.



To: The Honorable Mayor and Town Council
Subject: Emergency Snow Removal Expenditure
Date: January 7, 2022

From: Holly Wahl, Town Administrator

I. BACKGROUND:

The Town Council budgeted \$40,000 in funds for snow & ice removal in FY22. To date, less than \$500 has been spent from this fund in FY22. On January 3rd, 2022 the Town encountered a snow event that resulted in approximately a foot of snow.

The Town utilized Windmill Farms to augment Town of Chesapeake Beach Public Work crew members and equipment under a set hourly and equipment rate in the same manner that the Town has operated in the past during snow events.

II. FISCAL IMPACT:

Town staff is requesting authorization of Town Council to pay a bill for January 3rd, 2022 that totals \$11,602.50 for 112.50-man hours clearing roadways and sidewalks. These funds would come from the FY22 Snow and Ice Removal line item of the General Fund budget, are within budget, and do not require any further allocation of funds.

Exhibit "A"

Windmill Farms

1025 E CHESAPEAKE BEACH RD
 P.O. BOX 549
 OWINGS, MD 20736
 410-257-9343

Invoice

Date	Invoice #
1/6/2022	1788

Bill To
Town of Chesapeake Beach P.O. Box 400 Chesapeake Beach, MD 20732

P.O. No.	Terms	Project

Quantity	Description	Rate	Amount
	ATTN: JAY BERRY REF: SNOW REMOVAL - 1/3/2022 - Day 1 The following is an invoice to supply all labor, equipment and supervision necessary to assist the Town of Chesapeake Beach Public Works Department in efforts to remove snow from streets and sidewalks.	0.00	0.00
1	Lee K. - Operator - 4 am - 5 am stand by mode	65.00	65.00
13	Lee K. - Operator - 5am - 6 pm - active	65.00	845.00
1	Ronald C. - Operator - 4am - 5am stand by mode	65.00	65.00
13	Ronald C. - Operator - 5am - 6pm - active	65.00	845.00
1	Chris M. - Operator - 4am - 5am - stand by mode	65.00	65.00
13	Chris M. - Operator - 5am - 6pm - active	65.00	845.00
1	Les K. - Operator 4am - 5am - stand by mode	65.00	65.00
15	Les K. - Operator 5am - 8pm - active	65.00	975.00
1	Mike W. - 3/4 ton plow w/spreader - 4am - 5am -stand by mode	145.00	145.00
16	Mike W. - 3/4 ton plow w/spreader - 5am - 9pm - active	145.00	2,320.00
1	Ben G. - 3/4 ton plow w/spreader - 4am - 5am - stand by mode	145.00	145.00
15.5	Ben G. - 3/4 ton plow w/spreader - 5am - 8:30pm - active	145.00	2,247.50
11	Chris P. - 1 1/2 ton plow 7am - 6pm - active	145.00	1,595.00
11.5	Victor R. - sidewalk labor - 7am - 6:30pm - active	60.00	690.00
11.5	Anibal F. - sidewalk labor - 7am - 6:30pm - active	60.00	690.00
		Total	\$11,602.50



To: The Honorable Mayor and Town Council

From: Holly Wahl, Town Administrator

Subject: Ethics Commission Proposed Amendments to the Ethics Ordinance

Date: January 7, 2022

I. BACKGROUND:

Attached is a set of amendments the Ethics Commission recommends be made to the Town of Chesapeake Beach Ethics Ordinance. The following summarizes the changes and provides the reasons for them, as stated by the Ethics Commission.

II. SUMMARY OF AMENDMENTS:

Because the required disclosures go beyond purely financial matters, the Ethics Commission suggests changing the phrase “financial disclosures” to “public disclosures” throughout the ordinance. The specific sections where this would happen are:

§ 25-12.A(1)

§ 25-12.b

Article IV title

§ 25-32.A(1)

§ 25-32.A(2)

§ 25-32.B(1)

§ 25-34

§ 25-36

§ 25-38

Section 25-16 addresses advisory opinions. In Section 25-16.B. the Ethics Commission recommends expanding the situations where a person may request an advisory opinion to situations where conduct “might present” a conflict of interest as opposed to the current situation where conduct “presents” a conflict of interest.

The ethics commission suggests two amendments to § 25-23.B., which currently states employment and financial interest restrictions. First, in the lead sentence of B., the Ethics Commission would extend the coverage from just being employed or having financial interest in particular entities, by adding “or serve as an officer or director” of such an entity. It seems clear that an official should not be in the position of benefiting an entity he or she is responsible for operating. Second, the Ethics Commission would add to the list of entities any “that requests or receives a grant or other funding from the Town.” The inherent conflict is as clear here as when an official is employed by an entity that has a contract with the



Town. Consistent with these changes, the ethics commission recommends changing the heading of §25-23 to “Employment, service and financial restrictions.”

Section 25-26 currently bars certain persons from intentionally using the prestige of office for certain reasons. The Ethics Commission would change the wording to “knowingly or intentionally.” We think the bar should be enforced even if conscious intent to violate it cannot be proven.

Section 26-27.B. currently bars the receipt of a gift from certain people. The Ethics Commission would change that to “a person or entity.” That makes explicit what is currently implicit. The Ethics Commission would add a § 25-27.B.(4) to bar the receipt of gifts from an entity that “has or is likely to request or receive a grant or other funding from the town.” The Ethics Commission thinks it clear that potential grant recipients should not give, or be expected to give, gifts to officials who have a say in whether the grant would be provided.

In § 25-32.B. the Ethics Commission would change the disclosure requirements for candidates to cover both the preceding calendar year and the current calendar year through July 31. In § 25-32.B.(1) the Ethics Commission would remove the sentence barring the Board of Elections from issuing a certificate of candidacy in certain cases. That is covered by the election code. Current § 25-32.B.(2) should be removed because its subject is also covered by the election code. Finally, current § 25-32.B.(3) should be eliminated because it incorrectly implies that either the Ethics Commission or the Board of Elections can bar an otherwise qualified candidate from the ballot based on deficiencies in his or her public disclosures.

In § 25-33.A. and B. we suggest making explicit that the content of the disclosure statement to be filed by candidates is the same as that of the statements filed by elected officials.

The Ethics Commission suggests several changes in § 25-34. First refer to the person filing the statement as “the filer.” Second, the Ethics Commission makes clear that a disclosure statement is deficient if it is unsigned or there is a failure to complete each form. Third, the Ethics Commission would eliminate the no-longer necessary special deadline for candidates to remedy deficiencies. Fourth, the Ethics Commission would suggest expressly requiring that the Commission investigate any violations of the ethics ordinance that appear to be revealed in a person’s disclosures.

The current § 25-35 authorizes imposing a late fee for failures to timely file disclosures. The Ethics Commission suggest making that one of the remedies provided for in the enforcement section.

The Ethics Commission suggest clarifying the current § 25-36 (future § 25-35) to require the Commission to investigate possible violations of the ethics ordinance, based on any information available, including information provided in public disclosure statements.

The current § 25-37 says that when the commission refers a possible criminal offense to a prosecuting authority we must “stay its own investigation.” The Ethics Commission are suggesting two changes. One, makes clear that the stay ends if the prosecuting authority says a stay is no longer necessary. The other recognizes that the commission has nothing to stay if it has already reached a decision.

§ 25-37. Potential criminal offense.

If the commission finds at any time that there are reasonable grounds to believe that a covered person may have committed a criminal offense, such as bribery, perjury, corrupt behavior, or other misconduct in office, it shall promptly refer the matter to an appropriate prosecuting authority. and stay its own investigation. If the referral



occurs before the commission has reached a decision under § 25-39, the commission shall immediately stay its proceedings until informed by the prosecuting authority that the stay is no longer necessary.

The current § 25-38, which the Ethics Commission would leave unchanged, provides that if the commission finds a reasonable basis for believing there has been a violation, it shall make an effort to resolve the matter informally. The current § 25-39 then provides that if the efforts to resolve the matter are unsuccessful, the commission may petition the circuit court “to enforce compliance and punish violations.” What is missing is any actual finding by the commission that the respondent is actually guilty of the alleged offense. The reason for the omission was our belief that if guilt or innocence depends on contested facts, we don’t have the competence to hold a fair and credible hearing.

The first proposed change is to say that if there are no material facts in dispute (which means there is no need to hold an evidentiary hearing), the Ethics Commission can issue a decision after hearing arguments from the parties and other interested people.

Second, the Ethics Commission would provide that if a hearing is necessary, the Ethics Commission would ask the town to pay for a qualified person to hold the hearing and recommend findings of fact. If that happens, the Ethics Commission would hear arguments and then decide the case.

Third, the Ethics Commission allows for the possibility that the town will refuse to pay for an independent hearing examiner. The commission would have the option of closing the case without a decision or determine that the nature of the factual dispute is such that one of its members could competently preside over a hearing. In the latter case, the hearing would be held, arguments heard, and a decision rendered.

Subsections D. and E. identify the remedies and punishments that can be provided by the Commission and the courts, respectively. In D.(1), a late fee of \$5 per day can be assessed for delays in filing disclosures or in remedying deficiencies, up to a total of \$500. Subsection D.(2) authorizes the Commission to issue cease and desist orders, and D.(3) authorizes the Commission to issue reprimands. Subsections D.(4) and (5) authorize the Commission to recommend certain punishments, recognizing that the Commission should not have the authority to impose those punishments itself.

Subsection E. begins by recognizing that the Town, not the Commission, can seek remedies from a court. Those remedies include, subsection E.(1), issuance of a judicial cease and desist order. Subsections E.(2) and E.(3) authorize the court to suspend payments of compensation and order removal of the respondent from his or her position. Subsection E.(4) is the same as the current § 25-39B.(2) provision for voiding official action, but changing the deadline for seeking that relief from 90 days to 180 days. Subsection B.(5) carries over the current § 25-39B.(3), authorizing imposition of a \$5,000 fine.

