

HOUSE BILL 292

G2, P5

11r0519

(PRE-FILED)

By: **Delegate Stewart**

Requested: July 1, 2020

Introduced and read first time: January 13, 2021

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Public Ethics – Gifts and Lobbyist Registration**
3 **(Public Integrity Act of 2021)**

4 FOR the purpose of limiting the value of certain food or beverages an official of the
5 Legislative Branch or member of the General Assembly may accept; increasing the
6 fee required to accompany a certain lobbyist registration form; requiring the
7 Commission to reduce a certain fee that a nonprofit entity is required to pay under
8 certain circumstances; and generally relating to public ethics.

9 BY repealing and reenacting, without amendments,
10 Article – General Provisions
11 Section 5–505(a) and (b)
12 Annotated Code of Maryland
13 (2019 Replacement Volume and 2020 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – General Provisions
16 Section 5–505(c) and 5–704
17 Annotated Code of Maryland
18 (2019 Replacement Volume and 2020 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
20 That the Laws of Maryland read as follows:

21 **Article – General Provisions**

22 5–505.

23 (a) (1) An official or employee may not solicit any gift.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2) An official may not directly solicit or facilitate the solicitation of a gift, on behalf of another person, from an individual regulated lobbyist described in § 5-702(a)(1) of this title.

(b) (1) In this subsection, "entity" does not include a governmental unit.

(2) Except as provided in subsection (c) of this section, an official or employee may not knowingly accept a gift, directly or indirectly, from an entity that the official or employee knows or has reason to know:

(i) does or seeks to do any business of any kind, regardless of amount, with the official's or employee's governmental unit;

(ii) engages in an activity that is regulated or controlled by the official's or employee's governmental unit;

(iii) has a financial interest that may be affected substantially and materially, in a manner distinguishable from the public generally, by the performance or nonperformance of the official's or employee's official duties; or

(iv) is a regulated lobbyist with respect to matters within the jurisdiction of the official or employee.

(c) (1) Notwithstanding subsection (b) of this section, an official or employee may accept a gift listed in paragraph (2) of this subsection unless:

(i) the gift would tend to impair the impartiality and independent judgment of the official or employee; or

(ii) as to a gift of significant value:

1. the gift would give the appearance of impairing the impartiality and independent judgment of the official or employee; or

2. the official or employee believes or has reason to believe that the gift is designed to impair the impartiality and independent judgment of the official or employee.

(2) Subject to paragraph (1) of this subsection, subsection (b) of this section does not apply to:

(i) 1. except for officials of the Legislative Branch, meals or beverages received and consumed by the official or employee in the presence of the donor or sponsoring entity;

2. for officials of the Legislative Branch, food or beverages NOT EXCEEDING A TOTAL COST OF \$50 received and consumed by the official in the

1 presence of the donor or sponsoring entity as part of a meal or reception to which all
2 members of a legislative unit were invited;

3 3. for a member of the General Assembly, food or beverages
4 **NOT EXCEEDING A TOTAL COST OF \$50** received from a donor or sponsoring entity, other
5 than an individual regulated lobbyist described in § 5–701(a)(1) of this title, during a period
6 when the General Assembly is not in session, at a location that is within a county that
7 contains the member’s district, provided that the donor or sponsoring entity is located
8 within a county that contains the member’s district; or

9 4. for a member of the General Assembly, food or beverages
10 **NOT EXCEEDING A TOTAL COST OF \$50** received at the time and geographic location of a
11 meeting of a legislative organization for which the member’s presiding officer has approved
12 the member’s attendance at State expense;

13 (ii) ceremonial gifts or awards of insignificant monetary value;

14 (iii) except for a State official of the Executive Branch or Legislative
15 Branch, unsolicited gifts of nominal value;

16 (iv) for a State official of the Executive Branch or Legislative Branch,
17 unsolicited gifts from a regulated lobbyist that are not meals or alcoholic beverages and
18 that do not exceed \$20 in cost;

19 (v) trivial gifts of informational value;

20 (vi) in return for participation on a panel or a speaking engagement
21 at a meeting, reasonable expenses for food, travel, lodging, or scheduled entertainment of
22 the official or employee if the expenses are associated with the meeting, except that, if such
23 expenses for a State official of the Legislative Branch or Executive Branch are to be paid
24 by a regulated lobbyist and are anticipated to exceed \$500, the official shall notify the
25 appropriate advisory body before attending the meeting;

26 (vii) for a member of the General Assembly, reasonable expenses for
27 food, travel, lodging, or scheduled entertainment to attend a legislative conference that has
28 been approved by the member’s presiding officer;

29 (viii) tickets or free admission extended to an elected constitutional
30 officer from the person sponsoring or conducting the event, as a courtesy or ceremony to
31 the office, to attend a charitable, cultural, or political event;

32 (ix) a specific gift or class of gifts exempted from subsection (b) of this
33 section by the Ethics Commission on a written finding that:

34 1. acceptance of the gift or class of gifts would not be
35 detrimental to the impartial conduct of government; and

2. the gift is purely personal and private in nature;

(x) a gift from:

1. an individual related to the official or employee by blood or marriage; or

2. any other individual who is a member of the household of the official or employee; or

(xi) to the extent provided in subsection (d) of this section, honoraria.

