

State Code of Ethics: General Principles of Governmental Ethical Conduct

Mission Statement

The mission of the State Ethics Commission is to practice and promote the highest level of ethical standards and accountability in state government. The Commission provides governmental ethics training to all public officials, accepts complaints of governmental conduct, provides information to the public, and issues ethical guidance and advisory opinions by interpreting and applying state law, governmental codes of conduct, and the General Principles set forth in Section 1 of the State Code of Ethics.

Section 1 - *General Principles*

Public service is a public trust, requiring public officials to uphold the Vermont Constitution, the law, the state code of ethics, and governmental codes of conduct above personal and financial interest. The following general principles of governmental ethical conduct apply to every public official, appointee and employee.

- (1) A public official shall not have any personal or financial interest, direct or indirect, or engage in any business, employment, transaction or professional activity or incur any obligation that is in conflict with the performance of his or her duty as a public official.
- (2) A public official shall not engage in financial transactions using nonpublic government information or disclose any confidential information learned during the course of state employment for his or her or anyone's personal or financial gain.
- (3) A public official shall not solicit or accept any gift or other item of monetary value from any person or entity seeking official action from, doing business with, or conducting activities regulated by the public official's agency, or whose interests may be substantially affected by the performance or nonperformance of the public official's duties.
- (4) A public official shall not knowingly make unauthorized commitments of any kind that obligates State government in any manner.
- (5) A public official shall not use their public office for personal gain nor have a potential or substantial interest, which is in conflict with the proper discharge of his or her fiduciary duties to the public interest.
- (6) A public official shall act impartially and not give preferential treatment to any private organization or individual in the course of state business. If impartiality is not possible, the public official must recuse himself or herself from participation in any discussion or decision-making process related to the private organization or individual.

(7) A public official shall avoid any actions that create the perception of a potential or actual conflict of interest with their official duties or that they are violating the law or a state code of conduct.

(8) A public official shall protect and conserve government property and resources, and use official time and government property only for official business.

(9) A public official shall not seek or negotiate in any manner employment that potentially or actually conflicts with his or her official Government duties and responsibilities while still in State service.

(10) A public official shall be free to disclose to the State Ethics Commission and other governmental authorities, in good faith and with candor, waste, fraud, abuse of authority, violations of law, or a threat to the health of employees, the public, or persons under the care of the State without fear of reprisal, intimidation, or retaliation.

(11) A public official shall comply in good faith with his or her duties as a citizen, including all financial obligations, such as complying with Federal, State or local taxes that are imposed by law.

(12) A public official shall adhere to all laws and regulations that mandate equal opportunity for all citizens regardless of race, color, national origin, ancestry, gender, sex, gender identity, sexual orientation, pregnancy, age, disability, military or veteran status, HIV status, place of birth, or religion.

(13) A conflict of interest of any public official shall be imputed to any public official, appointee or employee who serves at the direction and control of that first public official.

Section 2 – Definitions

As used in the General Principles:

(1) "**Business**" means a sole proprietorship, partnership, firm, corporation, holding company, a joint stock company, receivership, trust or any other entity recognized in law through which business for profit or not for profit is conducted.

(2) "**Business associate**" means a person joined together with another person to achieve a common financial objective.

(3) "**Confidential information**" means information for which a state agency has a proprietary interest.

(4) "**Conflict of interest**" means a direct or indirect personal or financial interest of a public official, or the official's family member, 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.

(5) "Doing business" means engaging in a financial transaction, about which the public official has actual or constructive knowledge, which transaction constitutes a loan, purchase, sale or other type of transfer or exchange of money, goods, other property, or services for value.

(6) "Employees" means any full-time or part-time employees in the classified or exempt service of the state, any individuals serving in any appointed state position, and any employees of any public or quasi-public state public body.

(7) "Family member" means a spouse and any dependent children of any public official or public employee as well as a person who is related to any public official or public employee, whether by blood, adoption or marriage, as any of the following: father, mother, son, daughter, brother, sister, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother or half-sister.

(8) "Gift" means: (i) a political contribution; (ii) anything of value, tangible or intangible, that is bestowed for less than adequate consideration, including travel expenses such as travel fare, room and board, and other expenses associated with travel; (iii) a meal or alcoholic beverage; (iv) a ticket, fee, or expenses for or to any sporting, recreational, or entertainment events; (v) a speaking fee or honorarium, except actual and reasonable travel expenses; (vi) a loan made on terms more favorable than those made generally available to the public in the normal course of business. "Gift" does not mean: (i) anything given between immediate family members; (ii) printed educational material such as books, reports, pamphlets, or periodicals; (iii) a gift which is not used and which, within 30 days after receipt, is returned to the donor or for which the donor is reimbursed for its fair market value; and (iv) a devise or inheritance.

(9) "Governmental conduct regulated by law" means conduct during the operation of State government that is restricted or prohibited by law and includes bribery, neglect of duty, taking illegal fees, false claims, owning or being financially interested in an entity subject to a department's supervision, failure to devote time to the duties of the office, retaliating against whistleblowers and violation of applicable revolving door prohibitions.

(10) "Governmental function" means any action that is public in nature and is performed by a public official for the benefit of all Vermont citizens and residents.

(11) "Ownership interest" means an interest in stock, assets, net profits, or losses of a business. The value of an ownership interest is determined at its highest fair market value in the calendar year.

(12) "Person" means an individual or a business entity.

(13) "Public official" means any state officer, whether elected or appointed and is a employee of the state.

(14) "State agency" means any agency, department, division, public body, office, authority, quasi-public authority, or instrumentality of the State Vermont, either chamber of the Vermont General Assembly, or any agency or committee thereof, the judiciary, or any other agency that is in any branch of Vermont state government and which exercises governmental functions other than in a purely advisory nature.