

**ORDINANCE O-4-12**  
**Code of the Town of Cheverly**

**An Ordinance whereby the Mayor and Council Repeal its Ethics Ordinance and Reenact a new Ethics Ordinance to Conform to State Law as to Financial Reporting, Conflicts of Interest and Lobbying.**

**WHEREAS, Maryland Code, § 15-801, et seq., of the State Governmental Article requires municipal corporations to enact more detailed reporting provisions for the purposes of ensuring compliance with ethics laws and requires that the State Ethics Commission approve all municipal Ethics ordinances; and**

**WHEREAS, the Mayor and Town Council deem it appropriate to amend Chapter 1, Article II, § 1-8, Cheverly Public Ethics, to comply with the State mandated reporting requirements.**

**NOW, THEREFORE, BE IT ORDAINED by the Mayor and Town Council, in regular session assembled, that Section 1-8 of the Cheverly Code be repealed in its entirety and reenacted as Chapter Three (3) as follows:**

**TOWN OF CHEVERLY**  
**CODE OF ETHICS**

All new

**§ 3-1. Applicability.**

**§ 3-2. Establishment of Ethics Commission; Responsibilities.**

**§ 3-3. Regulations and Final Orders of the Commission.**

**§ 3-4. Judicial Review.**

**§ 3-5. Confidentiality.**

**§ 3-6. Conflicts of Interest and Prohibitions.**

**§ 3-7. Solicitation and/or Acceptance of Gifts.**

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**§ 3-9. Filing of Financial Disclosure Statement by Elected Officials and Candidates.**

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**§ 3-11. Filing of Registration Statement; Contents.**

**§ 3-12. All Disclosure Statements to be filed with Commission and open to Public Inspection.**

**§ 3-13. Definitions.**

**§ 3-14. Enforcement; Violations and Penalties.**

**§ 3-1. Applicability.**

Except as provided in § 3-9, the provisions of this chapter shall apply to the Mayor, Town Council members, Town Administrator, Treasurer, Clerk, department heads, members of Town boards and commissions, all Town employees, candidates for elective Town office and persons lobbying under section 3-11 before Town officials, boards or commissions.

**§ 3-2. Establishment of Ethics Commission; Responsibilities.**

- There shall be a Town Ethics Commission, which shall be composed of no more than six (6) members, one (1) nominated from each ward by that ward's councilmember and approved by the Mayor and Council. The members of the Ethics Commission shall ordinarily be appointed at the June regular meeting with their tenure beginning on July 1. The tenure of each member shall be three (3) years or until a successor is appointed, whichever is longer. The Commission shall be advised by the advisor to the Commission who shall ordinarily be the Town Attorney. The advisor to the Commission shall assist the Commission in fulfilling its duties and powers and shall act on behalf of the Commission if it is unable to do so for any reason.

- **Duties and Powers**

1. To devise, receive and maintain all forms generated by this chapter.

2. To provide published advisory opinions to persons subject to this chapter as to the applicability of the provisions of this chapter or that may violate this chapter or any election finance law of the Town.
3. To investigate, process and make determinations as to any conduct or violations of this chapter, complaints filed by any person alleging violations of this chapter or any election finance law by persons subject to this act.
4. To conduct a public information program regarding the purposes and application of this chapter.
5. To adopt regulations to implement this chapter.
6. To act in an official capacity only when a quorum of at least 3 members are present. If the Commission is unable to assemble a quorum, the advisor to the Commission shall act in their absence.
7. To issue subpoenas for persons and evidence and to judicially enforce such subpoenas.
8. The Commission shall certify to the State Ethics Commission on or before October 1 of each year that the Town is in compliance with the requirements of State Government Article, Title 15, Subtitle 8, Annotated Code of Maryland, for elected local officials.
9. The Commission shall 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 shall forward any recommended changes and amendments to the Town Council for enactment.

