#### **S.**8

An act relating to establishing the State Ethics Commission and standards of governmental ethical conduct

The Senate concurs in the House proposal of amendment with the following proposal of amendment thereto:

First: In Sec. 3, 17 V.S.A. § 2414 (candidates for State and legislative

office; disclosure form), in subsection (a), by striking out subdivision (1) in its entirety and inserting in lieu thereof a new subdivision (1) to read as follows:

(1) Each source, but not amount, of personal income of the candidate and of his or her spouse or domestic partner, and of the candidate together with his or her spouse or domestic partner, that totals more than \$5,000.00, including any of the sources meeting that total described as follows:

<u>Second</u>: In Sec. 3, 17 V.S.A. § 2414 (candidates for State and legislative office; disclosure form), by adding a new subsection to be subsection (c) to read as follows:

(c) In addition, each candidate for State office shall attach to the disclosure form described in subsection (a) of this section a copy of his or her most recent U.S. Individual Income Tax Return Form 1040; provided, however, that the candidate may redact from that form the following information:

(1) the candidate's Social Security Number and that of his or her spouse, if applicable;

# **S.**8

Page 2 of 6

(2) the names of any dependent and the dependent's Social Security Number; and

(3) the signature of the candidate and that of his or her spouse, if applicable.

And by relettering the remaining subsections to be alphabetically correct.

<u>Third</u>: In Sec. 3, 17 V.S.A. § 2414 (candidates for State and legislative office; disclosure form), in subsection (c) (relettered subsection (d)), by striking out subdivision (2) in its entirety and inserting in lieu thereof a new subdivision (2) to read as follows:

(2)(A) The Secretary of State shall post a copy of any disclosure forms and tax returns he or she receives under this section on his or her official State website.

(B) Prior to posting, the Secretary shall redact from a tax return the information permitted to be redacted under subsection (c) of this section, if the candidate fails to do so.

<u>Fourth</u>: In Sec. 7, 3 V.S.A. chapter 31, by striking out section 1202 (State Code of Ethics) in its entirety and inserting in lieu thereof a new section 1202 to read as follows:

### <u>§ 1202. STATE CODE OF ETHICS</u>

<u>The Ethics Commission, in consultation with the Department of Human</u> <u>Resources, shall create and maintain a State Code of Ethics that sets forth</u> <u>general principles of governmental ethical conduct.</u>

<u>Fifth</u>: In Sec. 7, 3 V.S.A. chapter 31, in section 1211 (Executive officers; biennial disclosure), in subsection (a), by striking out subdivision (1) in its entirety and inserting in lieu thereof a new subdivision (1) to read as follows:

(1) Each source, but not amount, of personal income of the officer and of his or her spouse or domestic partner, and of the officer together with his or her spouse or domestic partner, that totals more than \$5,000.00, including any of the sources meeting that total described as follows:

<u>Sixth</u>: In Sec. 7, 3 V.S.A. chapter 31, in section 1211 (Executive officers; biennial disclosure), in subdivision (d)(1) ("domestic partner" definition), following "<u>an enduring domestic relationship</u>" by inserting the following: <u>of a spousal nature</u>

<u>Seventh</u>: In Sec. 7, 3 V.S.A. chapter 31, in section 1221 (State Ethics Commission), in subsection (b) (membership), in subdivision (1), by striking out subparagraph (A) in its entirety and inserting in lieu thereof a new subparagraph (A) to read as follows:

(A) one member appointed by the Chief Justice of the Supreme Court:

VT LEG #326068 v.1

Page 4 of 6

<u>Eighth</u>: In Sec. 7, 3 V.S.A. chapter 31, in section 1221 (State Ethics Commission), in subsection (b) (membership), by inserting a new subdivision (2) to read as follows:

(2) The Commission shall elect the Chair of the Commission from among its membership.

And by renumbering the remaining subdivisions to be numerically correct.

<u>Ninth</u>: In Sec. 7, 3 V.S.A. chapter 31, in section 1224 (Commission ethics training), in the first sentence, following "<u>the Commission shall make available</u> <u>to</u>" by striking out "<u>State officers</u>" and inserting in lieu thereof the following: <u>legislators, State officers</u>,

<u>Tenth</u>: By striking out Sec. 9 (State Ethics Commission; State Code of Ethics; rule-making procedure requirements) in its entirety and inserting in lieu thereof a new Sec. 9 to read:

Sec. 9. STATE ETHICS COMMISSION; STATE CODE OF ETHICS;

## PROCEDURE FOR CREATION

(a) The State Ethics Commission shall create a draft of the State Code of Ethics in consultation with the Department of Human Resources as described in 3 V.S.A. § 1202 in Sec. 7 of this act and submit that draft to the House and Senate Committees on Government Operations for their review on or before March 15, 2018.

S.8

(b) After considering any recommendations by those Committees, the Commission shall create its final version of the State Code of Ethics on or before July 1, 2018.

<u>Eleventh</u>: In Sec. 10 (implementation of the State Ethics Commission), in subsection (b), in the first sentence, following "<u>including the hiring of the</u> <u>Commission's Executive Director</u>" by inserting the following: <u>and electing the</u> <u>Chair of the Commission</u>

<u>Twelfth</u>: In Sec. 10 (implementation of the State Ethics Commission), in subsection (c), in subdivisions (1) and (2), by striking out "3 V.S.A.

<u>§ 1221(b)(4)(A)</u>" and inserting in lieu thereof the following: <u>3 V.S.A.</u>

### <u>§ 1221(b)(5)(A)</u>

<u>Thirteenth</u>: In Sec. 10 (implementation of the State Ethics Commission), in subdivision (c)(1)(A), following "<u>the Chief Justice of the Supreme Court shall</u> <u>appoint</u>" by striking out "<u>the Chair</u>" and inserting in lieu thereof the following: <u>a member</u>

<u>Fourteenth</u>: In Sec. 17 (transitional provision; municipal ethics complaints; Secretary of State; Ethics Commission; reports), by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

Page 6 of 6

**S.**8

(b) The State Ethics Commission shall include a summary of these municipal complaints along with its report of complaints described in 3 V.S.A.

§ 1226(1) (Commission reports; complaints) in Sec. 7 of this act.