Enclosures: **Exhibit “A”** the current adopted Ethics Ordinance

Exhibit “B” the proposed amendments to the Ethics Ordinance

ORDINANCE O-20-5

AN ORDINANCE OF THE TOWN COUNCIL OF CHESAPEAKE BEACH, MARYLAND, REPEALING IN ITS ENTIRETY AND REENACTING CHAPTER 25, "ETHICS, PUBLIC," OF THE CHESAPEAKE BEACH CODE, TO COMPLY WITH MD CODE ANN., GENERAL PROVISIONS ARTICLE, TITLE 5, AND TO MEET THE TOWN'S NEED FOR ETHICAL AND EFFICIENT GOVERNMENT; AND MATTERS GENERALLY RELATING TO PUBLIC ETHICS FOR OFFICIALS, APPOINTEES AND EMPLOYEES OF THE TOWN

WHEREAS, pursuant to Md. Code Ann., Local Gov't. Article, § 5-202, Chesapeake Beach ("the Town") has the authority to pass such ordinances as it deems necessary to preserve peace and good order, to secure persons from danger and destruction and to protect the health, comfort and convenience of the citizens of the municipality; and

WHEREAS, the Maryland Public Ethics Law ("the State Public Ethics Law"), Md. Code Ann., Gen. Provs. Art., Title 5, Subtitle 8, Part II, "Public Ethics Laws for Counties and Municipal Corporations," states that the express powers contained in the Local Gov't. Article are intended and shall be deemed to incorporate and include the power and authority contained in the State Public Ethics Law"; and

WHEREAS, the State Public Ethics Law requires that Town elected officials, Town employees and certain persons appointed to Town Boards and Commissions be subject to conflict of interest prohibitions and certain financial disclosure requirements; and

WHEREAS, the Maryland Public Ethics Law requires that the Town adopt an ethics ordinance with conflict of interest and public disclosure provisions that are at least equivalent to or exceed the requirements of the State law for state officials and employees; and

WHEREAS, the Town previously enacted and amended a public ethics ordinance for Chesapeake Beach by Ordinance Nos. O-16-11 and O-17-15; and

WHEREAS, the Town wishes to exercise its discretion to adopt provisions of its public ethics ordinance which exceed the requirements of State law for State officials and employees and to make other revisions to the Town's public ethics ordinance.

Section 1. NOW THEREFORE BE IT ORDAINED AND ENACTED by the Town Council of Chesapeake Beach, that Chapter 25, "Ethics, Public," of the Chesapeake Beach Code is repealed in its entirety and re-enacted to read as follows:

CHAPTER 25. ETHICS, PUBLIC

ARTICLE I APPLICABILITY, PURPOSES, AND DEFINITIONS

§ 25-1 APPLICABILITY

THE PROVISIONS OF THIS CHAPTER APPLY TO ALL TOWN ELECTED AND APPOINTED OFFICIALS, CANDIDATES FOR ELECTION, EMPLOYEES, AND TO APPOINTEES TO BOARDS AND COMMISSIONS OF THE TOWN.

§ 25-2 PURPOSES

THE PURPOSES OF THIS CHAPTER ARE:

- (A) TO MAKE IT AS DIFFICULT AS POSSIBLE FOR ANY OFFICIAL OR EMPLOYEE OF THE TOWN TO ACT CORRUPTLY;
- (B) TO MAKE IT AS EASY AS POSSIBLE FOR CORRUPTION TO BE DETECTED AND PUNISHED AND ITS EFFECTS REMEDIED; AND
- (C) TO FACILITATE THE CLARIFICATION OF AMBIGUOUS SITUATIONS, SO THAT OFFICIALS AND EMPLOYEES CAN HONESTLY CARRY OUT THEIR DUTIES DESPITE ERRONEOUS APPEARANCES OF POSSIBLE IMPROPRIETIES.

§ 25-3 DEFINITIONS

(A) *IN GENERAL*. — IN THIS CHAPTER, THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED UNLESS:

- (1) THE CONTEXT CLEARLY REQUIRES A DIFFERENT MEANING; OR
- (2) A DIFFERENT DEFINITION IS ADOPTED FOR A PARTICULAR PROVISION.

(B) *APPOINTED OFFICIAL* MEANS:

- (1) THE TOWN ADMINISTRATOR;
- (2) TOWN CLERK;
- (3) TOWN TREASURER;
- (4) TOWN ATTORNEY;
- (5) ANY SPECIAL COUNSEL APPOINTED BY THE MAYOR;
- (6) TOWN ZONING ADMINISTRATOR;
- (7) TOWN ENGINEER;
- (8) TOWN CODE ENFORCEMENT OFFICIAL;
- (9) ALL TOWN DEPARTMENT DIRECTORS;
- (10) MEMBERS OF THE TOWN PLANNING COMMISSION, BOARD OF APPEALS, BOARD OF ELECTIONS, AND ETHICS COMMISSION.

(C) *BOARD* OR *COMMISSION* MEANS A UNIT COMPOSED OF AT LEAST TWO MEMBERS, ALL OF WHOM ARE APPOINTED AND SERVE ON A PART-TIME BASIS.

(D) *BUSINESS ENTITY* MEANS A PERSON OR COMPANY ENGAGED IN BUSINESS, WHETHER PROFIT OR NONPROFIT, REGARDLESS OF FORM.

(E) *CLOSE RELATIVE* MEANS ONE'S PARENTS, SPOUSE, DOMESTIC PARTNER, SIBLINGS, AND CHILDREN.

(F) *COMMISSION: SEE "BOARD OR COMMISSION."*

(G) *COMPENSATION* MEANS MONEY OR ANY OTHER VALUABLE THING, REGARDLESS OF FORM, RECEIVED OR TO BE RECEIVED BY A PERSON FROM AN EMPLOYER FOR SERVICES RENDERED.

(H) *CONFLICT OF INTEREST* MEANS THAT (1) A COVERED PERSON, (2) A CLOSE RELATIVE OF THE PERSON, OR (3) AN ORGANIZATION OR ENTITY TO WHICH THE COVERED PERSON OWES A FIDUCIARY DUTY, HAS INTERESTS WHICH DIFFER FROM THOSE OF THE TOWN WITH RESPECT TO A SPECIFIC MATTER.

(I) *CONTINGENT COMPENSATION FOR REPRESENTATION* MEANS COMPENSATION DEPENDENT ON THE SUCCESS OF THE REPRESENTATION.

(J) *COVERED PERSON* MEANS, AN ELECTED OFFICIAL, ANOTHER OFFICIAL, OR AN EMPLOYEE.

(K) *EARNED INCOME* HAS THE SAME MEANING AS UNDER FEDERAL TAX LAW. IT INCLUDES WAGES, SALARIES, TIPS, STRIKE BENEFITS, LONG TERM DISABILITY BENEFITS RECEIVED PRIOR TO MINIMUM RETIREMENT AGE, AND NET EARNINGS FROM SELF-EMPLOYMENT FROM A BUSINESS OR FARM OWNED BY THE PERSON. IT DOES NOT INCLUDE, INTEREST, DIVIDENDS, RETIREMENT INCOME, SOCIAL SECURITY, UNEMPLOYMENT BENEFITS, ALIMONY, OR CHILD SUPPORT.

(L) *ELECTED OFFICIAL* MEANS THE MAYOR, THE MAYOR-ELECT, OR A MEMBER OR MEMBER-ELECT OF THE TOWN COUNCIL.

(M) *EMPLOYEE* MEANS A PERSON WHO IS EMPLOYED BY THE TOWN BUT DOES NOT INCLUDE AN ELECTED PUBLIC OFFICIAL.

(N) *EMPLOYER* MEANS AN ENTITY THAT PAYS OR AGREES TO PAY COMPENSATION TO ANOTHER ENTITY FOR SERVICES RENDERED.

(O) *ENTITY* MEANS A PERSON, A COMPANY, OR A GOVERNMENT OR INSTRUMENTALITY OF GOVERNMENT.

(P) *ENTITY DOING BUSINESS WITH THE TOWN* MEANS AN ENTITY WHICH HAS A CONTRACT WITH THE TOWN, HAS SOLD THE TOWN ANY GOODS OR SERVICES, OR HAS PROPOSED A CONTRACT OR SALE OF GOODS OR SERVICES.

(Q) *ETHICS COMMISSION* MEANS THE TOWN ETHICS COMMISSION.

(R) *FINANCIAL INTEREST* MEANS:

(1) OWNERSHIP OF AN INTEREST AS THE RESULT OF WHICH THE OWNER HAS RECEIVED WITHIN THE PAST 3 YEARS, IS CURRENTLY RECEIVING, OR IN THE FUTURE IS ENTITLED TO RECEIVE, MORE THAN \$1,000 PER YEAR; OR

(2) OWNERSHIP OF MORE THAN 3% OF A BUSINESS ENTITY BY A COVERED PERSON OR HIS OR HER SPOUSE; OR

(3) OWNERSHIP OF SECURITIES OF ANY KIND THAT REPRESENT, OR ARE CONVERTIBLE INTO, OWNERSHIP OF MORE THAN 3% OF A BUSINESS ENTITY BY A COVERED PERSON OR HIS OR HER SPOUSE.

(S) *GIFT* MEANS THE TRANSFER OF ANYTHING OF ECONOMIC VALUE, REGARDLESS OF FORM, WITHOUT ADEQUATE AND LAWFUL CONSIDERATION.

(T) *HONORARIUM* MEANS MONEY OR A THING OF VALUE, EXCEPT A PAYMENT FOR WRITING A BOOK THAT HAS BEEN OR IS INTENDED TO BE PUBLISHED, THAT IS TRANSFERRED TO A PERSON FOR:

(1) SPEAKING TO, PARTICIPATING IN, OR ATTENDING A MEETING OR OTHER FUNCTION; OR

(2) WRITING AN ARTICLE THAT HAS BEEN OR IS INTENDED TO BE PUBLISHED.