**§ 3-3. Regulations and Final Orders of the Commission.**

- A. The Commission shall issue regulations including but not limited to procedures for advisory opinions, written statements of complaints, investigations, notice to complainants and respondents, opportunity to cure, dismissal of complaints, preliminary and adjudicatory hearings, the issuance of subpoenas by the Commission for witnesses and evidence, and final written orders. Such regulations shall be modeled whenever practical on any state ethics laws or regulations and must be approved by the Mayor and Town Council.
- B. If, after a hearing, the Commission determines that a violation has occurred, the Commission shall issue an order which may include, but is not limited to, any of the following:
  1. Direction to the respondent to cease and desist from the violation;
  2. A written reprimand; or
  3. Recommendation to the Mayor and Town Council or appropriate authority any discipline of the respondent, including censure or removal, if that discipline is authorized by law.
- C. The Commission shall submit to the Mayor and Town Council, the Complainant and the Respondent a written copy of any order issued if a violation is found.

**§3-4. Judicial Review.**

- A. If the Respondent is aggrieved by a final order of the Commission, the Respondent may seek judicial review as provided in title 10, Subtitle 2 of the State Government Article (Administrative Procedure Act – Contested Cases).
- B. The order of the Commission is stayed automatically until the time for seeking judicial review has expired.
- C. The filing of a Petition for Judicial Review does not automatically stay the enforcement of the order.

**§3-5. Confidentiality.**

- A. Except as provided below, any investigation, written statement or complaint, including the proceedings, meetings, and activities of the Commission and its staff relating to such are confidential and may not be disclosed by the Commission or staff, complainant, or respondent.
- B. Disclosures allowed:

1. The Commission may release any information at any time if the Respondent agrees in writing to the release and the release, in the discretion of the commission, would not adversely impact any other person, business entity or entity.
2. On request of the Respondent, the Commission at any time shall disclose the identity of the complainant to the respondent.
3. If the Commission, while considering a matter, finds that there are reasonable grounds to believe that a person or entity may have committed a criminal offense, the Commission promptly shall refer the matter to an appropriate prosecuting authority, and the commission shall make available to the prosecuting authority all pertinent evidence under its control.
4. Upon a finding of a violation, the records of the proceedings and investigation shall be public.

**§ 3-6. Conflicts of interest and prohibitions.**

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

B. Unless otherwise permitted by Commission regulation or opinion, or in the exercise of an administrative or ministerial duty that does not affect the disposition or decision of the matter at issue, an official or employee may not participate on behalf of the Town in:

1. 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. 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 Town, 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 interest; or
  - vi. A business entity that:
    - 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

- 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 paragraph 1 and 2 of this subsection do not apply if participation is allowed by regulation or opinion of the Commission.

5. All persons subject to this chapter shall file a statement with the Commission disclosing any interest or employment, the holding of which would require disqualification from participation pursuant § 3-6 of this chapter, as soon as possible and at least seven (7) days before such matter is scheduled to occur.

**C. 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 Town 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 person 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.

**D. Post-employment limitations and restrictions.**

1. A former official or employee may not 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.

2. Until the conclusion of twelve (12) months after the elected official leaves office, a former official or employee of the Town may not assist or represent another party for compensation in a matter that is subject of legislative action.

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

**F. Use of prestige of office.**

1. An official or employee may not intentionally use the prestige of office or public position for the private gain of that official or employee or the private gain of another.

2. This subsection does not prohibit the performance of usual and customary constituent services by an elected local official without additional compensation.

**§ 3-7. Solicitation and/or Acceptance of Gifts.**

**A.** An official or employee may not solicit any gift.

**B.** 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.

**C.** 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:

1. Is doing business with or seeking to do business with the Town office, agency, boards, or commission with which the official or employee is affiliated;

2. 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;

3. Is engaged in an activity regulated or controlled by the official's or employee's governmental unit; or

4. Is a lobbyist with respect to matters within the jurisdiction of the official or employee.

**D.** Paragraph E of this section does not apply to a gift:

1. That would tend to impair the impartiality and the independence of judgment of the official or employee receiving the gift;

2. Of significant value that would give the appearance of impairing the impartiality and independence of judgment of the official or employee; or

3. 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.

