



House Government Operations Testimony

Ethics Legislation Relative to S.8 - March 28, 2017

Hello, my name is Ben Kinsley, Executive Director of Campaign for Vermont Prosperity (CFV). For those unfamiliar with CFV we are a non-partisan research and advocacy group working to reconnect middle-class Vermonters to their government and enacting policies that generate prosperity for ALL Vermonters. We have a network of 20,000 people across Vermont and advocate for a wide range of policy issues that focus on progress ahead of partisanship. You can learn more about our vision at CampaignForVermont.org.

Vermont is one of three states in the country with no ethics laws governing the conduct of public officials. The Center for Public Integrity gives Vermont an "F" for ethics enforcement. The Better Government Association gave Vermont a C- for access to information. Forty-seven other states require full disclosure of finances and thirty-six include assets held by a spouse. Twenty-five states have a one year revolving door policy and nine more have a two-year requirement. Forty-five other states and the District of Columbia have an ethics commission that governs the executive branch, legislative, or both.

These are the findings of a research paper we published three years ago and I am happy to say it resulted in the legislation that passed the Senate unanimously this year – the same legislation that is now in front of you in the form of S.8.

Campaign for Vermont Prosperity believes meaningful laws must be adopted to protect both the public trust and the integrity of the vast majority of dedicated public servants who are honest beyond reproach. Ethics laws will reduce cynicism about, and improve confidence in, state government. I believe this is even more important at a time when confidence in government is at an all-time low.

To be sure, there are challenges respective to a citizen legislature, but I think they are mitigated with the approach taken in in this bill. Vermont is a small state and some level of conflict is inherent to our size – everyone knows everyone else. Most lawmakers have a life and career outside Montpelier and sometimes that outside world collides with their work in the public sector. It is important for lawmakers to have all their cards on the table and face up in order to maintain public confidence in both themselves and the institutions of our government. We believe this is of the utmost importance, because without public confidence, in the integrity of our institutions, the important work that our public officials carry out on a daily basis does not reach its full potential.

Given our research into this issue, we believe several principles are essential to a successful set of ethics laws:

1. Ethics laws must cover all elected and appointed positions in both the executive and legislative branches of government. This includes all statewide officials, cabinet level officials, senior members of state civil services, all legislators, and agencies as well as individuals appointed to serve on any state board, commission, or agency with any decision-making capacity.
2. Ethics laws must include:
 - a. Financial disclosure that is comprehensive and is easily available for public inspection.
 - b. Clear definitions of what constitutes a conflict of interest for a public official.
 - c. Disclosure of gifts to public officials that are reported by both the giver and receiver.
 - d. Revolving door prohibition for officials that seek private-sector employment in an industry they previously regulated.
3. Ethics laws should not only tell lawmakers what actions are prohibited but also act as a roadmap for how to conduct themselves as public officials and give guidance on how to approach and resolve potential conflicts.
4. An independent, nonpartisan, and quasi-judicial ethics commission is needed as a meaningful enforcement mechanism. This is critically important because without enforcement, ethics laws are meaningless. For example: Rhode Island has one of the strongest set of ethics laws on the books, but they have one of the highest corruption rates in the country because they are not enforced.

Vermonters have unparalleled access to their public officials, it is easy to bump into your local Rep at the grocery store or gas station. In-fact, Vermont has the second highest number of legislators per capita in the country. This level of accessibility is often mistaken for transparency. While our access to public officials is unique and desirable, it is not that same thing as being transparent and accountable.

The legislation before you that is an excellent step forward. I would, however, like to offer some thoughts on improving this legislation:

1. In Sec. 2d, I would include “any member of any public body appointed by the Governor or upon the approval of the Governor” under the definition of “Executive officer.” Sec. 7 should also have this definition. This is consistent with [executive order 09-11](#).
2. In Sec. 3a, I would consider adding language asking for either the ranking of sources of income or the percentage of total personal taxable income. This would also apply to subchapter 2.
3. Subchapter 3 lays out a structure that meets the test for an independent ethics commission. Neither the Executive or Legislative branches have control over the commission and a diversity of interests are represented. However, we believe it should have more capacity to investigate and adjudicate complaints submitted to the commission, and therefore support Secretary Condos’ recommendation. We would also recommend making the commission six members and requiring majority support in order to investigate a possible issue.
4. There should be some penalty for failing to file financial disclosures. It doesn’t need to be barring a name from the ballot, but it could be a fine. It is clear that voluntary disclosures are not effective.

In addition to S.8, there are some ethics-related issues that we also view as necessary to build faith and trust in state government:

1. Meaningful campaign finance reform that endeavors to remove excess money from the political electoral process. Particularly money that comes from outside sources or special interests.
2. Strong protections of whistle-blowers in state government. This is critical to bringing problem areas to light in state government and often times is the mechanism for discovering ethical conflicts.

In closing, I thank the committee in advance for your attention to this issue and I look forward to continuing to work with you it.

Thank you very much,

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