(U) *INTEREST* MEANS A LEGAL OR EQUITABLE ECONOMIC INTEREST THAT IS OWNED OR HELD WHOLLY OR PARTLY, JOINTLY OR SEVERALLY, OR DIRECTLY OR INDIRECTLY, WHETHER OR NOT THE ECONOMIC INTEREST IS SUBJECT TO AN ENCUMBRANCE OR CONDITION. *INTEREST* DOES NOT INCLUDE:

(1) AN INTEREST HELD IN THE CAPACITY OF AGENT, CUSTODIAN, FIDUCIARY, PERSONAL REPRESENTATIVE, OR TRUSTEE, UNLESS THE HOLDER HAS AN EQUITABLE INTEREST IN THE SUBJECT MATTER;

(2) AN INTEREST IN A TIME OR DEMAND DEPOSIT IN A FINANCIAL INSTITUTION; AN INTEREST IN AN INSURANCE POLICY, ENDOWMENT POLICY, OR ANNUITY CONTRACT BY WHICH AN INSURER PROMISES TO PAY A FIXED AMOUNT OF MONEY IN A LUMP SUM OR PERIODICALLY FOR LIFE OR A SPECIFIED PERIOD;

(3) A COMMON TRUST FUND OR A TRUST THAT FORMS PART OF A PENSION OR A PROFIT-SHARING PLAN THAT:

[A] HAS MORE THAN 25 PARTICIPANTS; AND

[B] IS DETERMINED BY THE INTERNAL REVENUE SERVICE TO BE A QUALIFIED TRUST OR COLLEGE SAVINGS PLAN UNDER THE INTERNAL REVENUE CODE; OR

(4) A MUTUAL FUND THAT IS PUBLICLY TRADED ON A NATIONAL SCALE UNLESS THE MUTUAL FUND IS COMPOSED PRIMARILY OF HOLDINGS OF STOCKS AND INTERESTS IN A SPECIFIC SECTOR OR AREA THAT IS REGULATED BY THE PERSON'S GOVERNMENTAL UNIT.

(V) *INTEREST ATTRIBUTABLE*. THE FOLLOWING ARE DEEMED TO BE THE INTERESTS OF A PERSON COVERED BY THIS CHAPTER:

(1) AN INTEREST OF A CLOSE RELATIVE IN WHICH THE COVERED PERSON (OR AN ENTITY IN WHICH THE COVERED PERSON HELD A GREATER THAN 50% INTEREST) HELD A GREATER THAN 50% INTEREST AT ANY TIME DURING THE APPLICABLE PERIOD;

(2) AN INTEREST HELD BY A BUSINESS ENTITY IN WHICH THE COVERED PERSON HELD A 30% OR GREATER INTEREST AT ANY TIME DURING THE APPLICABLE PERIOD.

(3) AN INTEREST HELD BY A TRUST OR ESTATE IN WHICH, AT ANY TIME DURING THE APPLICABLE PERIOD, THE COVERED PERSON WAS A BENEFICIARY OR HELD A REVERSIONARY INTEREST OR, IF A REVOCABLE TRUST, WAS A SETTLOR.

(W) *LEGISLATIVE ACTION* MEANS AN OFFICIAL ACTION, INCLUDING INTRODUCTION, SPONSORSHIP, CONSIDERATION, DEBATE, AMENDMENT, PASSAGE, DEFEAT, APPROVAL, AND VETO, OR NON-ACTION RELATING TO:

(1) AN ORDINANCE, A RESOLUTION, AN AMENDMENT, A NOMINATION, AN APPOINTMENT, A REPORT, OR ANY OTHER MATTER WITHIN THE JURISDICTION OF THE TOWN COUNCIL;

(2) AN ORDINANCE PRESENTED TO THE MAYOR FOR SIGNATURE OR VETO; OR

(3) TESTIMONY OR OTHER ADVOCACY IN AN OFFICIAL CAPACITY AS A MEMBER OF THE TOWN COUNCIL BEFORE A UNIT OF STATE OR LOCAL GOVERNMENT.

(X) *OBLIGEE* MEANS AN ENTITY TO WHOM A DEBT OR OTHER MONETARY OBLIGATION IS OWED.

(Y) *POLITICAL CONTRIBUTION* MEANS A CONTRIBUTION AS DEFINED IN § 1-101 OF THE MARYLAND ELECTION LAW ARTICLE.

(Z) *PROCUREMENT CONTRACT* HAS THE MEANING STATED IN § 11-101 OF THE MARYLAND STATE FINANCE AND PROCUREMENT ARTICLE.

(AA) *PUBLIC OFFICIAL* MEANS AN ELECTED OFFICIAL OR APPOINTED OFFICIAL.

(BB) *RESPONDENT* MEANS ANYONE WHO IS THE SUBJECT OF A COMPLAINT BEFORE THE ETHICS COMMISSION.

ARTICLE II ETHICS COMMISSION

§ 25-4. ETHICS COMMISSION

THERE IS A CHESAPEAKE BEACH ETHICS COMMISSION CONSISTING OF THREE MEMBERS, APPOINTED BY THE MAYOR WITH THE APPROVAL OF THE COUNCIL.

§ 25-5 TERMS

THE CURRENTLY SERVING COMMISSIONERS WERE APPOINTED IN 2017 TO FIVE YEAR TERMS. THE TERMS OF THE CURRENT COMMISSIONERS ARE CONTINUED. UPON THE EXPIRATION OF THE TERMS OF THE CURRENT COMMISSIONERS, ONE MEMBER OF THE COMMISSION SHALL BE APPOINTED TO A ONE YEAR TERM, ONE MEMBER SHALL BE APPOINTED TO A THREE YEAR TERM, AND ONE MEMBER SHALL BE APPOINTED TO A FIVE YEAR TERM. UPON THE EXPIRATION OF EACH OF THOSE TERMS, APPOINTMENTS SHALL BE FOR THREE YEAR TERMS.

§ 25-6 REMOVAL OF MEMBERS OF THE ETHICS COMMISSION

ANY MEMBER OF THE ETHICS COMMISSION CAN BE REMOVED BY THE COUNCIL FOR GOOD CAUSE, INCLUDING, BUT NOT LIMITED TO, MALFEASANCE, MISFEASANCE, AND NONFEASANCE, AFTER WRITTEN NOTICE AND OPPORTUNITY FOR HEARING BEFORE THE TOWN COUNCIL.

§ 25-7 VACANCIES

VACANCIES SHALL BE FILLED BY APPOINTMENT BY THE MAYOR WITH THE APPROVAL OF THE COUNCIL. VACANCIES SHALL BE FILLED FOR THE BALANCE OF THE UNEXPIRED TERM.

§ 25-8 QUORUM

EXCEPT AS PROVIDED ELSEWHERE IN THIS CHAPTER, A QUORUM SHALL CONSIST OF TWO MEMBERS OF THE COMMISSION, AND MOTIONS SHALL BE PASSED BY MAJORITY VOTE.

§ 25-9 DUTIES OF COMMISSION

THE COMMISSION SHALL:

- (A) DEVISE, RECEIVE, AND MAINTAIN ALL FORMS REQUIRED BY THIS CHAPTER.
- (B) PROVIDE ADVISORY OPINIONS IN APPROPRIATE CASES.
- (C) DEVELOP PROCEDURES AND POLICIES FOR THE PROCESSING OF COMPLAINTS TO MAKE APPROPRIATE DETERMINATIONS REGARDING COMPLAINTS FILED BY ANY PERSON ALLEGING VIOLATIONS OF THIS CHAPTER.
- (D) CONDUCT A PUBLIC INFORMATION PROGRAM REGARDING THE PURPOSES AND APPLICATION OF THIS CHAPTER.
- (E) SUBMIT A REPORT ON ITS ACTIVITIES AT EACH MEETING OF THE TOWN COUNCIL.
- (F) CONSULT WITH THE STATE ETHICS COMMISSION AND OTHERS REGARDING POSSIBLE IMPROVEMENTS IN THE TOWN'S ETHICS PROGRAM.
- (G) CERTIFY TO THE STATE ETHICS COMMISSION ON OR BEFORE OCTOBER 1 OF EACH YEAR THAT THE TOWN IS IN COMPLIANCE WITH THE STATE PUBLIC ETHICS LAW, OR, IF NOT IN COMPLIANCE, THE STATUS OF EFFORTS TO BRING IT INTO COMPLIANCE.
- (H) CONSIDER WHETHER CHANGES SHOULD BE MADE TO THIS CHAPTER AND, IF SO, SHALL RECOMMEND THOSE CHANGES TO THE TOWN COUNCIL FOR CONSIDERATION. THE COUNCIL RETAINS FULL DISCRETION ON ACTING ON THE COMMISSION'S RECOMMENDATION.
- (I) ADOPT OTHER POLICIES AND PROCEDURES TO ASSIST IN THE IMPLEMENTATION OF THE COMMISSION'S PROGRAMS ESTABLISHED IN THIS CHAPTER.

§ 25-10 LEGAL COUNSEL

- (A) THE MAYOR SHALL ASSIGN INDEPENDENT LEGAL COUNSEL TO ADVISE AND REPRESENT THE COMMISSION.
- (B) EFFECTIVE JANUARY 1, 2021, AN ATTORNEY OR LAW FIRM IS NOT INDEPENDENT IF, CURRENTLY OR WITHIN THE PREVIOUS CALENDAR YEAR, HE, SHE, OR IT HAS REPRESENTED OR ADVISED, OTHER THAN THE ETHICS COMMISSION:
 - (1) ANYONE COVERED BY THIS CHAPTER;
 - (2) THE MAYOR OR TOWN COUNCIL AS AN INSTITUTION; OR
 - (3) ANY ENTITY THAT DID, OR PROPOSED TO DO, BUSINESS WITH THE TOWN.