E. Notwithstanding paragraphs (A) through (C) of this section, an official or employee 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 or nominal value that do not exceed \$20.00 in cost or trivial items of informational value;
4. 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;
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 official or employee by blood or marriage, or any other individual who is a member of the household of the official or employee; or
8. Honoraria for speaking to or participating in a meeting, provided that the offering of the honorarium is in not related in any way to the official's or employee's official position.

F. Disclosure of confidential information. Other than in the discharge of official duties, an official or employee may not disclose or use confidential information, that the official or employee acquired by reason of the official's or employee's public position and that is not available to the public, for the economic benefit of the official or employee or that of another person.

G. Participation in procurement. An individual or a person that employs an individual who assists a Town agency in the drafting of specifications, an invitation for bids, or a request for proposals for a procurement may not submit a bid or proposal for that procurement or assist or represent another person, directly or indirectly, who is submitting a bid or proposal for the procurement. 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.

H. Use of Equipment or Personnel. An official or employee may not allow, permit or facilitate the unauthorized use of Town-owned facilities, vehicles, equipment, materials or personnel for private matters or profit.

#### § 3-8. Exemption or Modification of Provisions.

The Commission or, if appropriate, the Council may, after consultation with the Town Attorney grant exemptions to or modifications of this chapter as to persons subject to this chapter where it finds that the application of this chapter would constitute an unreasonable invasion of privacy or otherwise constitute an unreasonable hardship and would significantly reduce the availability of qualified persons for public service and if it also finds that the exemption or modification would not be contrary to the purposes of this chapter.

#### § 3-9. Filing of Financial Disclosure Statement by Elected Officials and Candidates.

A. This section applies to all Town elected officials and candidates for Town elections. Except as provided in subsection B of this section, a local elected official or a candidate to be a local elected official shall file the financial disclosure statement required under this section:

**1. On a form provided by the Commission;**

**2. Under oath or affirmation; and**

**3. With the Commission.**

**4. Deadlines for filing statements.**

**i. An incumbent local elected official shall file a financial disclosure statement annually no later than April 30 of each year for the preceding calendar year.**

**ii. 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.**

**iii. An individual who, other than by reason of death, leaves an office for which a statement is required shall file a statement within 60 days after leaving the office. The statement shall cover:**

**a. 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**

**b. The portion of the current calendar year during which the individual had the office.**

**B. Candidates to be local elected officials. 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 an elected local official shall file a financial disclosure statement each year beginning with the year in which the certificate of candidacy is filed through the year of the election.**

**1. A candidate to be an elected local official shall file a statement required under this section:**

**i. In the year the certificate of candidacy is filed, no later than the filing of the certificate of candidacy;**

**ii. In the year of the election, on or before the earlier of April 30 or the last day of the withdrawal of candidacy; and**

**iii. In all other years for which a statement is required, on or before April~30.**

**2. A candidate to be an elected official:**

**i. May file the statement required under §3-9(B)(1)(ii and iii) of this chapter with the Town Clerk or Board of Election Supervisors with the certificate of candidacy or with the Commission prior to filing the certificate of candidacy; and**

**ii. Shall file the statements required under §3-9(B)(1)(ii and iii) with the Commission.**

**3. If a candidate fails to file a statement required by this section after written notice is provided by the Town Clerk or Board of Election Supervisors at least 20 days before the last day for the withdrawal of candidacy, the candidate is deemed to have withdrawn the candidacy.**

**4. The Town Clerk or Board Election Supervisors may not accept any certificate of candidacy unless a statement has been filed in proper form.**

**5. Within 30 days of the receipt of a statement required under this section, the Town Clerk or Board of Election Supervisors shall forward the statement to the Commission or the office designated by the Commission.**

**C. The Commission or office designated by the Commission shall maintain all financial disclosure statements filed under this section. 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.**

**1. 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.**

**2. 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.**

**D. The Commission or the office designated by the Commission shall retain financial disclosure statements for four years from the date of receipt.**

**E. At a minimum the financial disclosure statement form shall contain the following information:**

**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, or limited liability corporation, regardless of whether the corporation or partnership does business with the Town.**

ii. For each interest reported under this paragraph, the schedule shall include:

a. The name and address of the principal office of the corporation, partnership, limited liability partnership, or limited liability corporation;

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;

(A) The date when, the manner in which, and the identity of the person from whom the interest was acquired; and

(B) 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 under item 2ii of this paragraph by reporting, instead of a dollar amount:

a. 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

b. For an equity interest in a partnership, the percentage of equity interest held.