5–704.

(a) (1) At the times specified in subsection (d) of this section, each regulated lobbyist shall register with the Ethics Commission as provided in subsection (g) of this section.

(2) A regulated lobbyist shall register separately for each entity that has engaged the regulated lobbyist for lobbying purposes.

(b) Each registration form shall include the following information, if applicable:

(1) the regulated lobbyist's name and permanent address;

(2) the name and permanent address of any other regulated lobbyist that will be lobbying on the regulated lobbyist's behalf;

(3) the name, address, and nature of business of any entity that has engaged the regulated lobbyist for lobbying purposes, accompanied by a statement indicating whether, because of the filing and reporting of the regulated lobbyist, the compensating entity is exempt under § 5–702(c) of this subtitle; and

(4) the identification, by formal designation if known, of the matters on which the regulated lobbyist expects to perform acts, or to engage another regulated lobbyist to perform acts, that require registration under this subtitle.

(c) Each registration shall include the certification required by § 5–703 of this subtitle.

(d) (1) A regulated lobbyist who is not currently registered shall register within 5 days after first performing an act that requires registration under this subtitle.

(2) A regulated lobbyist shall file a new registration form on or before November 1 of each year if, on that date, the regulated lobbyist is engaged in lobbying.

(e) (1) **[Each] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**

1 SUBSECTION, EACH registration form shall be accompanied by a fee of ~~[\$100]~~ **\$300**.

2 (2) AT THE REQUEST OF A NONPROFIT ENTITY, THE ETHICS
3 COMMISSION SHALL REDUCE THE FEE THAT THE NONPROFIT ENTITY IS REQUIRED
4 TO PAY UNDER PARAGRAPH (1) OF THIS SUBSECTION TO **\$100**.

5 ~~[(2)]~~ (3) The fee shall be credited to the Lobbyist Registration Fund
6 established under § 5–210 of this title.

7 (f) (1) Except as provided in paragraph (2) of this subsection, each registration
8 shall terminate on the earlier of:

9 (i) the October 31 following the filing of the registration; or

10 (ii) an earlier termination date specified in the certification filed
11 with respect to that registration under § 5–703 of this subtitle.

12 (2) A regulated lobbyist may terminate the registration before the date
13 specified in paragraph (1) of this subsection by:

14 (i) ceasing all activity that requires registration; and

15 (ii) after ceasing activity in accordance with item (i) of this
16 paragraph:

17 1. filing a notice of termination with the Ethics Commission;
18 and

19 2. filing all reports required by this subtitle within 30 days
20 after the filing of the notice of termination.

21 (3) (i) Subject to subparagraphs (ii) and (iii) of this paragraph, if a
22 regulated lobbyist is or becomes subject to regulation under this title as an official or
23 employee, the regulated lobbyist shall immediately terminate the registration in
24 accordance with paragraph (2) of this subsection.

25 (ii) The Ethics Commission shall adopt regulations establishing
26 criteria under which a regulated lobbyist may serve on a State board or commission.

27 (iii) The regulations adopted under subparagraph (ii) of this
28 paragraph shall:

29 1. establish a classification of State boards or commissions
30 on which regulated lobbyists may serve;

31 2. at a minimum authorize a regulated lobbyist to serve as
32 an appointed member of an advisory governmental body of limited duration;

1 3. as to a regulated lobbyist who serves on a State board or
2 commission, establish disclosure requirements that are substantially similar to disclosure
3 requirements under § 5–514 of this title; and

4 4. require a regulated lobbyist who serves on a board or
5 commission and is disqualified from participating in a specific matter because of a conflict
6 of interest to file a statement of recusal with the board or commission describing the
7 circumstances of the conflict which shall be recorded in the minutes of the meeting.

8 (g) (1) An individual shall file a registration under this section electronically
9 and without additional cost to the individual who files the registration.

10 (2) A registration filed electronically under paragraph (1) of this subsection
11 shall include the oath and affirmation required under § 5–703 of this subtitle made by an
12 electronic signature that:

13 (i) is a part of the registration form or attached to and made part of
14 the registration form; and

15 (ii) is made expressly under the penalties for perjury.

16 (3) An oath or affirmation signed electronically under paragraph (2) of this
17 subsection subjects the individual making the oath or affirmation to the penalties for
18 perjury to the same extent as an oath or affirmation made by an individual in person before
19 an individual authorized to administer oaths.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 2021.