

Ordinance: 01-20

ORDINANCE: To amend Chapter 16 of the Rockville City Code entitled "Public Ethics" by adding a definition of "quasi-governmental entity" and "name of a business or legal entity;" by prohibiting a former City official or employee from disclosing confidential information; by prohibiting City officials and employees from accepting gifts from entities that represent the interests of counties and municipalities; and by modifying the financial disclosure requirements

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF ROCKVILLE, that Chapter 16 of the Rockville City Code entitled "Public Ethics" be amended as follows:

Chapter 16 PUBLIC ETHICS

ARTICLE I. IN GENERAL

Sec. 16-1. Definitions.

The words used in this chapter shall have the meanings assigned to them in section 1-2 and their normal accepted meanings except as set forth below:

Appointed officials means officials of the City appointed to their position, whether salaried or not, by (i) the Mayor and confirmed by the Council, or (ii) by the Mayor and Council.

Business entity means any corporation, general or limited partnership, limited liability company, sole proprietorship (including a private consultant operation), joint venture, unincorporated association or firm, institution, trust, foundation, or other organization, whether or not operated for profit. "Business entity" does not include a governmental entity.

Child includes a child, adopted child, stepchild, foster child or grandchild, of whatever age.

Commission means the Ethics Commission, unless otherwise provided.

Department head means:

- (1) The Deputy City Manager;
- (2) The Director of the Department of Planning and Development Services;
- (3) The Director of the Finance Department;
- (4) The Director of the Department of Human Resources;
- (5) The Director of the Department of Information Technology;
- (6) The Chief of Police for the Rockville City Police Department;

- (7) The Director of the Department of Public Works;
- (8) The Director of the Recreation and Parks Department;
- (9) The Director of Communications;
- (10) The Director of Procurement;
- (11) The Deputy City Attorney;
- (12) The Deputy Director of the Finance Department; and
- (13) The Director of Management and Budget;
- (14) The Deputy City Clerk.

Dependent child means a child that is claimed as a dependent for income tax return purposes.

Designated Boards and Commissions means the Planning Commission, Board of Appeals, Historic District Commission, and Ethics Commission.

Doing business with means:

- (1) Having or negotiating a contract that involves the commitment of one thousand dollars (\$1,000.00) or more of City-controlled funds; or
- (2) Being regulated or otherwise under the authority of an entity; or
- (3) Being registered as a lobbyist in accordance with section 16-76.

Domestic partner means a relationship between two (2) individuals who:

- (1) Are co-habiting and are not related to each other by blood or marriage;
- (2) Are not married or in a civil union or domestic partnership with another individual;
- (3) Agree to be in a relationship of mutual interdependence in which each individual contributes to the maintenance and support of the other individual and the relationship, even if both individuals are not required to contribute equally to the relationship; and
- (4) For whom two (2) or more of the following conditions exist:
 - (i) Joint liability of the individuals for a mortgage, lease or loan;
 - (ii) A joint checking account, joint investment, or joint credit account;
 - (iii) A joint renter's or homeowner's insurance policy;
 - (iv) Coverage on the other individual's health insurance policy;
 - (v) Joint responsibility for child care, such as guardianship or school documents; or
 - (vi) A relationship or cohabitation contract.

Elected officials means the Mayor and members of the Council.

Employee means an individual who is employed by the City of Rockville. "Employee" includes department heads but does not include elected or appointed officials.

Employment means any occupation, trade, or profession for which a person receives compensation from another person for private, as opposed to governmental, services rendered.

Financial interest means:

- (1) Ownership of any interest as a result of which the owner has received, within the past three (3) years, or is presently receiving, or in the future is entitled to receive, more than one thousand dollars (\$1,000.00) per year; or
- (2) Ownership, or the ownership of securities of any kind representing or convertible into ownership, of more than three (3) percent of a business entity by an elected or appointed official or employee, or the spouse or domestic partner of an elected or appointed official or employee.

Gift means the transfer of anything of economic value regardless of the form without adequate and lawful consideration. "Gift" does not include the solicitation, acceptance, receipt, or regulation of political campaign contributions regulated in accordance with the provisions of Section 13-101, et seq., of the Elections Article of the Annotated Code of Maryland, Chapter 8 "Elections" of the Rockville City Code, or any other provision of state or local law regulating the conduct of elections or the receipt of political campaign contributions.

