

MARYLAND STATE ETHICS COMMISSION
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FINANCIAL DISCLOSURE STATEMENT INSTRUCTIONS (FORM #1)

(Pursuant to the Public Ethics Law, Md. Code Ann., State Gov't Article, Title 15
"Maryland Public Ethics Law")

These instructions are not to be used for members of the General Assembly or part-time members of boards and commissions who earn no compensation or who are compensated less than 25% of a Grade 16 base. Members of the General Assembly are to file Ethics Form #19. Part-time members of boards and commissions are to file Ethics Form #2. Judges, masters, examiners, commissioners, auditors, referees, and candidates for nomination or election as judges in the judicial branch of State Government do not file this statement. Their financial disclosure is on forms issued by the Court of Appeals or its designee pursuant to §15-610 of the Public Ethics Law.

A MESSAGE TO THOSE WHO ARE REQUIRED TO FILE DISCLOSURE STATEMENTS

Please read the instructions carefully and be sure to provide all information requested for each interest you disclose on your statement. **We encourage you to use the electronic form** as it is programmed to display directions for each schedule and to provide access to the glossary of terms throughout the process. It will also direct the filer toward completion of all of the required information, thus making it unnecessary for the Commission to write to you for additional information. It will also make completion in future years much easier as it will require you to enter only changes occurring during that filing period.

If you have any questions about the application of the Law, you may contact the State Ethics Commission. Some schedules on the statement may require knowledge regarding whether an entity does business with the State. You may access that list from our website. If you have a question about a particular entity or need other assistance in completing the form, do not hesitate to call the office of the State Ethics Commission.

Financial disclosure statements are public records that may be examined or copied by the public. At the top of the form we have provided a place for you to check if you want the Commission to notify you of the names and addresses of any persons who have examined or copied your statement.

Thank you for your cooperation.

NOTICE: ETHICS TRAINING REQUIREMENT

Effective October 1, 1999, persons NEWLY designated as public officials must receive 2 hours of ethics training from the State Ethics Commission within 6 months after being identified as having to file. Please contact your Personnel Officer for more information.

GENERAL INSTRUCTIONS

A. Persons Required to File Form #1 Statements - Public Ethics Law § 15-601.

1. State officials in the Executive Branch, public officials in any branch of government, or candidates for office as State officials are required to file this financial disclosure statement.
2. Other Persons Required to File: Persons holding State positions compensated in whole or in part by public funds, and non-compensated appointees of the Governor, of the Court of Appeals or its Chief Judge, or the presiding officers of the General Assembly (other than the persons specified in No. 1 above) may be required to disclose annually, as public records, relevant information concerning their financial affairs deemed necessary by: (1) the Governor, by executive order, with respect to employees of the executive branch and non-compensated gubernatorial appointees; (2) the Chief Judge of the Court of Appeals, by order, with respect to employees and non-compensated appointees of the Judicial branch; and (3) the presiding officers of the General Assembly, by order, with respect to employees and non-compensated appointees of the legislative branch or of either of the presiding officers.
3. Board members earning 25% or more of a Grade 16 base file Form No. 1.

B. When to File – Public Ethics Law § 15-602, 603, 604 and 605.

1. A person holding an office, for which a financial disclosure statement is required, must file **on or before April 30th each year during that person's term in office for the previous calendar year.** § 15-602.
2. A person who does not have a current financial disclosure statement on file and who is appointed to fill a vacancy in a position or office for which a statement must be filed, shall file a statement **within 30 days after appointment for the previous calendar year.** § 15-603.
3. If a person in a position requiring disclosure **leaves the position** after January 1 but prior to filing the regular annual statement due April 30th, he or she must file the **annual statement** (covering the previous calendar year), plus an **additional termination statement covering the part of the current year served.** You must file your termination statement **within 60 days of leaving your position.** § 15-604.
4. **This paragraph applies only to candidates for office as a State official.** Except for a person who has already filed a statement for the appropriate reporting period, a candidate for nomination or election to State office must file the statement **for the previous calendar year in which the certificate of candidacy is filed, together with that person's certificate of candidacy.** In each calendar year subsequent to the year in which the certificate of candidacy is filed, except in the year of the election, a statement covering the previous calendar year shall be filed with the election board on or before April 30th. In the year of the election, a statement covering the previous calendar year shall be filed on or before April 30th or the last day for the withdrawal of candidacy, whichever is earlier. A candidate who fails to file a required statement and is provided written notice from the election board of the default shall be deemed to have withdrawn the candidacy if the statement is not filled within 20 days of receipt of the notice. § 15-605.