§ 25-11 INVESTIGATOR

THE COMMISSION MAY REQUEST THE TOWN TO PROVIDE A PRIVATE INVESTIGATOR WHEN NEEDED TO DISCOVER FACTS RELEVANT TO AN ALLEGATION OF VIOLATION OF THIS CHAPTER.

§ 25-12 RECORDS

(A) THE TOWN CLERK OR OTHER TOWN OFFICIAL DESIGNATED BY THE MAYOR SHALL MAINTAIN, AND MAKE AVAILABLE FOR PUBLIC REVIEW ELECTRONICALLY:

- (1) FINANCIAL DISCLOSURES MADE TO IT;
- (2) STATEMENTS OF RECUSAL OR EXCEPTION;
- (3) AND WITH REDACTIONS TO PROTECT INVASIONS OF PRIVACY, ADVISORY OPINIONS IT ISSUES.

(B) FINANCIAL DISCLOSURES STATEMENTS MUST BE RETAINED FOR AT LEAST FOUR YEARS FROM THE DATE OF RECEIPT.

ARTICLE III CONFLICTS OF INTEREST.

§ 25-13 COVERAGE OF ARTICLE

(A) ALL TOWN ELECTED OFFICIALS, APPOINTED OFFICIALS, AND EMPLOYEES ARE SUBJECT TO THIS ARTICLE.

(B) WHEN A POSITION IS FILLED THROUGH A CONTRACT WITH A FIRM, THE FIRM ITSELF, AS WELL AS THE PERSON ASSIGNED TO PERFORM THE DUTIES OF THE OFFICE, IS SUBJECT TO THIS ARTICLE.

§ 25-14 LIST OF ENTITIES

(A) THE TOWN ADMINISTRATOR SHALL COMPILE IN JANUARY OF EACH YEAR AN ALPHABETIZED LIST OF ENTITIES THAT, AT THAT DATE OR DURING THE PREVIOUS CALENDAR YEAR:

- (1) HOLDS OR HELD A CONTRACT WITH THE TOWN;
- (2) HAD NEGOTIATED OR IS NEGOTIATING ON A CONTRACT WITH THE TOWN;
- (3) HAD RESPONDED TO A FORMAL OR INFORMAL REQUEST FOR PROPOSAL FROM THE

TOWN;

(B) CONTRACTS OF LESS THAN \$ 500 MAY BE OMITTED FROM THE LIST.

(C) THE LIST SHALL BE ACCESSIBLE ONLINE.

(D) THE LIST SHALL BE KEPT UP-TO-DATE THROUGHOUT THE YEAR.

§ 25-15 DECISIONS IN SOLE INTEREST OF TOWN

DECISIONS AND OTHER ACTIONS BY COVERED PEOPLE SHALL BE TAKEN IN THE SOLE INTEREST OF THE TOWN.

§ 25-16 ADVISORY OPINIONS

(A) APPEARANCE OF CONFLICT OF INTEREST. WHERE CONDUCT PRESENTS AN APPEARANCE OF A CONFLICT OF INTEREST, ANY COVERED PERSON, WHETHER OR NOT INVOLVED IN THE CONDUCT GIVING RISE TO AN APPEARANCE OF A CONFLICT, MAY OBTAIN AN ADVISORY OPINION FROM THE COMMISSION AS TO WHETHER THERE IS AN ACTUAL CONFLICT OF INTEREST.

(B) OTHER. ANY COVERED PERSON CAN ASK FOR AN ADVISORY OPINION IN CASES NOT INVOLVING THE APPEARANCE OF A CONFLICT OF INTEREST BUT IN THESE CASES THE COMMISSION MAY DENY THE REQUEST.

PARTICIPATION RESTRICTIONS

§ 25-17 GENERAL

EXCEPT AS PROVIDED § 25-21, A COVERED PERSON IS DISQUALIFIED FROM PARTICIPATING IN ANY MATTER, INCLUDING ATTEMPTING TO INFLUENCE THE DECISION IN THAT MATTER, WHICH INVOLVES A CONFLICT OF INTEREST.

§ 25-18 SPECIFIC CONFLICTS -- REAL PROPERTY

A COVERED PERSON MAY NOT PARTICIPATE IN ANY MATTER THAT WOULD AFFECT THE VALUE OF REAL ESTATE IN WHICH THE COVERED PERSON OR A CLOSE RELATIVE HAS AN OWNERSHIP INTEREST, EXCEPT WHERE THE EFFECT APPLIES GENERALLY TO REAL ESTATE THROUGHOUT THE TOWN OR A NEIGHBORHOOD OR SECTION OF THE TOWN;

§ 25-19 SPECIFIC CONFLICTS -- BUSINESS ENTITIES

A COVERED PERSON MAY NOT PARTICIPATE IN ANY MATTER THAT WOULD AFFECT THE VALUE OF AN ENTITY IN WHICH THE COVERED PERSON HAS A DIRECT FINANCIAL INTEREST, FOR EXAMPLE, AS A SHAREHOLDER.

§ 25-20 SPECIFIC CONFLICTS—PARTIES

A COVERED PERSON MAY NOT PARTICIPATE IN ANY MATTER IN WHICH ANY OF THE FOLLOWING IS A PARTY:

(A) AN ENTITY FOR WHICH THE COVERED PERSON OR, IF KNOWN BY THE COVERED PERSON, A CLOSE RELATIVE, IS AN OFFICER, DIRECTOR, TRUSTEE, PARTNER, OR EMPLOYEE;

(B) AN ENTITY WITH WHICH THE COVERED PERSON OR, IF KNOWN BY THE COVERED PERSON, A CLOSE RELATIVE IS NEGOTIATING EMPLOYMENT OR HAS ANY ARRANGEMENT CONCERNING PROSPECTIVE EMPLOYMENT;

(C) AN ENTITY THAT IS A PARTY TO AN EXISTING CONTRACT WITH THE COVERED PERSON OR A CLOSE RELATIVE, IF THE CONTRACT REASONABLY COULD BE EXPECTED TO RESULT IN A CONFLICT BETWEEN THE PRIVATE INTERESTS OF THE COVERED PERSON AND HIS OR HER OFFICIAL DUTIES;

(D) AN ENTITY THAT IS DOING BUSINESS WITH THE TOWN AND IN WHICH A DIRECT FINANCIAL INTEREST IS OWNED BY ANOTHER ENTITY IN WHICH THE OFFICIAL OR EMPLOYEE HAS A DIRECT FINANCIAL INTEREST, IF THE COVERED PERSON MAY BE REASONABLY EXPECTED TO KNOW OF BOTH DIRECT FINANCIAL INTERESTS; OR

(E) AN ENTITY THE COVERED PERSON KNOWS IS A CREDITOR OR OBLIGEE OF THE COVERED PERSON OR CLOSE RELATIVE WITH RESPECT TO A THING OF ECONOMIC VALUE; AND IS IN A POSITION TO DIRECTLY AND SUBSTANTIALLY AFFECT THE INTEREST OF THE COVERED PERSON OR CLOSE RELATIVE OF THE COVERED PERSON.

§ 25-21 EXCEPTIONS

(A) THE PROHIBITIONS OF SECTIONS 25-17 THROUGH 25-20 DO NOT APPLY IF:

- (1) PARTICIPATION IS ALLOWED BY REGULATION OR OPINION OF THE COMMISSION; OR
- (2) THE PERSON IS ACTING OR PARTICIPATING IN A DECISION IN THE EXERCISE OF AN ADMINISTRATIVE OR MINISTERIAL DUTY THAT DOES NOT AFFECT THE DISPOSITION OR DECISION WITH RESPECT TO THE MATTER.

(B) A PERSON WHO IS DISQUALIFIED FROM PARTICIPATING UNDER SUBSECTION (A) SHALL DISCLOSE THE NATURE AND CIRCUMSTANCES OF THE CONFLICT AND MAY PARTICIPATE OR ACT IF:

- (1) THE DISQUALIFICATION LEAVES A BODY WITH LESS THAN A QUORUM CAPABLE OF ACTING;
- (2) THE DISQUALIFIED OFFICIAL OR EMPLOYEE IS REQUIRED BY LAW TO ACT; OR
- (3) THE DISQUALIFIED OFFICIAL OR EMPLOYEE IS THE ONLY PERSON AUTHORIZED TO ACT.

§ 25-22 STATEMENT OF RECUSAL OR EXCEPTION

(A) WHENEVER A COVERED PERSON IS DISQUALIFIED FROM PARTICIPATING IN A MATTER, HE OR SHE MUST FILE, AT OR BEFORE THE TIME OF RECUSAL, A STATEMENT WITH THE COMMISSION DESCRIBING THE CIRCUMSTANCE OF THE APPARENT CONFLICT AND THE STEPS TAKEN TO AVOID PARTICIPATION IN MATTERS RELATED TO IT.

(B) WHENEVER A COVERED PERSON WOULD BE DISQUALIFIED FROM PARTICIPATING IN A MATTER BUT FOR ONE OF THE EXCEPTIONS IN § 25-21(B), HE OR SHE MUST FILE IN ADVANCE OF THE PARTICIPATION A STATEMENT WITH THE COMMISSION DESCRIBING THE CIRCUMSTANCE OF THE APPARENT CONFLICT AND THE BASIS FOR BELIEVING AN EXCEPTION APPLIED.

(C) IF AN ELECTED OFFICIAL DISCOVERS THE NEED FOR A STATEMENT UNDER SUBSECTION (A) OR (B) ONLY AFTER A TOWN COUNCIL MEETING OR WORK SESSION HAS BEGUN, HE OR SHE MAY PROVIDE THE STATEMENT DURING THE MEETING.