Immediate family means a domestic partner, spouse and dependent children.

Interest means any legal or equitable economic interest, whether or not subject to an encumbrance or a condition, which was owned or held, in whole or in part, jointly or severally, directly or indirectly. In addition to any legal or equitable economic interest owned or held, interest shall also mean and include negotiations undertaken for the purpose of actually acquiring or obtaining a legal or equitable economic interest. For purposes of sections 16-64 and 16-69 "interest" applies to any interests held at any time during the calendar year for which a required statement is to be filed. "Interest" does not include:

- (1) An interest held in the capacity of a personal agent, representative, custodian, fiduciary, or trustee, unless the holder has an equitable interest therein;
- (2) An interest in a time or demand deposit in a financial institution;
- (3) An interest in an insurance or endowment policy or annuity contract under which an insurance company promises to pay a fixed number of dollars either in a lump sum or periodically for life or some other specified period;
- (4) A common trust fund or a trust which forms part of a pension or profit-sharing plan which has more than twenty-five (25) participants and which has been determined by the Internal Revenue Service to be a qualified trust under the Internal Revenue Code or a qualified tuition plan established pursuant to Section 529 of the Internal Revenue Code;

- (5) A mutual fund or exchange traded fund that is publicly traded on a national scale unless the mutual fund is composed primarily of holdings of stocks and interests in a specific sector or area that is regulated by the individual's governmental unit; or
- (6) An interest in a deferred compensation plan which has more than twenty-five (25) participants and which has been determined by the Internal Revenue Service to qualify under Section 457 of the Internal Revenue Code.
- (7) Bond holdings in government entities.

Municipal Custodian means the City Clerk or any other designated municipal official who acts as the keeper or caretaker of the official municipal records.

Name of a business or legal entity includes any other names that the business is trading as or doing business as.

Proper authority means the City Manager for all employees under the authority of the City Manager, the City Attorney for all employees within the City Attorney's Office, the City Clerk for all employees within the Office of the City Clerk/Director of Council Operations, and the Commission for all elected or appointed officials.

Qualified relative means a spouse, domestic partner, parent, child or sibling.

Quasi-governmental entity means an entity that is created by State Statute, that performs a public function, and that is supported in whole or in part by the State but is managed privately.

Sec. 16-2. Purpose and policy.

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Sec. 16-3. Administration.

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Sec. 16-4. Enforcement.

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Secs. 16-5—16-20. Reserved.

ARTICLE II. CONFLICTS OF INTEREST

Sec. 16-21. Reserved.

Editor's note(s)—Ord. No. 01-20 , § I, adopted January 6, 2020, repealed the former section 16-21 in its entirety, which pertained to scope, and derived from Ord. No. 13-13, adopted June 17, 2013.

Sec. 16-22. Disclosure of confidential information.

Other than in the discharge of official duties, an elected or appointed official or employee or former official or employee may not disclose or use confidential information, that the elected or appointed official or employee acquired by reason of the elected or appointed official's or employee's public position or former public position and that is not available to the public, for the economic benefit or other private interest of the elected or appointed official or employee or that of another person.

Sec. 16-23. Gifts or favors.

- (a) (1) No elected or appointed official or employee shall directly or indirectly solicit any gift, whether in the form of service, loan, employment, promise, or anything of economic value regardless of the form without adequate and lawful consideration, from any person, firm or corporation.
- (2) No elected or appointed official or employee shall directly solicit any gift or facilitate the solicitation of any gift on behalf of another person, from a lobbyist, whether in the form of service, loan, thing, or promise.
- (b) An elected or appointed official or employee may not knowingly accept a gift, directly or indirectly from a person that the elected or appointed official or employee knows or has the reason to know:
- (1) Is doing business with or seeking to do business with the City;
 - (2) Has a financial interest that may be substantially and materially affected, in a manner distinguishable from the public generally, by the performance or nonperformance of the official duties of the elected or appointed official or employee;
 - (3) Is engaged in an activity regulated or controlled by the elected or appointed official's or employee's department within the City;
 - (4) Is a lobbyist with respect to matters within the jurisdiction of the elected or appointed official or employee.
 - (5) is an association, or any entity acting on behalf of an association that is engaged only in representing counties or municipal corporations.
- (c) Notwithstanding subsections (a) and (b) above, and except as provided in subsection (d) below, an elected or appointed official or employee may accept the following unsolicited gifts:
- (1) Ceremonial gifts or awards which have insignificant monetary value;
 - (2) Unsolicited gifts of nominal value that do not exceed twenty dollars (\$20.00) in cost or memorabilia of nominal value or trivial items of informational value;
 - (3) Reasonable expenses for food, travel, or out-of-town lodging when an elected or appointed official or employee is scheduled for participation in a panel or speaking engagement at a meeting;