C. Where to File and Where to Get Forms.

1. Both the electronic form and the downloadable paper form are available on the State Ethics Commission's website at <http://ethics.gov.state.md.us>. If you do not have access to a computer, you may obtain a copy of the paper form from your personnel office or from the **State Ethics Commission, 45 Calvert Street, 3rd Floor, Annapolis, Maryland 21401.** If you are filing electronically, and you are encouraged to do so, you will need to print a copy of the receipt on the computer that contains the verification from the Commission that the form was submitted and give a

copy of the receipt to the appropriate person in your personnel office. If you choose to file a paper form, you should return the completed forms to your Personnel Officer who will then return all of the forms to the State Ethics Commission. Members of the Maryland National Capital Park and Planning Commission, the Washington Suburban Sanitary Commission, and the Washington Suburban Transit Commission will need to print a copy of the electronic form to file with the Chief Administrative Officer of the county from which the member is appointed. Those filing paper forms will submit the completed paper form to the Chief Administrative Officer of the county from which you are appointed, and the Chief Administrative Officer will forward a copy to the State Ethics Commission. Applicants for membership to a bi-county commission have special requirements regarding the timing of filing, period covered and other matters.

- 2. This paragraph applies only in an election year.** A person filing this statement as a candidate for nomination or election to office will need to file a paper form and must file with either the State Board of Elections or the appropriate local Board of Election Supervisors, whichever is the board with which he or she filed the certificate of candidacy. If a form for the applicable period is on file with the State Ethics Commission and the Commission has certified this fact to the appropriate elections board either directly or by issuing you a receipt for the applicable year's statement, you do not have to submit another form with the election board.

D. Glossary of Terms – Public Ethics Law § 15-102.

"Business or business entity" means any corporation, general or limited partnership, limited liability partnership, limited liability company, sole proprietorship (including a private consulting operation), joint venture, unincorporated association or firm, institution, trust, foundation or other organization engaged in business whether profit or nonprofit.

"Entity doing business with the State" means:

(1) a party to any one or any combination of sales, purchases, leases or contracts to, from, or with the State, or any agency thereof, involving consideration of five thousand dollars (\$5,000) or more on a cumulative basis during the calendar year for which a required statement is filed; including, as of the awarding or execution of a contract or lease, the total then ascertainable consideration committed to be paid, regardless of the period of time over which such payments are to be made. The Commission maintains a complete list of lobbyists, financial institutions and others that do business with the State.

(2) a regulated lobbyist (lobbyist or lobbyist employer) as defined in § 15-701 of the Public Ethics Law; or

(3) an entity regulated by the department or executive agency of the official or employee.

NOTE: If a financial disclosure filer is a member or applicant to be a member of the Maryland National Capital Park and Planning Commission, the Washington Suburban Sanitary Commission, or the Washington Suburban Transit Commission references to business with the State are deemed to refer to the State, the applicable bi-county commission, Montgomery County or Prince George's County. References to employed by the State are deemed to refer to employed by the State, the applicable bi-county commission, Montgomery County or Prince George's County.

"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 Election Law Article of the Annotated Code of Maryland, or any other provision of State law regulating the conduct of elections or the receipt of political campaign contributions.

"Immediate family" means 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.

Interest does not include:

(1) an interest held in the capacity of a personal representative, agent, 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; or

(4) a common trust fund or trust that forms part of a pension or a profit-sharing plan that has more than 25 participants and which is determined by the Internal Revenue Service to be a qualified trust or college savings plan under the Internal Revenue Code.

"Member of household" means a person's spouse, child, ward, financially dependent parent, or other relative who shares the person's legal residence, or a person's spouse, child, ward, parent, or other relative over whose financial affairs the person has legal or actual control.

"Person" includes an individual or business entity.

"Public official" means:

(1) Any individual in an executive agency (also including an individual employed on a full-time contractual basis if employed for more than six (6) months) who:

(i) is a classified employee at grade level 16 or above, or, if not a classified employee, receives a rate of compensation equal thereto, or is appointed to a board or commission; and

(ii) is determined by the Ethics Commission who:

1. is charged, individually or as a member of an executive agency, with decision making authority or acts as a principal advisor to one with such authority:

A. in making State policy in an executive agency; or

B. in exercising quasi-judicial, regulatory, licensing, inspecting, or auditing functions; and

2. whose duties are not essentially administrative and ministerial; and

(iii) is not a full-time or part-time faculty member at a State institution of higher education, unless the individual is also employed in another State position which does fall under this definition or unless the individual also directly procures, directly influences, or otherwise directly affects the formation or execution of any State contract, purchase or sale as established by guidelines of the State Ethics Commission of COMAR 19A.03.02.

