

Ethics Commission Comments – HGO - 01.07.2016
By Secretary of State Jim Condos

- **Let me begin by saying, by and large, we are served well by our dedicated public servants.**
 - **The vast majority of our elected state and local officials are trustworthy, dedicated and passionate individuals who want to do the right thing.**
 - **However, corruption can exist, and in small doses it can be just as corrosive to our democracy as any prominent scandal, undermining the public trust.**
 - **Vermonters deserve good government – and the only way that can happen is if the public has access to an open transparent government.**
 - **I believe the time has come when VT must enact a clear law regarding ethics, conflicts of interest and financial disclosure.**
 - **The SoS office receives countless calls regarding ethics and conflict of interest for state and municipal officials.**
 - **For state officials there is no conflict of interest statute except for what exists in House and Senate rules.**
 - **For municipalities our general response is that towns are empowered to adopt, but not required to have, a conflict of interest policy.**
 - **We do not know how many municipalities have policies or have used them.**
 - **Although VT's current law has no overall conflict of interest statement for legislators or statewide officers, (except individual titles speak to specific issues like in Banking), there is language for municipal officials (see end of these talking points)**
 - **Over the last the last 5 years, I have spoken about the need for:**
 - **An Ombudsman for Open Meetings and Access to Public Records**
 - **Financial Disclosure for candidates and office-holders**
 - **Creation of an Ethics Commission**
 - **More meaningful and more broadly applied conflict of interest laws**
- I am pleased that the discussion has elevated recently.**

- The 2012 Center for Public Integrity latest ranking has VT with an overall grade of D+ - <http://www.publicintegrity.org/2012/03/19/8423/grading-nation-how-accountable-your-state> (based on info collected prior to 2011):
 - Redistricting A
 - Internal Auditing A
 - Procurement B
 - State Budget Processes B-
 - Political Financing B-
 - Lobbyist Disclosure B-
 - State Pension Fund Mgt B-
 - State Insurance Comm. D+
 - Public Access to Info D+
 - State Civil Service Mgt D+
 - Executive Accountability D-
 - Ethics Enforcement F
 - Legislative Accountability F
 - Judicial Accountability F

Note: There is a more up to date – but the score did not change significantly

- Vermont is consistently toward the bottom of many state rankings when it comes to government transparency, accountability and integrity.
- There are many models for ethics commissions in use around the country
- I believe VT is one of 3 states in the US without an ethics commission
- All Northeast States – ME, MA, NH, RI, CT, NY, NJ, PA except VT have an Ethics Commission

- VT Should create an INDEPENDENT Ethics Commission
 - Receive complaints, investigate, and enforce the following areas
 - Ethics
 - Conflict of interest
 - Financial Disclosure – all candidates
 - Campaign Finance
 - Potentially deal with Open Meeting and Access to Public Records laws
 - Like an Ombudsman
 - Branches of Gov't to oversee
 - Elected – statewide, legislative
 - Appointed – Executive
 - Municipal – elected and appointed

- Proposed staffing
 - 5 - 7 member commission – no more than 3 (4) from the same party
 - Chair appointed by Governor
 - 1 member appointed by Sec of State
 - 1 member appointed by Attorney General
 - 1 member appointed by Speaker
 - 1 member appointed by Senate Pro Tem
 - Executive Director
 - 3-5 staff – Admin Asst, Investigator(s), Attorney(s)
 - Determine Potential Budget
- Let me end by saying again, we are generally well served by our dedicated public servants.
 - The vast majority of our elected state and local officials are trustworthy, dedicated and passionate individuals who want to do the right thing.
 - However, corruption can exist, and even in small doses it can be just as corrosive to our democracy as any prominent scandal, undermining the public trust.

NOTE:

Other states have larger commissions of appointees, and it is not much more expensive to add commissioners if they are just getting per diem and expenses. Spread the appointment authority around to make it more independent

House Rule

75. Members shall not be permitted to vote upon any question in which they are immediately or directly interested.

Senate Rule

71. No senator shall be permitted to vote upon any question in which he or she is directly or immediately interested

Current VT Statutes on Conflict on Interest

24 V.S.A. § 1984. Conflict of interest prohibition

(a) A town, city, or incorporated village, by majority vote of those present and voting at an annual or special meeting warned for that purpose, may adopt a conflict of interest prohibition for its elected and appointed officials which shall contain:

(1) A definition of “conflict of interest.”

(2) A list of the elected and appointed officials covered by such prohibition.

- (3) A method to determine whether a conflict of interest exists.
- (4) Actions that must be taken if a conflict of interest is determined to exist.
- (5) A method of enforcement against individuals violating such prohibition.

(b) Unless the prohibition adopted pursuant to subsection (a) of this section contains a different definition of “conflict of interest,” for the purposes of a prohibition adopted under this section, “conflict of interest” means *a direct personal or pecuniary interest of a public official, or the official’s spouse, household member, business associate, employer, or employee, in the outcome of a cause, proceeding, application, or any other matter pending before the official or before the agency or public body in which the official holds office or is employed.* “Conflict of interest” does not arise in the case of votes or decisions on matters in which the public official has a personal or pecuniary interest in the outcome, such as in the establishment of a tax rate, that is no greater than that of other persons generally affected by the decision. (Added 1999, No. 82 (Adj. Sess.), § 2.)

24 V.S.A. § 2291. Enumeration of powers

For the purpose of promoting the public health, safety, welfare, and convenience, a town, city, or incorporated village shall have the following powers:

(20) To establish a conflict of interest policy to apply to all elected and appointed officials of the town, city, or incorporated village.

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- The above rules and statutes have obviously been inadequate. It is time to clarify and enhance the ethical standards for our state and local government.
 - We need clear guidance and an independent, objective forum to decide these issues. A place all Vermonters can turn to, including the accused, to resolve both real and perceived ethical failures.