- (4) Gifts of tickets or free admissions extended to an elected local official to attend a charitable, cultural, or political event, if the purpose of this gift or admission is a courtesy or ceremony extended to the elected official's office;
 - (5) Gifts from a person related to the elected or appointed official or employee by blood or marriage, or any other individual who is a member of the household of the elected or appointed official or employee;
 - (6) Meals and beverages consumed in the presence of the donor or sponsoring entity;
 - (7) A specific gift or class of gifts that the Commission exempts from the operation of this subsection upon a finding, in writing, that acceptance of the gift or class of gifts would not be detrimental to the impartial conduct of the business of the City and that the gift is purely personal and private in nature;
 - (8) Honoraria for speaking at or participating in a meeting, provided that the offering of the honorarium is not related in any way to the elected or appointed official's or employee's official position.
- (d) Paragraph (c) above does not apply to a gift:
- (1) That would tend to impair the impartiality and the independence of judgment of the elected or appointed official or employee receiving the gift;
 - (2) Of significant value that would give the appearance of impairing the impartiality and independence of judgment of the elected or appointed official or employee; or
 - (3) Of significant value that the recipient elected or appointed official or employee believes or has reason to believe is designed to impair the impartiality and independence of judgment of the elected or appointed official or employee.

Sec. 16-24. Representing private interests before agencies or courts.

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Sec. 16-25. Dealing with City when interested.

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Sec. 16-26. Land use decisions.

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Sec. 16-27. Employment restrictions.

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Sec. 16-28. Use of prestige of office.

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Sec. 16-29. Special restrictions on council.

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Sec. 16-30. Restrictions on procurement.

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Secs. 16-31—16-45. Reserved.**ARTICLE III. FINANCIAL DISCLOSURE*****DIVISION 1. GENERALLY*****Sec. 16-46. Appointed and elected officials and employees.**

- (a) All appointed officials and employees who are classified as exempt in accordance with the provisions of the Fair Labor Standards Act shall file with the Municipal Custodian, on or before April 30 of each year during the person's term in office or period of employment, a gift disclosure statement, under oath or affirmation, which shall disclose each gift in excess of twenty dollars (\$20.00) in value, or a series of gifts totaling one hundred dollars (\$100.00) or more from any one (1) person received at any time during the calendar year immediately preceding such year from entities doing business with the City or from an association, or any entity acting on behalf of an association that is engaged only in representing counties or municipal corporations; provided, however, gifts received from parents, spouses, domestic partners, or children, and meals and beverages need not be disclosed. Said financial disclosure statement shall include a description of the nature and value of the gift and the identity of the person from whom or on behalf of whom, directly or indirectly, the gift was received. Persons filing statements pursuant to section 16-63 or section 16-68 shall not be required to file the additional statement described in this subsection.
- (b) All elected or appointed officials and employees shall file a written statement, under oath or affirmation, with the Municipal Custodian disclosing any interest or employment that raise a conflict of interest or the appearance of a conflict of interest in connection with a specific proposed action by the employee or elected or appointed official, which would require disqualification from participation pursuant to sections 16-25 and 16-26 sufficiently in advance of any anticipated action to allow adequate disclosure to the public. If a written statement is submitted to the Municipal Custodian pursuant to this section, the Municipal Custodian shall promptly notify the proper authority.
- (c) The statements filed pursuant to this section shall be maintained by the Municipal Custodian as public records available for public inspection and copying in accordance with subsection 16-63(g) for statements filed by elected officials and subsection 16-68(d) for statements filed by appointed officials and employees. The Municipal Custodian may not provide public access to an individual's home address that the individual has designated as the individual's home address.

