

BILL SUMMARY
“Municipal Code of Ethics Bill”

Purpose: This bill will...

- Create a uniform Municipal Code of Ethics.
- Repeal redundant municipal ethics law and require municipal officers currently in office to complete initial ethics training.

PART ONE: Repeal of Redundant Ethics Law. (Secs. 1-2)

Sec. 1 repeals [24 V.S.A. § 1984 \(Conflict of interest prohibition\)](#).

Sec. 2 repeals [24 V.S.A. § 2291 \(Enumeration of powers\)](#), subsection (20).

PART TWO: Creation of Municipal Code of Ethics. (Sec. 3)

Sec. 3 creates a new Chapter 60, titled “Municipal Code of Ethics,” in [Title 24 \(Municipal and County Government\)](#), which includes the new sections 1991-1998.

§ 1991, “Definitions,” defines important terms such as “conflict of interest” and municipal officer.”

§ 1992, “Conflicts of interest,” in subsections (a) and (b), creates an affirmative duty for municipal officers to avoid conflicts of interest (and the *appearance* of conflicts of interest) and to recuse themselves, *unless* the officer determines there is “good cause” to proceed and notifies the legislative body of the town, city, or village with a written justification for proceeding.

Note: “Good cause” means the conflict is amorphous, intangible, or otherwise speculative; the officer cannot legally or practically delegate the matter; or the action to be taken by the officer is purely ministerial and does not involve substantive decision-making.

Subsection (c) enables members of a public body to ask a municipal officer about any possible conflicts of interest, if that officer is part of that public body and to recommend that the member recuse themselves from the matter.

Subsection (d) *voids a vote of a legislative body* if a member does not disclose a known conflict of interest but participates in a vote on the matter.

§ 1993, “Prohibited Conduct,” prohibits:

- (a) Directing unethical conduct;
- (b) Preferential treatment;
- (c) Misuse of position;
- (d) Misuse of information;
- (e) Misuse of government resources;
- (f) Offering, soliciting, or accepting gifts (excluding legal campaign contributions);
- (g) Unauthorized commitments; and
- (h) Benefitting from contracts.

§ 1994, “Employment Restrictions,” restricts municipal employees from:

- (a) from seeking ‘outside employment’ that would conflict with their position;
- (b) not advocate on matters related to their position after leaving office; and
- (c) sharing confidential information.

§ 1995, “Ethics Training” requires municipal officers to undergo ethics trainings, approved by the State Ethics Commission, when becoming an officer and again every three years.

§ 1996, “Enforcement and Remedies” requires towns, cities, and villages to:

- (1) Post the Municipal Code of Ethics;
- (2) Track completed trainings;
- (3) Designate who should receive ethics complaints;
- (4) Instigate ethics complaints;
- (5) Track ethics complaints and the dispositions of these; and
- (6) Provide the State Ethics Commission with a summary of ethics complaints received and the disposition of these.

§ 1997, “Whistleblower Protection,” protects municipal officers, employees, and any other individuals from retaliation if they disclose any waste, fraud, abuse of authority, violations of law, or ethical violations to a relevant public body. This section also prohibits antiwhistleblower policies and provides individuals to bring civil actions for retaliation experienced for whistleblowing.

§ 1998, “Municipal Charters; Supplemental Ethics Policies,” permits municipalities to adopt additional ethics or personnel policies so long as these are not in conflict with the new Chapter 60. It also specifies that Chapter 60 preempts conflicting provisions in any municipal charters.

PART FOUR: Initial Ethics Training for In-Office Municipal Officers. (Sec. 4)

Sec. 4 will require all currently employed municipal officers to complete two hours of ethics training.

PART FIVE: Effective Date. (Sec. 5)

Sec. 5 enacts the bill on January 1, 2025.