(2) Any individual in the legislative branch (also including an individual employed on a full-time contractual basis if employed for more than six (6) months) other than a State official, who receives a rate of compensation equal to or above grade level 16 who is so designated by order by the presiding officers of the General Assembly.

(3) Any individual in the judicial branch of government, including an individual employed in the office of the clerk of court, or paid by a political subdivision to perform services in any orphans' court, a circuit court for a county, and any individual employed by the Attorney Grievance Commission, the State Board of Law Examiners, or the Standing Committee on Rules who:

(i) is classified or compensated at State grade level 16 or above; and

(ii) is not a judge, master, commissioner, examiner, auditor, or referee; and

(iii) has not been excluded as not having duties relating to policy, policy advice, quasi-judicial or procurement functions.

(4) Except for any full-time or part-time faculty member at a State institution of higher education, any individual in an executive agency who, as determined by the Ethics Commission, is charged, individually or as a member of the executive agency, with decision making authority or acts as a principal advisor to one with such authority in drafting specifications for, negotiating, or executing contracts which commit the State or any executive agency to expend in excess of \$10,000 per annum.

"Regulated Lobbyist" means any entity/person or its employer required to register pursuant to the lobbying provisions of the Public Ethics Law.

"Reporting period" means the period covered by the Statement. An annual financial disclosure statement covers the previous calendar year and is due by April 30th each year. A termination statement covers the portion of the current calendar year served by the filer, beginning on January 1st to the last day the position is held.

"State official" means a member or member-elect of the General Assembly, a judge or judge-elect of a court created by Article IV, §1 of the Constitution and a person defined in Maryland Rule No. 16-814, or a constitutional officer or officer-elect in the executive agency of State government. State official also means a person holding office as State's Attorney, Clerk of the Circuit Court for each county, Register of Wills, and Sheriff.

"Tenants by the Entirety" means an undivided equal ownership interest with survivorship rights in real property with one's spouse.

E. Attributable Interest.

Section 15-608 provides that certain property and business interests not directly held by a person may be attributed to him or her and must be reported on the financial disclosure statement. The circumstances under which attribution occurs are as follows:

1. If you owned a 30% or greater equity interest in any business entity during the reporting period and that business entity holds a property or business interest which, if you owned directly, you would be required to report on Schedule A, B, or C, the interest is attributable to you and you must report it on the appropriate Schedule. This limited attribution does not reduce or affect in any way the requirement for disclosure on Schedule A of real property held by a partnership even if the filer holds less than a 30% interest in the partnership.
2. If your spouse or child holds a property or business interest which you would have to report on Schedule A, B, or C, if you owned it directly, and if you exercised direct or indirect control over that interest at any time during the reporting period, the interest is attributable to you and must be reported on the appropriate Schedule.
3. If at any time during the reporting period you (a) held a reversionary interest in a trust or estate or (b) were the beneficiary of a trust or estate or (c) were the settler of a revocable trust, then any interest held by the trust or estate which you would have to report on Schedule A, B, or C, if you owned it directly, it is attributable to you and must be reported on the appropriate Schedule. For purposes of this attribution provision, you are a beneficiary of a trust if you are a current income beneficiary, either receiving income or currently entitled to receive income, or if you have a current ownership or other interest in the corpus of the trust. Beneficiaries of an estate include immediate beneficiaries of an estate even if it is not settled. A trust, within the meaning of this section, does not include a common trust fund or a trust which forms part of a pension or profit-sharing plan that has more than 25 participants.

F. Unknown Information.

Section 15-607 of the Public Ethics Law requires you to disclose interests and information "if known" for the calendar year for which the required statement is to be filed. If you claim not to know information requested on the form, state "unknown" in response to that question on the statement. Information in the public records or otherwise obtainable is not "unknown," and must be reported.

G. Blind Trust

A filer having an interest relating to a blind trust should contact the Commission about the filing requirements.

FORM INSTRUCTIONS

Identifying Information

If you wish to be notified if anyone requests to see your financial disclosure statement, check the appropriate

space at the top of the page. Print or type your **complete name** and **identify the department or agency in which you serve** (including identification of the division, branch, or other unit if applicable). Include a **complete current agency address** where you can be sent correspondence and **identify your agency position**. Non-incumbent candidates should enter an address where they may be sent correspondence. Your position may be described either by an organization title (such as "Chief, Division of Market Analysis") or by a personnel position title (such as "Economist IV"). Also **fill in the year of the reporting period**. Regular annual reports or reports by new officials will cover from January 1 through the last day of the **previous calendar year**. Termination reports will cover from the first day of the current calendar year until your last day in your position. The last lines of the general information block ("Office for which Certificate of Candidacy...") needs to be completed only during an election year and then only by individuals who are running for an elective office covered by the financial disclosure program. Please include your State e-mail address, if you have one.