(d) The Commission or office designated by the Commission, including the Municipal Custodian, shall not provide public access to information related to consideration received from:

(1) The University of Maryland Medical System;

(2) A governmental entity of the State or a local government in the State; or

(3) a quasi-governmental entity of the State or local government in the State.

Secs. 16-47—16-60. Reserved.

DIVISION 2. ELECTED OFFICIALS AND CANDIDATES FOR ELECTED OFFICE

Sec. 16-61. Scope.

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Sec. 16-62. Reserved.

Editor's note(s)—Ord. No. 01-20, § 1, adopted January 6, 2020, repealed the former section 16-62 in its entirety, which pertained to removal for failure to file financial disclosure statement, and derived from Ord. No. 13-13, adopted June 17, 2013.

Sec. 16-63. Statement required.

- (a) Except as provided in subsection (d) below, each elected official shall file with the Municipal Custodian, on or before April 30 of each year during the person's term in office, the statement required by this division, for the calendar year immediately preceding each such year in office. If an individual subject to this section files a financial disclosure statement that does not include all of the information required, the Commission shall notify the individual in writing of the deficiencies within sixty (60) days of the filing deadline and may require the filing of an amended financial disclosure statement.
- (b) Except for a person who has filed a statement pursuant to subsection (a) for the same year or portion of the same year for which a statement otherwise would be required to be filed by this subsection, each candidate for election to office must file with the Municipal Custodian, at or before the same time that person's nominating petition is filed, the statement required by this division, for the calendar year immediately preceding the year in which that nominating petition is filed and by April 30 annually thereafter until the election.
- (c) An individual who is appointed to fill a vacancy in an office for which a financial disclosure statement is required and who has not already filed a financial disclosure statement shall file a statement for the preceding calendar year within thirty (30) days after appointment.
- (d) An individual who, other than by reason of death, leaves an office for which a statement is required shall file a financial disclosure statement within sixty (60) days after leaving office.

The financial disclosure statement shall cover the prior calendar year and the portion of the current calendar year that the individual held office.

- (e) All statements filed pursuant to this section shall be under oath or affirmation.
- (f) The City shall not accept any nominating petition unless a statement in proper form has been filed.
- (g) All statements filed pursuant to this division must be maintained by the Municipal Custodian and shall be made available during normal office hours for examination and copying by the public, subject, however, to such reasonable fees and administrative procedures as the Municipal Custodian may establish from time to time. The Municipal Custodian must not provide public access to an address that an individual has designated as the individual's home address. All statements shall be retained as public records for at least five (5) years from the date of their receipt by the Municipal Custodian.
- (h) Reserved.
- (i) Reserved.
- (j) The Commission shall provide forms for use in the filing of the statements required by this division to the persons required to file statements under this division. Forms shall be made initially available by the Municipal Custodian.
- (k) The Municipal Custodian shall require that any person examining or copying such statements shall record his/her name, home address, and the name of the person whose disclosure statement was examined or copied. The Municipal Custodian must furnish to the person whose financial disclosure statement is being examined or copied the names and addresses of the persons examining or copying said financial disclosure statement. Notwithstanding the foregoing, this subsection (k) shall not apply to any examination or review of financial disclosure statements by members of the Commission as required by subsection 16-3(1).
- (l) The Commission or office designated by the Commission, including the Municipal Custodian, shall not provide public access to information related to consideration received from:
 - (1) The University of Maryland Medical System;
 - (2) A governmental entity of the State or a local government in the State; or
 - (3) a quasi-governmental entity of the State or local government in the State.

Sec. 16-64. Contents of statement.

The statement required to be filed by this division shall contain schedules disclosing the following interests of the person making the statement, together with the following information, for the filing year:

- (1) A schedule of all interests (including leasehold interests and interests in any oil, gas or other mineral royalty or lease) in or with respect to any real property wherever located. This schedule, as to each such interest, shall include:
 - a. The nature of the property and the location by street address, mailing address or legal description of the property;
 - b. The nature and extent of the interest held, including any conditions thereto and encumbrances thereon;
 - c. The date when, the manner in which, the identity of the person from whom the interest was acquired;
 - d. The nature and amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired;
 - e. With respect to any interest transferred, in whole or in part, at any time during the year for which the statement is filed, a description of the interest transferred, the nature and amount of the consideration received in exchange therefor and the identity of the person to whom the interest was transferred; and
 - f. The identity of any other person with an interest in the property.
- (2) A schedule of all interests in any corporation, partnership, limited liability partnership, or limited liability company, whether or not the corporation, partnership, limited liability partnership, or limited liability company does business with the City. This schedule, as to each such interest, shall include:
 - a. The name and address of the principal office of the corporation, partnership, limited liability partnership, or limited liability company;
 - b. The nature and amount of the interest held, including any conditions thereto and encumbrances thereon; provided, however, that an amount of stock or like evidence of equity interest, at the option of the person making the report, may be reported by the number of shares held, and, unless the corporation's stock is publicly traded on a stock exchange, in an over-the-counter market, or otherwise, the percentage of equity interest so held, instead of by dollar amount;
 - c. With respect to any interest transferred, in whole or in part, at any time during the filing year, a description of the interest transferred, the nature and amount of the consideration received in exchange therefor and, if known, the identity of the person to whom the interest was transferred;
 - d. The date when, the manner in which, and the identity of the person from whom the interest was acquired; and

- e. The nature and the amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired.
- (3) A schedule of all interests in any other business entity which does business with the City. This schedule, as to each such interest, shall include:
- a. The name and address of the principal office of the business entity;
 - b. The nature and amount of the interest held, including any conditions thereto and encumbrances thereon;
 - c. With respect to any interest transferred, in whole or in part, at any time during the year for which the statement is filed, a description of the interest transferred, the nature and amount of the consideration received in exchange therefor and the identity of the person to whom the interest was transferred;
 - d. The date when, the manner in which, and the identity of the person from whom the interest was acquired; and
 - e. The nature and the amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired.
- (4) A schedule of each gift in excess of twenty dollars (\$20.00) in value, or a series of gifts totaling one hundred dollars (\$100.00) or more from any one person received at any time during the year for which the statement is filed by the person making the statement, or by any other person at the direction of the person making the statement, from, or on behalf of, directly or indirectly, any person who does business with the City or from an association, or any entity acting on behalf of an association that is engaged only in representing counties or municipal corporations, or is regulated by the City; provided, however, gifts received from parents, spouses, domestic partners, or children, campaign contributions which are otherwise reported as required by law, and meals and beverages need not be disclosed. This schedule, as to each such gift, shall include:
- a. A description of the nature and value of the gift; and
 - b. The identity of the person from whom or on behalf of whom, directly or indirectly the gift was received.
- (5) A schedule of all offices, directorships and salaried employment held by the individual or member of the immediate family of the individual at any time during the filing year in any corporation or other business entity which does business with the municipality. This schedule, as to each such office, directorship or salaried employment shall include:
- a. The name and address of the principal office of the business entity;
 - b. The name of each City department with which the entity is involved;

- c. The title and nature of the office, directorship or salaried employment held and the date it commenced; and
 - d. The total amount of compensation received from the corporation or other business entity during the filing year.
- (6) A schedule of all liabilities, excluding retail credit accounts, to any person doing business with the City owed at any time during the filing year, by the individual or by a member of the immediate family of the individual if the individual making the statement was involved in the transaction giving rise to liability. This schedule, as to each such liability, shall include:
 - a. The identity of the person to whom the liability was owed and the date the liability was incurred;
 - b. The amount of the liability owed at the end of the filing year;
 - c. The terms of payment of the liability and the extent to which the principal amount of the liability was increased or reduced during the year; and
 - d. The security given, if any, for the liability.
- (7) A list of all members of the immediate family of the person making statements required by this article who are employed by the City in any capacity;
- (8) A schedule of all sources of income including the name and address of each place of employment and of each business entity of which the individual or a member of the individual's immediate family was a sole or partial owner and from which the individual or member of the individual's immediate family received income at any time during the one-year period ending with the date of the statement including an identification of the sources of the income, the nature of the income (whether salary, commission, interest, or other form of income), but not including the amount thereof. A minor child's employment or business ownership need not be disclosed if the department that employs the individual does not regulate, exercise authority over, or contract with the place of employment or business entity of the minor child. If the individual's spouse or domestic partner is a lobbyist regulated by the City, the individual shall disclose all entities that have engaged the spouse for lobbying purposes;
- (9) Such additional interests or information as the person making the statement might desire to make.

Sec. 16-65. Interests attributable to persons making statements.