3. Interests in business entities doing business with the Town.

i. A statement filed under this section shall include a schedule of all interests in any business entity that does business with the Town, 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 in 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 \$20.00 in value or a series of gifts totaling \$100.00 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.**

**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 Town.**

**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 Town.**

**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 Town agency with which the entity is involved.**

**6. Indebtedness to entities doing business with Town.**

**i. A statement filed under this section shall include a schedule of all liabilities, excluding retail credit accounts, to persons doing business with the Town 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 Town 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.

F. For the purposes of this section, 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 by a business entity in which the individual held a 30% or greater interest at any time during the reporting period.

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.

G. The Commission shall review the financial disclosure statement 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. The Town of Cheverly Ethics Commission may take appropriate enforcement action to ensure compliance with this section.

#### § 3-10. Filing of Financial Disclosure Statements by Non-Elected Officials.

A. All officials, including, but not limited to the Administrator, Treasurer, Clerk, department heads and any appointed official on a board with decision-making authority, such as the election supervisors and the members of the ethics commission shall:

1. File a financial disclosure statement when the personal interest of the official will present a potential conflict with the public interest in connection with an anticipated public action of the local official. The content of the financial disclosure statement shall be limited to the areas of potential conflict and shall be filed no less than seven days in advance of the action to allow for adequate public disclosure.

2. File a financial disclosure statement by April 30 of each year to report on gifts received by the local official disclosing gifts during the preceding calendar year from any person that contracts with or is regulated by the Town, including the name of the donor of the gift and the approximate retail value at the time of receipt.

B. The Commission shall maintain all disclosure statements filed under this section as public records available for public inspection and copying as provided in § 3-12 of this chapter.

#### § 3-11. Filing of Registration Statement; Contents.

A. Any person who personally appears before any Town official or employee with the intent to influence that person in performance of his official duties and who, in connection with such intent, expends or reasonably expects to expend in a

given calendar year in excess of one hundred dollars (\$100.00) on food, entertainment or other gifts for such official shall file a registration statement with the Commission no later than January 15 of that calendar year or within five (5) days after first making such appearances.

B. The registration statement, which shall be filed annually, shall include complete identification of the registrant and of any other person on whose behalf the registrant acts. It shall also identify the subject matter on which the registrant proposes to make such appearances.

C. Registrants under this section shall file a report within thirty (30) days after the end of any calendar year during which they were registered, disclosing the value, date and nature of any food, entertainment or other gift provided to a Town official or employee. Where a gift or series of gifts to a single official or employee exceeds one hundred dollars (\$100.00) in value, the official or employee shall also be identified.

**§ 3-12. All Disclosure Statements to be Filed with Commission and open to Public Inspection.**

All statements of disclosure required by this chapter shall be filed with the Commission and shall be available for public inspection and copying at the Town Office during normal business hours. The Town Clerk shall be the custodian of all records of the Commission.

**§3-13. Definitions.**

In this chapter the following words have the meanings indicated:

**Business Entity** - Any corporation, limited liability company, general or limited partnership, sole proprietorship (including a private consulting operation), joint venture, unincorporated association or firm, institution, trust, foundation or other organization, whether organized for profit or not.

**Children** - all biological and adopted children, stepchildren, wards, foster children, regardless of age.

**Town** – the Town of Cheverly.

**Commission** - the Ethics Commission of the Town of Cheverly.

**Complainant** - a person who files a written statement with the Ethics Commission alleging a violation of any of the provisions of this chapter or chapter 8 of this Code.

