

Campaign for Vermont Ethics Testimony to Senate Government Operations

Summary of Ethics Law – H.846 (version 1.4)

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Bi-Partisan support from sponsors: Heidi Scheuermann, Bob Bouchard, Carolyn Whitney Brangan, Cynthia Browning, Tom Burditt, Brian Campion, Steve Carr, Michel Consejo, George Cross, Dennis J. Devereux, Andy Donaghy, Anne B. Donahue, Mark Higley, Kathleen C. Keenan, Warren F. Kitzmiller, Pattie Komline, Bob Krebs, Linda K. Myers, Dave Sharpe, Butch Shaw, Vicki Strong, Thomas Terenzini, Mark Woodward, Kurt Wright.

Section 23: ETHICS (Prohibited conduct, General Assembly)

This section adds to V.S.A. 23 the following prohibited conduct for members of the General Assembly:

- Using a public position for special privileges.
- Personal use of state property.
- Taking official action in which he or she has a conflict of interest.
- Taking an action that benefits a party a public official is seeking employment with.
- Disclosing confidential information.
- Acting on confidential information for private gain.
- Soliciting or receiving gifts or favors.

Campaign for Vermont's proposal included the promise of future employment in the definition of gifts or favors. We might also suggest that if a particular situation does not require recusal that an official should at least disclose that they might have a potential conflict.

Section 1401: PROHIBITED CONDUCT (Executive branch)

This section adds to V.S.A 32 the following prohibited conduct for statewide constitutional officers, state employees, and members of boards or commissions:

- Preferential treatment towards family members.
- Using public position for special privileges.
- Personal use of state property.
- Taking official action in which he or she has a conflict of interest.
- Taking any official action that materially benefits his or herself.
- Taking an action that benefits a party a public official is seeking employment with.
- Disclosing confidential information.
- Acting on confidential information for private gain.
- Soliciting or receiving gifts or favors (specific requirements for appointed officials).
- Elected and appointed officials are prohibited from:
 - Accepting employment with an entity they regulated while in public service for a period of two years.
 - Accepting employment involving a matter they supervised while in public service for a period of two years.
 - Advocating before a government entity for a period of two years.

Campaign for Vermont supports expanding this provision to all public servants, not just those in the executive branch. Additionally Elected and appointed officials must file annual financial disclosure forms.

Section 1402: VERMONT ETHICS COMMISSION

This section creates a Vermont Ethics Commission and defines its duties and responsibilities. The commission is composed of 5 members; one appointed by the Speaker of the House, the Committee on Committees, and the Lieutenant Governor and two by the Governor (from different political parties). Members are appointed to 5 year terms and entitled to per diem compensation.

Campaign for Vermont originally proposed a commission made up of 9 members. Three being appointed by each the Governor, three jointly by the Vermont Press Association and the Vermont Broadcasters Association, and three jointly by the Ethen Allen Institute and the Public Assets Institute. However, we do support the current structure as it is in line with what many other states have in place.

Section 1403: POWERS, DUTIES, AND ENFORCEMENT

The Vermont Ethics Commission will receive and investigate complaints of ethics violations and operate as a quasi-judicial board. Upon finding an individual guilty of an ethics violation, the commission may impose a civil penalty up to \$5,000 or other punitive measures.

Campaign for Vermont proposes raising the civil penalty to a maximum of \$10,000 to be more in line with other states, and creating an appeals process through the state supreme court.

Section 1405: CONFIDENTIALITY

Any records not pertaining to cases where a violation occurred are confidential and exempt from public record.

Campaign for Vermont supports the current language, but would add protections for the identities of complainants in cases where a violation has occurred. This could fall under Whistleblower legislation being considered in the House Government Operations Committee.

Section 1456: FINANCIAL DISCLOSURE FORM

Any elected or appointed officials who earn \$30,000 or more per year, and members of the General Assembly and their spouse must file annual financial disclosure agreements containing the following:

- Name, business contact information, public position, any other occupations
- Any compensation received (includes source of compensation).
- Any business interest, investment, or security of \$5,000 or 5% or more.
- All real property worth \$5,000 or more.
- Gross income.
- Any fiduciary position.
- Any other information the commission deems appropriate.

Section 1406: Failure to File

Any person who fails to file within 10 days of being notified by mail is subject to section 1403.

Campaign for Vermont believes that there should be more teeth in a penalty for not filing. Perhaps a penalty of up to \$5,000 for failing to file or filing inaccurate information.

Section 1407: REPORT

The Commission shall issue an annual report of complaints received, investigations, determinations of guilt, etc.

This act shall take effect on July 1, 2014.