For the purposes of subsections 16-64(1), (2) and (3) and the disclosures therein required, the following shall be considered to be the interests of the person making the statement:

- (1) Any interest held by the immediate family of the person making the statement, if such interest was at any time during the filing year directly or indirectly controlled by the person making the statement;

(2) An interest held, at any time during the applicable period by:

(i) a business entity in which the individual held a 10% or greater interest;

(ii) a business entity described in section (i) of this subsection in which the business entity held a 25% or greater interest;

(iii) a business entity described in section (ii) of this subsection in which the business entity held a 50% or greater interest; and

(iv) a business entity in which the individual directly or indirectly, through an interest in one or a combination of other business entities, holds a 10% or greater interest.

~~(23)~~ Any interest held by a business entity, in which business entity a thirty (30) percent or greater equity was held at any time during the filing year by the person making the statement;

~~(34)~~ Any interest held by a trust or estate, under which the person making the statement held a reversionary interest at any time during the filing year, or under which trust the person making the statement was at any time during that year a trustor, if a revocable trust, or a beneficiary.

DIVISION 3. MEMBERS OF DESIGNATED BOARDS AND COMMISSIONS; CITY MANAGER; CITY ATTORNEY; CITY CLERK; DEPARTMENT HEADS

Sec. 16-66. Scope.

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Sec. 16-67. Removal for failure to file financial disclosure statement.

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Sec. 16-68. Statement required.

- (a) An appointed official or employee subject to this division must file with the Municipal Custodian a financial disclosure statement required by this division. The financial disclosure statement must be filed annually on or before April 30 of each year during which an appointed official or employee holds office or is employed by the City for the preceding calendar year. The statement shall be under oath or affirmation. If an individual subject to this section files a financial disclosure statement that does not contain all of the information required, the Commission must notify the individual in writing of the deficiencies and may require the filing of an amended financial disclosure statement.
- (b) Except for a person who has filed a statement pursuant to subsection (a) for the same year or portion of the same year for which a statement would otherwise be required to be filed by this subsection, each applicant for appointment to a designated board or commission shall file with the Municipal Custodian at or before the same time that person's application is filed, the statement required by this division, for the calendar year immediately preceding the year in which that application is filed.

- (c) A person shall not be appointed to a designated board or commission unless a statement in proper form has been filed.
- (d) All statements filed pursuant to this division shall be maintained by the Municipal Custodian and shall be made available during normal office hours for examination and copying by the public, subject, however, to such reasonable fees and administrative procedures as the Municipal Custodian may establish from time to time. The Municipal Custodian must not provide public access to an address that an individual has designated as the individual's home address. All statements shall be retained as public records for at least two (2) years from the date of their receipt by the Municipal Custodian.
- (e) The Commission or office designated by the Commission, including the Municipal Custodian, shall not provide public access to information related to consideration received from:
 - (1) The University of Maryland Medical System;
 - (2) A governmental entity of the State or a local government in the State; or
 - (3) a quasi-governmental entity of the State or local government in the State.
- ~~(ef)~~ The Commission shall provide forms for use in the filing of the statements required by this division to the persons required to file statements under this division. Forms shall be made initially available by the Municipal Custodian.
- ~~(fg)~~ The Municipal Custodian shall require that any person examining or copying such statements shall record his/her name, home address, and the name of the person whose disclosure statement was examined or copied. The Municipal Custodian must furnish to the person whose financial disclosure statement is being examined or copied the names and addresses of the persons examining or copying said financial disclosure statement. Notwithstanding the foregoing, this subsection ~~(fg)~~ shall not apply to any examination or review of financial disclosure statements by members of the Commission as required by subsection 16-3(1).

Sec. 16-69. Contents of statement.