OTHER RESTRICTIONS AND PROHIBITIONS

§ 25-23 EMPLOYMENT AND FINANCIAL INTEREST RESTRICTIONS

(A) IN GENERAL, A COVERED PERSON MAY NOT BE EMPLOYED BY OR HAVE A FINANCIAL INTEREST IN ANY ENTITY WHERE THAT WOULD IMPAIR HIS OR HER IMPARTIALITY OR INDEPENDENCE OF JUDGMENT.

(B) A COVERED PERSON MAY NOT BE EMPLOYED BY OR HAVE A FINANCIAL INTEREST IN ANY ENTITY:

- (1) THAT IS SUBJECT TO THE AUTHORITY OF THE TOWN; OR
- (2) THAT IS NEGOTIATING OR HAS ENTERED INTO A CONTRACT WITH THE TOWN.

(C) THE PROHIBITIONS OF SUBSECTIONS (A) AND (B) DO NOT APPLY TO:

(1) A COVERED PERSON 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;

(2) 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;

(3) 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

(4) 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.

§ 25-24 POST-EMPLOYMENT LIMITATIONS AND RESTRICTIONS

(A) A FORMER OFFICIAL OR EMPLOYEE MAY NOT WORK FOR, CONTRACT WITH, ASSIST OR REPRESENT ANY PARTY OTHER THAN THE TOWN FOR COMPENSATION IN A CASE, CONTRACT, OR OTHER SPECIFIC MATTER INVOLVING THE TOWN, IF THAT MATTER IS ONE IN WHICH THE FORMER OFFICIAL OR EMPLOYEE SIGNIFICANTLY PARTICIPATED AS AN OFFICIAL OR EMPLOYEE.

~~(B) UNTIL THE CONCLUSION OF THE TOWN ELECTIVE TERM THAT BEGINS AFTER THE ELECTED OFFICIAL LEAVES OFFICE, OR FOR ONE CALENDAR YEAR AFTER LEAVING OFFICE, WHICHEVER IS LONGER, A FORMER ELECTED OFFICIAL MAY NOT WORK FOR, CONTRACT WITH, ASSIST OR REPRESENT ANOTHER PARTY FOR COMPENSATION IN A MATTER THAT IS THE SUBJECT OF LEGISLATIVE ACTION. A FORMER ELECTED OFFICIAL MAY NOT ASSIST OR REPRESENT ANOTHER PARTY FOR COMPENSATION IN A MATTER THAT IS THE SUBJECT OF LEGISLATIVE ACTION BY THE TOWN OF CHESAPEAKE BEACH FOR ONE CALENDAR YEAR AFTER THE ELECTED OFFICIAL LEAVES OFFICE.~~

§ 25-25 CONTINGENT COMPENSATION

EXCEPT IN A JUDICIAL OR QUASI-JUDICIAL PROCEEDING, A COVERED PERSON MAY NOT ASSIST OR REPRESENT A PARTY FOR CONTINGENT COMPENSATION IN ANY MATTER BEFORE OR INVOLVING THE TOWN.

§ 25-26 USE OF PRESTIGE OF OFFICE

(A) A COVERED PERSON MAY NOT INTENTIONALLY USE THE PRESTIGE OF OFFICE OR PUBLIC POSITION FOR THE PRIVATE GAIN OF THAT PERSON OR THE PRIVATE GAIN OF ANOTHER.

(B) THIS SECTION DOES NOT PROHIBIT THE PERFORMANCE OF USUAL AND CUSTOMARY CONSTITUENT SERVICES.

§ 25-27 GIFTS

(A) A COVERED PERSON MAY NOT SOLICIT ANY GIFT FOR HIMSELF OR HERSELF, NOR DIRECTLY SOLICIT OR FACILITATE THE SOLICITATION OF A GIFT ON BEHALF OF ANOTHER PERSON.

(B) A COVERED PERSON MAY NOT KNOWINGLY ACCEPT A GIFT, DIRECTLY OR INDIRECTLY, FROM A PERSON THAT THE OFFICIAL OR EMPLOYEE KNOWS OR HAS THE REASON TO KNOW:

- (1) IS DOING BUSINESS WITH OR SEEKING TO DO BUSINESS WITH THE TOWN;
- (2) HAS FINANCIAL INTERESTS THAT MAY BE SUBSTANTIALLY AFFECTED, IN A MANNER DISTINGUISHABLE FROM THE PUBLIC GENERALLY, BY THE PERFORMANCE OR NONPERFORMANCE OF THE OFFICIAL DUTIES OF THE COVERED PERSON; OR
- (3) IS ENGAGED IN AN ACTIVITY REGULATED OR CONTROLLED BY THE TOWN.

(C) NOTWITHSTANDING SUBSECTIONS (A), AND (B) A COVERED PERSON MAY ACCEPT THE FOLLOWING:

- (1) MEALS AND BEVERAGES CONSUMED IN THE PRESENCE OF THE DONOR OR SPONSORING ENTITY;
- (2) CEREMONIAL GIFTS OR AWARDS THAT HAVE INSIGNIFICANT MONETARY VALUE;
- (3) UNSOLICITED GIFTS OF NOMINAL VALUE THAT DO NOT EXCEED \$20 IN COST OR TRIVIAL ITEMS OF INFORMATIONAL VALUE;
- (4) REASONABLE EXPENSES FOR FOOD, TRAVEL, LODGING, AND SCHEDULED ENTERTAINMENT OF THE COVERED PERSON AT A MEETING WHICH IS GIVEN IN RETURN FOR THE PARTICIPATION OF HIM OR HER IN A PANEL OR SPEAKING ENGAGEMENT AT THE MEETING;
- (5) GIFTS OF TICKETS OR FREE ADMISSION EXTENDED TO AN ELECTED LOCAL 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;
- (6) 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 TOWN AND THAT THE GIFT IS PURELY PERSONAL AND PRIVATE IN NATURE;
- (7) GIFTS FROM A PERSON RELATED TO THE COVERED PERSON BY BLOOD OR MARRIAGE, OR FROM ANY OTHER INDIVIDUAL WHO IS A MEMBER OF THE COVERED PERSON'S HOUSEHOLD; OR
- (8) AN HONORARIUM FOR SPEAKING TO OR PARTICIPATING IN A MEETING, PROVIDED THAT THE OFFERING OF THE HONORARIUM IS NOT RELATED IN ANY WAY TO THE COVERED PERSON'S OFFICIAL POSITION.

(D) THE PRECEDING SUBSECTION (C) DOES NOT APPLY TO A GIFT:

(1) THAT WOULD TEND TO IMPAIR THE IMPARTIALITY AND THE INDEPENDENCE OF JUDGMENT OF THE COVERED PERSON RECEIVING THE GIFT;

(2) OF SIGNIFICANT VALUE THAT WOULD GIVE THE APPEARANCE OF IMPAIRING THE IMPARTIALITY AND INDEPENDENCE OF JUDGMENT OF THE COVERED PERSON; OR

(3) OF SIGNIFICANT VALUE THAT THE RECIPIENT COVERED PERSON BELIEVES OR HAS REASON TO BELIEVE IS DESIGNED TO IMPAIR HIS OR HER IMPARTIALITY AND INDEPENDENCE OF JUDGMENT.

§ 25-28 PARTICIPATION IN PROCUREMENT

(A) NO ONE WHO ASSISTS THE TOWN IN DRAFTING SPECIFICATIONS, INVITATIONS FOR BIDS, OR REQUESTS FOR PROPOSALS FOR A PROCUREMENT MAY SUBMIT A BID OR PROPOSAL FOR THAT PROCUREMENT, OR ASSIST ANOTHER TO DO SO.

(B) AN ENTITY THAT EMPLOYS SOMEONE WHO ASSISTS THE TOWN 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.

(C) THE COMMISSION MAY ESTABLISH EXEMPTIONS FROM THE REQUIREMENTS OF THIS SUBSECTION FOR PROVIDING DESCRIPTIVE LITERATURE, SOLE SOURCE PROCUREMENTS, AND WRITTEN COMMENTS SOLICITED BY THE TOWN.

§ 25-29 DISCLOSURE OF CONFIDENTIAL INFORMATION

A COVERED PERSON MAY NOT DISCLOSE OR USE CONFIDENTIAL INFORMATION THAT HE OR SHE ACQUIRED BY REASON OF HIS OR HER PUBLIC POSITION AND THAT IS NOT AVAILABLE TO THE PUBLIC, FOR THE ECONOMIC BENEFIT OF THE COVERED PERSON OR ANYONE ELSE.

ARTICLE IV FINANCIAL DISCLOSURE BY ELECTED OFFICIALS, CANDIDATES FOR ELECTION, AND APPOINTED OFFICIALS

§ 25-30 COVERAGE OF ARTICLE

THIS ARTICLE APPLIES TO:

(A) ALL LOCAL ELECTED OFFICIALS AND CANDIDATES TO BE LOCAL ELECTED OFFICIALS;

(B) TO THE APPOINTED OFFICIALS LISTED ABOVE IN § 25-3(B); AND

(C) WHERE A POSITION IS FILLED THROUGH A CONTRACT WITH A FIRM, EFFECTIVE ONE YEAR FROM THE ADOPTION OF THIS ORDINANCE, THE FIRM ITSELF.

§ 25-31 REQUIREMENT TO FILE

THOSE COVERED BY THIS ARTICLE SHALL FILE THE FINANCIAL DISCLOSURE STATEMENT REQUIRED UNDER THIS SECTION WITH THE COMMISSION, ON A FORM PROVIDED BY THE COMMISSION, AND SIGNED AS TRUE UNDER PENALTY OF PERJURY.