**Employee** - a person hired and compensated to perform work for the Town under the direct supervision of the Town. The independent contractors the Town may contract with, such as the Town Attorney, auditors, architects, engineers, etc. are not employees.

**Employer** - an entity that pays or agrees to pay compensation to another entity for services rendered.

**Family Member** –

A. Any brother, sister, parent, child, spouse or domestic partner of a person subject to this chapter, or

B. One who is related to a person subject to this chapter by blood, marriage, other legal arrangement (guardian, domestic partner) or adoption is a member of the person's household.

**Financial Interest** - (1) ownership of an interest resulting in the receipt or entitlement of more than one hundred dollars (\$100.00) within the past 3 years, currently, or in the future; or (2) ownership of more than 3% of a business entity by a Town official or employee or his/her spouse.

**Gift** - except as specified in subsection (B) of this section, the transfer of anything of economic value, regardless of form, without adequate and lawful consideration. "Gift" shall not include acceptance or the receipt of political contributions for an election campaign.

**Interest**

A. A legal or equitable economic interest, whether or not subject to an encumbrance or condition, that is owned or held wholly or partly, jointly or severally, or directly or indirectly.

B. "Interest" shall 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;

3. 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

4. A common trust fund or a trust fund 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 under §401 or §501 of the internal revenue code.

**Household** - sharing a person's legal residence.

**Respondent** - any person named in a written statement filed with a complaint or initiated by the commission alleging a violation by such person of any of the provisions of this chapter or chapter 8 of this code.

**Qualified Relative** - a parent, child, sibling or spouse for use in the participation restrictions of the conflict of interest provisions.

**§ 3-14. Enforcement; Violations and Penalties.**

A. The Commission may:

1. Assess a late fee of \$2.00 per day up to a maximum of \$250.00 for a failure to timely file a financial disclosure statement required under §3-6, §3-7 or §3-9 of this chapter;

2. Assess a late fee of \$10.00 per day up to a maximum of \$250.00 for a failure to file a timely lobbyist registration or lobbyist report required under §3-11 of this chapter; and

3. 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. If the Commission finds that a respondent has violated §3-11 of this chapter, the Commission may:

1. Require a respondent who is a registered lobbyist to file any additional reports or information that reasonably related to the information that is required under §3-10 of this chapter;

2. Impose a fine not exceeding \$5,000.00 for each violation; and

3. Suspend the registration of an individual registered lobbyist if the Commission finds that the lobbyist has knowingly and willfully violated §3-11 of this chapter or has been convicted of a criminal offense arising from lobbying activities.

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

E. The court may:

1. Issue an order to cease and desist from the violation;

2. Except as provided in subparagraph 4 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

3. Impose a fine of up to \$5,000.00 for any violation of the provisions of this chapter, with each day upon which the violation occurs constituting a separate offense.

4. 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.

F. 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.

G. A Town 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.

H. Violation of § 3-11 of this chapter shall be a misdemeanor subject to a fine of up to \$10,000.00 or imprisonment of up to one year.

I. A finding of a violation of this chapter by the Commission is public information.

**J. The Mayor and Town Council shall have the authority to take action against any Town official upon the Commission's finding a violation by the official, including but not limited to censure, fine, refusal to seat a member and removal.**

**AND BE IT FURTHER ORDAINED that if any provision of this Ordinance or the application thereof to any person or circumstance is held invalid for any reason, such invalidity shall not affect the other provisions or any other applications of the Ordinance which can be given effect without the invalid provision or applications, and to this end, all the provisions of this Ordinance are hereby declared to be severable.**

**AND BE IT FURTHER ORDAINED that this Ordinance shall take effect thirty (30) days from the date of its adoption; provided, however that a fair summary of the Ordinance is published at least once in a newspaper of general circulation in the Town of Cheverly.**

**INTRODUCED by the Mayor and Town Council of the Town of Cheverly, Maryland, at a regular meeting on October 11, 2012, at which meeting copies were available to the public for inspection.**

**ADOPTED by the Mayor and Town Council of the Town of Cheverly, Maryland, at a regular meeting on November 8, 2012, at which meeting copies were available to the public for inspection.**