The statement required to be filed by this division shall contain schedules disclosing the following interests of the person making the statement, together with the following information, for the filing year:

- (1) A schedule of all interests (including leasehold interests and interests in any oil, gas or other mineral royalty or lease) in or with respect to any real property in the state. This schedule, as to each such interest, shall include:
 - a. The nature of the property and the location by street address, mailing address or legal description of the property;
 - b. The nature and extent of the interest held, including any conditions thereto and encumbrances thereon;

- c. The date when, the manner in which, the identity of the person from whom the interest was acquired;
 - d. The nature and amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired;
 - e. With respect to any interest transferred, in whole or in part, at any time during the year for which the statement is filed, a description of the interest transferred, the nature and amount of the consideration received in exchange therefor and the identity of the person to whom the interest was transferred; and
 - f. The identity of any other person with an interest in the property.
- (2) A schedule of all interests in any corporation, partnership, limited liability partnership, or limited liability company, whether or not the corporation, partnership, limited liability partnership, or limited liability company does business with the City. This schedule, as to each such interest, shall include:
- a. The name and address of the principal office of the corporation, partnership, limited liability partnership, or limited liability company;
 - b. The nature and amount of the interest held, including any conditions thereto and encumbrances thereon; provided, however, that an amount of stock or like evidence of equity interest, at the option of the person making the report, may be reported by the number of shares held, and, unless the corporation's stock is publicly traded on a stock exchange, in an over-the-counter market, or otherwise, the percentage of equity interest so held, instead of by dollar amount; and
 - c. With respect to any interest transferred, in whole or in part, at any time during the filing year, a description of the interest transferred, the nature and amount of the consideration received in exchange therefor and, if known, the identity of the person to whom the interest was transferred.
- (3) A schedule of all interests in any other business entity which does business with the City. This schedule, as to each such interest, shall include:
- a. The name and address of the principal office of the business entity;
 - b. The nature and amount of the interest held, including any conditions thereto and encumbrances thereon; and
 - c. With respect to any interest transferred, in whole or in part, at any time during the year for which the statement is filed, a description of the interest transferred, the nature and amount of the consideration received in exchange therefor and the identity of the person to whom the interest was transferred.
- (4) A schedule of each gift in excess of twenty dollars (\$20.00) in value, or a series of gifts totaling one hundred dollars (\$100.00) or more from any one person received at any

time during the year for which the statement is filed by the person making the statement, or by any other person at the direction of the person making the statement, from, or on behalf of, directly or indirectly, any person who does business with the City, or from an association, or any entity acting on behalf of an association that is engaged only in representing counties or municipal corporations, or is regulated by the City; provided, however, gifts received from parents, spouses, domestic partners, or children, campaign contributions which are otherwise reported as required by law, and meals and beverages need not be disclosed. This schedule, as to each such gift, shall include:

- a. The nature and value of the gift; and
 - b. The identity of the person from whom or on behalf of whom, directly or indirectly the gift was received.
- (5) A schedule of all offices, directorships and salaried employment held at any time during the filing year in any corporation or other business entity which does business with the municipality. This schedule, as to each such office, directorship or salaried employment shall include:
- a. The name and address of the principal office of the business entity;
 - b. The title and nature of the office, directorship or salaried employment held; and
 - c. The total amount of compensation received from the corporation or other business entity during the filing year.
- (6) A schedule of all liabilities to any person doing business with the City owed at any time during the filing year, excluding retail credit accounts of the person making the statement and consumer (one thousand five hundred dollars (\$1,500.00) or less) or automobile loans made by banks, savings and loan associations or credit unions to the person making the statement; and all liabilities to any person doing business with the City owed at any time during the year for which the statement is filed, excluding retail credit accounts of the spouse, domestic partner, or child of the person making the statement and consumer (one thousand five hundred dollars (\$1,500.00) or less) or automobile loans made by banks, savings and loan associations or credit unions to the spouse, domestic partner, or child of the person making the statement, if the person making the statement was involved in the transaction giving rise to liability. This schedule, as to each such liability, shall include:
- a. The identity of the person to whom the liability was owed;
 - b. The amount of the liability owed at the end of the filing year;
 - c. The terms of payment of the liability and the extent to which the principal amount of the liability was increased or reduced during the year; and
 - d. The security given, if any, for the liability.
- (7) A list of all members of the immediate family of the person making statements required by this article who are employed by the City in any capacity.

- (8) A schedule of all major sources of income (in excess of one thousand dollars (\$1,000.00) for the one-year period ending with the date of the statement, including an identification of the sources of the income, the nature of the income (whether salary, commission, interest, or other form of income), but not including the amount thereof;
- (9) Such additional interests or information as the person making the statement might desire to make.

Sec. 16-70. Interests attributable to persons making statements.