§ 25-32 DEADLINES

(A) DEADLINES FOR INCUMBENT ELECTED AND APPOINTED OFFICIALS

(1) AN INCUMBENT ELECTED OR APPOINTED 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 IS APPOINTED 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 STATEMENT FOR THE PRECEDING CALENDAR YEAR WITHIN 30 DAYS AFTER APPOINTMENT.

(3) AN INDIVIDUAL WHO LEAVES AN OFFICE FOR WHICH A STATEMENT IS REQUIRED SHALL FILE A STATEMENT WITHIN 60 DAYS AFTER LEAVING THE OFFICE. THE STATEMENT SHALL COVER 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 THE PORTION OF THE CURRENT CALENDAR YEAR DURING WHICH THE INDIVIDUAL HELD THE OFFICE.

(B) DEADLINE FOR STATEMENTS BY CANDIDATES FOR ELECTED OFFICE

(1) CANDIDATES FOR ELECTED OFFICE, INCLUDING INCUMBENTS, SHALL INCLUDE A FINANCIAL DISCLOSURE STATEMENT ALONG WITH THEIR DECLARATION OF CANDIDACY WHICH IS FILED WITH THE TOWN CLERK AT LEAST 56 DAYS PRIOR TO THE ELECTION (SEE § 22-26A). THE BOARD OF ELECTIONS MAY NOT ISSUE A CERTIFICATE OF CANDIDACY FOR A CANDIDATE THAT HAS NOT PROVIDED A FINANCIAL DISCLOSURE STATEMENT AT LEAST 56 DAYS PRIOR TO THE ELECTION.

(2) THE TOWN CLERK SHALL FORWARD THE ORIGINAL SIGNED DISCLOSURE FORM TO THE ETHICS COMMISSION AND A COPY OF THE DISCLOSURE FORM TO THE BOARD OF ELECTIONS WITH THE CANDIDATE'S DECLARATION OF CANDIDACY.

(3) PRIOR TO THE 42ND DAY BEFORE THE ELECTION, THE COMMISSION SHALL INFORM THE BOARD OF ELECTIONS OF ANY CASE IN WHICH THE FINANCIAL DISCLOSURES OF A CANDIDATE WERE FACIALLY INCOMPLETE OR DEFECTIVE AND PROVIDE COPIES OF ANY CORRESPONDENCE WITH THE CANDIDATE REGARDING THE MATTER.

§ 25-33 CONTENT OF STATEMENT

EACH STATEMENT MUST INCLUDE SCHEDULES PROVIDING THE FOLLOWING INFORMATION:

(A) INTERESTS IN REAL PROPERTY

FOR APPOINTED OFFICIALS, THE ADDRESSES OF INTERESTS IN REAL PROPERTY LOCATED IN THE TOWN OF CHESAPEAKE BEACH, OR WITHIN 10 MILES OF THE BOUNDARIES OF CHESAPEAKE BEACH. FOR ELECTED OFFICIALS, A LIST OF ALL INTERESTS IN REAL PROPERTY, WHEREVER LOCATED, AND FOR EACH PROPERTY OF THE ELECTED OFFICIAL A STATEMENT OF:

(1) THE NATURE OF THE PROPERTY AND THE LOCATION BY STREET ADDRESS, MAILING ADDRESS, OR LEGAL DESCRIPTION OF THE PROPERTY;

(2) THE NATURE AND EXTENT OF THE INTEREST HELD, INCLUDING ANY CONDITIONS AND ENCUMBRANCES ON THE INTEREST;

(3) THE DATE WHEN, THE MANNER IN WHICH, AND THE IDENTITY OF THE PERSON FROM WHOM THE INTEREST WAS ACQUIRED;

(4) 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;

(5) 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

(6) THE IDENTITY OF ANY OTHER PERSON WITH AN INTEREST IN THE PROPERTY.

(B) INTEREST IN BUSINESS ENTITIES

FOR APPOINTED OFFICIALS, THE NAME AND ADDRESS OF ANY BUSINESS ENTITY, OTHER THAN MUTUAL FUNDS, DOING BUSINESS WITH THE TOWN, IN WHICH THE FILER HAS A FINANCIAL INTEREST. FOR ELECTED OFFICIALS, THE NAME AND ADDRESS OF ANY BUSINESS ENTITY, OTHER THAN MUTUAL FUNDS, REGARDLESS OF WHETHER OR NOT IT DOES BUSINESS WITH THE TOWN, IN WHICH THE FILER HAS A FINANCIAL INTEREST, AND FOR EACH ENTITY, A STATEMENT OF:

(1) THE NAME AND ADDRESS OF THE PRINCIPAL OFFICE OF THE ENTITY;

(2) THE NATURE AND AMOUNT OF THE INTEREST HELD, INCLUDING ANY CONDITIONS AND ENCUMBRANCES ON THE INTEREST;

(3) 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

(4) WITH RESPECT TO ANY INTEREST ACQUIRED DURING THE REPORTING PERIOD:

(I) THE DATE WHEN, THE MANNER IN WHICH, AND THE IDENTITY OF THE PERSON FROM WHOM THE INTEREST WAS ACQUIRED; AND

(II) 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.

(5) AN INDIVIDUAL MAY SATISFY THE REQUIREMENT TO REPORT THE AMOUNT OF THE INTEREST HELD UNDER SUBSECTION (B)(2) BY REPORTING, INSTEAD OF A DOLLAR AMOUNT:

(I) FOR AN EQUITY INTEREST IN A CORPORATION, THE NUMBER OF SHARES HELD AND, UNLESS THE CORPORATION'S STOCK IS PUBLICLY TRADED, THE PERCENTAGE OF EQUITY INTEREST HELD; OR

(II) FOR AN EQUITY INTEREST IN A PARTNERSHIP, THE PERCENTAGE OF EQUITY INTEREST HELD.

(6) INTERESTS IN MUTUAL FUNDS MAY BE EXCLUDED FROM THE DISCLOSURE OF CORPORATE INTERESTS OTHERWISE REQUIRED BY THIS SUBSECTION.

(C) EMPLOYMENT WITH OR INTERESTS IN ENTITIES DOING BUSINESS WITH THE TOWN

(1) A LIST OF ALL ENTITIES DOING BUSINESS WITH THE TOWN DURING THE REPORTING PERIOD IN WHICH:

- [I] THE FILER OR A CLOSE RELATIVE HELD AN OFFICE, DIRECTORSHIP, OR SALARIED EMPLOYMENT.
- [II] THE FILER OR A CLOSE RELATIVE SOUGHT EMPLOYMENT.
- [III] THE FILER OR A CLOSE RELATIVE HAD A CONTRACT.
- [IV] THE FILER HAD A DIRECT FINANCIAL INTEREST IN AN ENTITY WHICH HAD A DIRECT FINANCIAL INTEREST IN THE ONE DOING BUSINESS WITH THE TOWN.

(2) FOR EACH POSITION REPORTED UNDER THIS SUBSECTION, THE SCHEDULE SHALL INCLUDE:

- [I] THE NAME AND ADDRESS OF THE PRINCIPAL OFFICE OF THE BUSINESS ENTITY;
- AND
- [II] THE TITLE AND NATURE OF THE OFFICE, DIRECTORSHIP, OR SALARIED EMPLOYMENT HELD AND THE DATE IT COMMENCED.

(D) INDEBTEDNESS TO ENTITIES DOING BUSINESS WITH THE TOWN

(1) A LIST OF ALL LIABILITIES, EXCLUDING RETAIL CREDIT ACCOUNTS, TO PEOPLE DOING BUSINESS WITH THE TOWN OWED AT ANY TIME DURING THE REPORTING PERIOD BY THE PERSON; OR BY A CLOSE RELATIVE IF THE PERSON WAS INVOLVED IN THE TRANSACTION GIVING RISE TO THE LIABILITY.

(2) FOR EACH LIABILITY REPORTED UNDER THIS SUBSECTION, THE SCHEDULE SHALL INCLUDE:

- [I] THE IDENTITY OF THE PERSON TO WHOM THE LIABILITY WAS OWED AND THE DATE THE LIABILITY WAS INCURRED;
- [II] THE AMOUNT OF THE LIABILITY OWED AS OF THE END OF THE REPORTING PERIOD;
- [III] 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
- [IV] THE SECURITY GIVEN, IF ANY, FOR THE LIABILITY.

(E) GIFTS

(1) EACH GIFT IN EXCESS OF \$20 IN VALUE OR A SERIES OF GIFTS TOTALING \$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 TOWN.

(2) FOR EACH GIFT REPORTED, THE SCHEDULE SHALL INCLUDE A DESCRIPTION OF THE NATURE AND VALUE OF THE IDENTITY OF THE PERSON FROM WHOM, OR ON BEHALF OF WHOM, DIRECTLY OR INDIRECTLY, THE GIFT WAS RECEIVED.

(3) EACH INSTANCE IN WHICH THE FILER SOLICITED, OR FACILITATED THE SOLICITATION OF, A GIFT TO THE FILER OR ANYONE ELSE.

(F) SOURCES OF EARNED INCOME

(1) THE NAME AND ADDRESS OF EACH PLACE OF EMPLOYMENT AND OF EACH BUSINESS ENTITY OF WHICH THE FILER OR A CLOSE RELATIVE WAS A SOLE OR PARTIAL OWNER AND FROM WHICH THE FILER OR A CLOSE RELATIVE RECEIVED EARNED INCOME, AT ANY TIME DURING THE REPORTING PERIOD.

(2) 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.

(3) APPOINTED OFFICIAL NEED PROVIDE INFORMATION ONLY AS TO ENTITIES LOCATED IN THE TOWN OR DOING BUSINESS WITH THE TOWN.

(G) CLOSE RELATIVES

A LIST OF THE CLOSE RELATIVES OF THE REPORTING PERSON EMPLOYED BY THE TOWN IN ANY CAPACITY AT ANY TIME DURING THE REPORTING PERIOD.

(H) CONTINGENT COMPENSATION

ALL INSTANCES IN WHICH THE FILER ASSISTED OR REPRESENTED A PARTY FOR CONTINGENT COMPENSATION ON ANY MATTER BEFORE OR INVOLVING THE TOWN, OTHER THAN IN JUDICIAL OR QUASI-JUDICIAL PROCEEDINGS.

(I) PRESTIGE OF POSITION

(1) EACH INSTANCE IN WHICH THE FILER USED OR ATTEMPTED TO USE THE PRESTIGE OF HIS OR HER OFFICE OR PUBLIC POSITION FOR THE PRIVATE GAIN OF THE FILER OR ANYONE ELSE.

(2) EACH INSTANCE THE FILER INFLUENCED OR ATTEMPT TO INFLUENCE THE AWARD OF A TOWN CONTRACT TO A SPECIFIC PERSON OR ENTITY.

(J) CONFIDENTIAL INFORMATION

EACH INSTANCE IN WHICH THE FILER DISCLOSED OR USED CONFIDENTIAL INFORMATION, ACQUIRED BY REASON OF THE FILER'S TOWN POSITION, FOR THE ECONOMIC BENEFIT OF THE FILER OR ANYONE ELSE.

§ 25-34 COMMISSION REVIEW AND ENFORCEMENT

THE COMMISSION SHALL REVIEW THE FINANCIAL DISCLOSURE STATEMENTS SUBMITTED UNDER THIS ARTICLE AND SHALL NOTIFY AN INDIVIDUAL SUBMITTING THE STATEMENT OF ANY OMISSIONS OR DEFICIENCIES, WHICH THE INDIVIDUAL SHALL REMEDY WITHIN ONE WEEK AFTER NOTICE, EXCEPT THAT IN THE CASE OF A CANDIDATE FOR ELECTION, PRIOR TO THE 43RD DAY BEFORE THE ELECTION.

ARTICLE V ENFORCEMENT

§ 25-35 FEES FOR FAILURE TO TIMELY FILE FINANCIAL REPORTS

THE COMMISSION MAY ASSESS A LATE FEE OF \$2 PER DAY FOR A FAILURE TO TIMELY FILE A FINANCIAL DISCLOSURE STATEMENT REQUIRED UNDER § 25-31 OF THIS CHAPTER. THE COMMISSION MAY PETITION THE CIRCUIT COURT FOR AN ORDER COMPELLING PAYMENT OF AN ASSESSED FEE.

§ 25-36 COMMISSION INVESTIGATION OF POSSIBLE VIOLATIONS

BASED ON A COMPLAINT FILED WITH IT, INFORMATION DEVELOPED IN CONNECTION WITH A REQUEST FOR AN ADVISORY OPINION, OR ON ITS OWN REVIEW OF INFORMATION AVAILABLE TO IT, THE COMMISSION MAY INVESTIGATE POSSIBLE VIOLATIONS OF THIS CHAPTER.

§ 25-37 POTENTIAL CRIMINAL OFFENSE

IF THE COMMISSION FINDS THAT THERE ARE REASONABLE GROUNDS TO BELIEVE THAT A COVERED PERSON MAY HAVE COMMITTED A CRIMINAL OFFENSE, SUCH AS BRIBERY, PERJURY, CORRUPT BEHAVIOR, OR OTHER MISCONDUCT IN OFFICE, IT SHALL PROMPTLY REFER THE MATTER TO AN APPROPRIATE PROSECUTING AUTHORITY, AND STAY ITS OWN INVESTIGATION.

§ 25-38 INFORMAL RESOLUTION

IF THE COMMISSION DETERMINES, BASED ON CONSIDERATION OF THE MATTER, INCLUDING THE ANSWER OF A COVERED PERSON, BY A UNANIMOUS VOTE OF ALL MEMBERS THEN SERVING, THAT THERE IS A REASONABLE BASIS FOR BELIEVING THE CONFLICT OF INTEREST OR FINANCIAL DISCLOSURE PROVISIONS OF THIS CHAPTER HAVE BEEN VIOLATED, IT SHALL MAKE AN EFFORT TO RESOLVE THE MATTER INFORMALLY.

§ 25-39 JUDICIAL ENFORCEMENT

(A) IF EFFORTS TO RESOLVE THE MATTER INFORMALLY ARE UNSUCCESSFUL, THE COMMISSION MAY PETITION THE CIRCUIT COURT TO ENFORCE COMPLIANCE AND PUNISH VIOLATIONS.

(B) THE COURT MAY:

- (1) ISSUE AN ORDER TO CEASE AND DESIST FROM THE VIOLATION;
- (2) VOID AN OFFICIAL ACTION TAKEN BY A COVERED PERSON WITH A CONFLICT OF INTEREST PROHIBITED BY THIS CHAPTER WHEN THE ACTION ARISES FROM OR CONCERNS THE SUBJECT MATTER OF THE CONFLICT PROVIDED:

[I] THE COURT DEEMS VOIDING THE ACTION TO BE IN THE BEST INTEREST OF THE PUBLIC;

[II] THE LEGAL ACTION IS BROUGHT WITHIN 90 DAYS OF THE OCCURRENCE OF THE OFFICIAL ACTION; AND

[III] THE OFFICIAL ACT DOES NOT APPROPRIATE PUBLIC FUNDS, IMPOSE A TAX, OR PROVIDE FOR THE ISSUANCE OF A BOND, A NOTE, OR ANY OTHER EVIDENCE OF PUBLIC OBLIGATION.

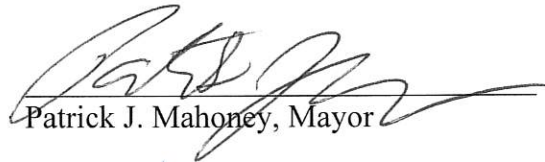
(3) PUNISH A VIOLATION OF ANY PROVISION OF THIS CHAPTER BY A FINE OF UP TO \$5,000. EACH DAY THAT A VIOLATION OF THIS CHAPTER CONTINUES SHALL CONSTITUTE A SEPARATE OFFENSE.

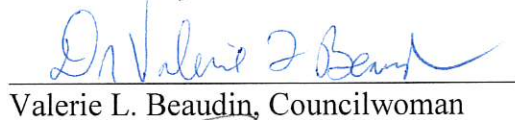
§ 25-40 DISCIPLINARY ACTION

A COVERED PERSON 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.

AS CERTIFIED by their signatures below, the members of the Town Council affirm that this Ordinance was introduced at the Town Council meeting held on the 16th day of January, 2020, that a public hearing was held on the 20th day of February, 2020, and that a vote was taken in accordance with Section C-309 of the Town Charter. The vote of the Council was tallied and 4 votes of approval and 0 votes of disapproval were cast. The resulting majority of the Council approved (approved or disapproved) the passage of this ordinance this 20th day of February, 2020. This Ordinance shall become effective 20 days after approval by the Mayor or approved by the Council over the Mayor's veto or seven days after the last required publication.

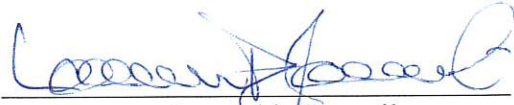
CHESAPEAKE BEACH, MARYLAND


Patrick J. Mahoney, Mayor


Valerie L. Beaudin, Councilwoman


Derek J. Favret, Councilman

absent
Gregory J. Morris, Councilman



Lawrence P. Jaworski, Councilman



Keith L. Pardieck, Councilman

absent

L. Charles Fink, Councilman

ORDINANCE O-21-8

AN ORDINANCE
OF THE TOWN COUNCIL OF CHESAPEAKE BEACH, MARYLAND, TO
ADOPT THE PROPOSED CHANGES TO THE TOWN OF CHESAPEAKE BEACH ETHICS
CODE-CHAPTER 25.

WHEREAS, Chesapeake Beach, Maryland (the “Town”) is a municipal corporation of the State of Maryland, organized and operating under a Charter adopted in 1963, in accordance with Article XI-E of the Constitution of Maryland and the Local Government Article of the Annotated Code of Maryland; and

WHEREAS, pursuant to Md. Code Ann., Local Gov’t Article, § 5-202, Chesapeake Beach (“The Town”) has the authority to pass such ordinances as it deems necessary to preserve peace and good order, to secure persons from danger and destruction and to protect the health, comfort, and convenience of the citizens of the municipality; and

WHEREAS, the Maryland Public Ethics Law (“the State Public Ethics Law”), Md. Code Ann., Gen. Provs. Art., Title 5, Subtitle 8, Part II, “Public Ethics Laws for Counties and Municipal Corporations,” states that the express powers contained in the Local Gov’t. Article are intended and shall be deemed to incorporate and include the power and authority contained in the State Public Ethics Law;” and

WHEREAS, the State Public Ethics Law requires that Town elected officials, Town employees and certain persons appointed to Town Boards and Commissions be subject to conflict-of-interest prohibitions and certain financial disclosure requirements; and

WHEREAS, the Maryland Public Ethics Law requires that the Town adopt an ethics ordinance with conflict-of-interest and public disclosure provisions that are at least equivalent to or exceed the requirements of the State law for State officials and employees; and

WHEREAS, the Town previously enacted and amended a public ethics ordinance for Chesapeake Beach by Ordinance Nos. O-16-11, O-17-15, and O-20-5; and

Passed: _____
Effective: _____

WHEREAS, the Town wishes to exercise its discretion to adopt provisions of its public ethics ordinance which exceed the requirements of State law for State officials and employees to make other revisions to the Town’s public ethics ordinance.

NOW THEREFORE BE IT ORDAINED AND ENACTED by the Town Council of Chesapeake Beach, that Chapter 25, “Ethics, Public,” of the Chesapeake Beach Code is changed and modified to read as follows:

SECTION 1: That the Town Council retains and adopts all of Section 25 of the Town of Chesapeake Beach unless specifically changed and modified pursuant to Exhibit B attached and incorporated herein by reference.