For the purposes of subsections 16-69(1), (2) and (3) and the disclosures therein required, the following shall be considered to be the interests of the person making the statement:

- (1) Any interest held by the immediate family of the person making the statement, if such interest was at any time during the filing year directly or indirectly controlled by the person making the statement;
- (2) An interest held, at any time during the applicable period by:
 - (i) a business entity in which the individual held a 10% or greater interest;
 - (ii) a business entity described in section (i) of this subsection in which the business entity held a 25% or greater interest;
 - (iii) a business entity described in section (ii) of this subsection in which the business entity held a 50% or greater interest; and
 - (iv) a business entity in which the individual directly or indirectly, through an interest in one or a combination of other business entities, holds a 10% or greater interest.
- ~~(23)~~ Any interest held by a business entity, in which business entity a thirty (30) percent or greater equity was held at any time during the filing year by the person making the statement;
- ~~(34)~~ Any interest held by a trust other than a common trust fund, under which the person making the statement held a reversionary interest at any time during the filing year, or under which trust the person making the statement was at any time during that year a trustor, if a revocable trust, or a beneficiary.

Secs. 16-71—16-75. Reserved.

ARTICLE IV. LOBBYING DISCLOSURES

Sec. 16-76. Lobbying disclosures.

- (a) Any person who personally appears before any elected or appointed official or employee with the intent to influence that person in the performance of his official duties, and who, in connection with such intent expends or reasonably expects to expend in a given calendar year in excess of two hundred fifty dollars (\$250.00) in the aggregate or fifty

dollars (\$50.00) on any single elected or appointed official or employee on food, entertainment or other gifts for such elected or appointed officials, shall be deemed a lobbyist and file a registration statement with the Municipal Custodian not later than January 15 of the calendar year or within five (5) days after first making these appearances.

- (b) The registration statement shall include complete identification of the registrant and of any other persons on whose behalf the registrant acts. It shall also identify the subject matter on which the registrant proposes to make these appearances. The registration statement shall cover a defined registration period not to exceed one calendar year.
- (c) Registrants under this section shall file a report within thirty (30) days after the end of any calendar year during which they were registered, disclosing the value, date, and nature of any food, entertainment or other gift provided to an elected or appointed official or employee. When a gift or series of gifts to a single elected or appointed official or employee exceeds fifty dollars (\$50.00) in value, the elected or appointed official or employee shall also be identified. The Commission must review the lobbying registrations and reports submitted under this chapter for technical compliance with the provisions of this chapter and must notify the submitter of any material omission or deficiency.
- (d) The registrations and reports filed pursuant to this section shall be maintained by the Municipal Custodian as public records available for public inspection and copying.

Secs. 16-77—16-79. Reserved.

ARTICLE V. EXEMPTIONS AND MODIFICATIONS

Sec. 16-80. Exemptions and modifications—Authorized.

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ARTICLE VI. WHISTLEBLOWER PROTECTION

Sec. 16-81. Whistleblower protection.

- (a) The City, acting through its authorized personnel, shall not discharge or discriminate against or threaten to discharge or discriminate against an elected or appointed official or employee regarding compensation, terms, conditions, location, or the privilege of employment with the City because:
 - (1) The elected or appointed official or employee, whether acting as a complainant or on behalf of a complainant, reports or is about to report orally or in writing any alleged violation of this chapter; or
 - (2) The elected or appointed official or employee, whether acting as a complainant or on behalf of a complainant, participates in an investigation, hearing, or inquiry held by

the Commission in conjunction with a complaint filed under this chapter or any related court action.

(b) An official or employee may not retaliate against an individual for reporting or participating in an investigation of a potential violation of the local ethics law or ordinance.

(bc) This section shall not apply to an elected or appointed official or employee who knowingly files a false complaint or knowingly makes a false statement to the Commission with respect to an alleged violation of this chapter. Any elected or appointed official or employee found to have knowingly made a false statement or false complaint under this provision shall be subject to discipline under applicable Code provisions and the Personnel Policies and Procedures Manual.

NOTE: Underlining indicates material added

Strikeouts indicate material deleted

Asterisks * * * indicate material unchanged by this ordinance.

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I HEREBY CERTIFY that the foregoing is a true and correct copy of an ordinance adopted by the Mayor and Council at its meeting of January 6, 2020.



Sara Taylor-Ferrell, City Clerk, Director of
Council Operations