CHESAPEAKE BEACH, MARYLAND

Patrick J. Mahoney, Mayor

Valerie L. Beaudin, Councilwoman

Gregory J. Morris, Councilman

Lawrence P. Jaworski, Councilman

Keith L. Pardieck, Councilman

L. Charles Fink, Councilman

Margaret P. Hartman, Councilwoman

Exhibit "B" Proposed Amendments

§ 25-12 Records

A. The town clerk or other town official designated by the mayor shall maintain, and make available for public review electronically:

- (1) ~~financial public~~ disclosures made to it;
- (2) statements of recusal or exception;
- (3) and with redactions to protect invasions of privacy, advisory opinions it

issues.

B. ~~financial Public~~ disclosures statements must be retained for at least four years from the date of receipt.

§ 25-16. Advisory opinions.

A. Appearance of conflict of interest. Where conduct ~~presents~~ might present an appearance of a conflict of interest, any covered person, whether or not involved in the conduct giving rise to an appearance of a conflict, may obtain an advisory opinion from the Commission as to whether there is an actual conflict of interest.

§ 25-23. Employment, service and financial interest restrictions.

A. In general, a covered person may not be employed by or have a financial interest in any entity where that would impair his or her impartiality or independence of judgment.

B. A covered person may not be employed by, ~~or~~ have a financial interest in, or serve as an officer or director of, any entity:

- (1) that is subject to the authority of the Town; ~~or~~
- (2) that is negotiating or has entered into a contract with the Town; or
- (3) that requests or receives a grant or other funding from the Town.

§ 25-26. Use of prestige of office.

A covered person may not knowingly or intentionally use the prestige of office or public position for the private gain of that person or the private gain of another.

§ 25-27. Gifts.

A. A covered person may not solicit any gift for himself or herself, nor directly solicit or facilitate the solicitation of a gift on behalf of another person.

B. A covered person may not knowingly accept a gift, directly or indirectly, from a person or entity that the official or employee knows or has the reason to know:

- (1) Is doing business with or seeking to do business with the Town;
- (2) Has financial interests that may be substantially affected, in a manner distinguishable from the public generally, by the performance or nonperformance of the official duties of the covered person; ~~or~~
- (3) Is engaged in an activity regulated or controlled by the Town; or

(4) has or is likely to request or receive a grant or other funding from the town.

Article IV. ~~Financial Disclosure~~ Public Disclosures by Elected Officials, Candidates for Election, and Appointed Officials.

§ 25-32. Deadlines.

- A. Deadlines for incumbent elected and appointed officials.
- (1) An incumbent elected or appointed official shall file a ~~financial~~ public disclosure statement annually no later than April 30 of each year for the preceding calendar year.
 - (2) An individual who is appointed to fill a vacancy in an office for which a public disclosure statement is required and who has not already filed a ~~financial~~ public disclosure statement shall file a statement for the preceding calendar year within 30 days after appointment.
 - (3) An individual who leaves an office for which a statement is required shall file a statement within 60 days after leaving the office. The statement shall cover 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 the portion of the current calendar year during which the individual held the office.
- B. Deadline for statements by candidates for elected office.
- (1) ~~Candidates for elected office, including incumbents, shall include a financial public disclosures statement, covering the preceding calendar year and the current year up to July 31, along with their declaration of candidacy which is filed with the Town Clerk at least 56 days prior to the election in accordance with § 22-26 of this Code. If the declaration of candidacy is filed before July 31, the candidate shall by August 15 file a replacement disclosure statement covering the period through July 31. The Board of Elections may not issue a certificate of candidacy for a candidate that has not provided a financial disclosure statement at least 56 days prior to the election.~~
 - (2) ~~The Town Clerk shall forward the original signed disclosure form to the Ethics Commission and a copy of the disclosure form to the Board of Elections with the candidate's declaration of candidacy.~~
 - (3) ~~Prior to the 42nd day before the election, the Commission shall inform the Board of Elections of any case in which the financial disclosures of a candidate were factually incomplete or defective and provide copies of any correspondence with the candidate regarding the matter.~~

§ 25-33. Content of statement.

Each statement must include schedules providing the following information:

- A. Interests in real property. For appointed officials, the addresses of interests in real property located in the Town of Chesapeake Beach, or within 10 miles of the boundaries of Chesapeake Beach. For elected officials and candidates for election, a list of all interests in real property, wherever located, and for each property of the ~~elected official~~ filer a statement of:

B Interest in business entities. For appointed officials, the name and address of any business entity, other than mutual funds, doing business with the Town, in which the filer has a financial interest. For elected officials and candidates for election, the name and address of any business entity, other than mutual funds, regardless of whether or not it does business with the Town, in which the filer has a financial interest, and for each entity, a statement of:

§ 25-34. Commission review and enforcement.

The Commission shall review the ~~financial~~ public disclosure statements submitted under this article and shall notify ~~an individual submitting the statement~~ the filer of any omissions or deficiencies, including a failure to sign or a failure to complete each form, which ~~the individual the filer~~ shall remedy within one week after notice, ~~except that in the case of a candidate for election, such remedy shall be prior to the 43rd day before the election.~~ The eCommission must investigate any violations of the ethics law which appear to be revealed in a person's disclosures.

~~§ 25-35. Fees for failure to timely file financial reports.~~ make public disclosures.

~~The Commission may assess a late fee of \$2 \$5 per day for a failure to timely file a financial public disclosure statement required under § 25-31 of by this chapter and for a failure to timely remedy any deficiencies which the filer was notified of under § 25-34. The Commission may petition the circuit court for an order compelling payment of an assessed fee.~~

§ 25-36 35. Commission investigation of possible violations.

Based on a complaint filed with it, information provided in public disclosure statements or developed in connection with a request for an advisory opinion, or on its own review of any other information available to it, the Commission ~~may~~ shall investigate possible violations of this chapter.

§ 25-37 36 Potential criminal offense

If the commission finds at any time that there are reasonable grounds to believe that a covered person may have committed a criminal offense, such as bribery, perjury, corrupt behavior, or other misconduct in office, it shall promptly refer the matter to an appropriate prosecuting authority. ~~and stay its own investigation.~~ If the referral occurs before the commission has reached a decision under § 25-39, the commission shall immediately stay its proceedings until informed by the prosecuting authority that the stay is no longer necessary.

§ 25-38 37. Informal resolution.

If the Commission determines, based on consideration of the matter, including the answer of a covered person, by a unanimous vote of all members then serving, that there is a reasonable basis

for believing the conflict of interest or ~~financial public~~ disclosure provisions of this chapter have been violated, it shall make an effort to resolve the matter informally.

~~§ 25-39. Judicial enforcement.~~

~~A. If efforts to resolve the matter informally are unsuccessful, the Commission may petition the circuit court to enforce compliance and punish violations.~~

~~B. The court may:~~

~~(1) Issue an order to cease and desist from the violation;~~

~~(2) Void an official action taken by a covered person with a conflict of interest prohibited by this chapter when the action arises from or concerns the subject matter of the conflict, provided:~~

~~—(a) The court deems voiding the action to be in the best interest of the public;~~

~~—(b) The legal action is brought within 90 days of the occurrence of the official action; and~~

~~—(c) The official act does not appropriate public funds, impose a tax, or provide for the issuance of a bond, a note, or any other evidence of public obligation.~~

~~(3) Punish a violation of any provision of this chapter by a fine of up to \$5,000. Each day that a violation of this chapter continues shall constitute a separate offense.~~

~~§ 25-40. Disciplinary action.~~

~~A covered person 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.~~

§ 25-38. Enforcement

A. If attempts at informal resolution fail, and there are no material facts in dispute, the Commission will, after an opportunity for the respondent and other interested people to make arguments, issue its decision.

B. If there are material facts in dispute, the Town, upon request of the Commission and with the consent of the Town's budget authorities, may contract with a qualified person to hold a hearing and recommend findings of fact to the Commission. The Commission will then, after an opportunity for the respondent and other interested people to make arguments, issue its decision.

C. If there are material facts in dispute but funds to contract with a qualified person to hold a hearing are not provided, the commission may determine, based on the nature and extent of the factual disputes, whether to hold a hearing chaired by one of its members and go forward to issue a decision as above or, in the alternative, close the case without a decision.

D. A decision by the Commission may provide appropriate remedies and punishments. These may include:

(1) assessing a late fee of \$2 \$5 per day, not to exceed \$500 in total, for a failure to timely file a financial public disclosure statement required under § 25-31 of by this chapter and for a failure to timely remedy any deficiencies which the filer was notified of under § 25-34.

The Commission may petition the circuit court for an order compelling payment of an assessed fee;

(2) issuing an order of compliance directing the respondent to cease and desist from the violation;

(3) issuing a reprimand;

(4) recommending to the appropriate authority to suspend payment or salary or other compensation pending full compliance with the order of the Commission; and

(5) recommending to the appropriate authority other appropriate discipline of the respondent, including censure or removal if that discipline is authorized by law.

E. Upon request of the Commission and subject to the availability of funds, the Town may file a petition for injunctive or other relief in the Circuit Court for Calvert County. The court may:

(1) issue an order to cease and desist from the violation;

(2) order suspension of payment of salary or other compensation pending full compliance with the order of the Commission or of the court;

(3) order removal of the respondent from his or her position if that discipline is authorized by law;

(4) 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

(i) if the legal action is brought within 180 days of the occurrence of the official action;

(ii) if the court deems voiding the action to be in the best interest of the public;

(iii) if the action is not one appropriating public funds, levying taxes, or providing for the issuance of bonds, notes, or other evidences of public obligations;

(5) Impose a fine of up to \$5,000 for any violation of the provisions of this chapter, with each day upon which the violation occurs constituting a separate offense.