Signature and Notarization

You **must file the financial disclosure statement under oath**, and willful and false filing is **subject to the penalties of perjury** as provided in § 9-101, Criminal Law Article, Annotated Code of Maryland. All paper forms filed **must therefore be signed, dated and properly notarized**. If you choose to file a paper form, the Commission will not consider your financial disclosure statement to be filed until the properly notarized statement is resubmitted. Electronic filers are not required to include a signature or statement from a Notary Public. Public Ethics Law § 15-602(e) provides that an electronic filer's submission of the electronic disclosure form is made expressly under the penalties for perjury.

Checklist – PAPER FORM ONLY.

Complete by checking the "yes" or "no" box as to each statement. **Do not leave any statement unanswered**. Note that each statement corresponds to a Schedule. If you have questions as to the meaning of a statement, review the corresponding Schedule and instructions for a more detailed description of the interests involved.

SCHEDULE A. Real Property

Real property held by the filer or by a partnership, limited liability partnership, or limited liability company **in which the filer has an interest** must be disclosed, if it is held at any time during the reporting period. You must report real property whether it is located **in or outside of Maryland**. Partnership property must be disclosed, without regard to the extent of the filer's interest in the partnership. **You must also report any interest you have in leasehold property, for example, property in which you are tenant, including business offices and personal residences. You must report your personal residence if it is owned directly by you, attributable to you or rented by you.** Note also that all appropriate information (e.g., date, seller, etc.) must be reported for land you own whether or not you have constructed improvements on it.

Schedule A deals with real property interests only; do not report here your interests in business entities. If **real property** held by an entity is attributable to you, or is a partnership, limited liability partnership, or limited liability company property, list the **real property** on this Schedule. Report your interest in the entity on Schedule B, C, or H (whichever is appropriate) if it falls within the reporting requirements of those Schedules.

Please answer the Questions 1 through 11c as appropriate. The Ethics Law requires for each property to be disclosed that you give the location, the type of property, the nature and extent of your interest, the identity of other persons holding an interest in the property, encumbrances, date and manner of acquisition, the identity of the person from whom you acquired the property, and the nature and amount of consideration. Additionally if you transferred the property during the calendar year, the name of the person to whom you transferred the property, the portion of interest transferred and the amount of consideration received is required to be disclosed.

SCHEDULE B. Interests in Corporations/Partnerships

Report **all interests in any corporation, partnership, limited liability partnership or limited liability company** held by you during the reporting period, **whether or not the entity does business with the State**. Examples of frequently disclosed items on this schedule are corporate stocks, corporate bonds, partnerships, and interests in mutual funds (**not** the individual holdings of the mutual funds). Filers are not required to disclose holdings in an Internal Revenue Service qualified trust or college savings plan. This would include the

State of Maryland § 401(a), § 401(k) and § 457 (deferred compensation) plans. This would also include Maryland College Savings Plans, such as 529 investment accounts. Other possible qualified retirement accounts include 403(b) plans. The filer must determine whether the plan in which they participate meets the requirements for exemption from disclosure. (See definition of "interest" in glossary of terms.)

Please answer the Questions 1 through 8C as appropriate. The Ethics Law requires for each interest to be disclosed that you give the name and address of the entity, the nature and extent of your interest, the amount of the interest, other interests held in the entity, and any encumbrances or conditions. Additionally, if the interest was acquired during the calendar year, the date and manner of acquisition, the identity of the person from whom you acquired the interest, and the nature and amount of consideration will need to be disclosed. **If the acquisition solely consists of an addition to an existing, public traded corporate interest acquired by dividend or dividend reinvestment is less than \$500, you need not provide any additional information.**

Finally, if you transferred the interest during the calendar year, the name of the person to whom you transferred the interest (if known), the portion of interest transferred and the amount of consideration received.

SCHEDULE C. Interests in Non-Corporate Business Entities

Report all interests in any **non-corporate business entity** not disclosed on Schedule B **that does business with the State**. A sole proprietorship is the type of entity that is included on this Schedule.

Please answer the Questions 1 through 6C as appropriate. The Ethics Law requires for each interest in any non-corporate business entity doing business with the State that you give the name and address of the entity, the nature and extent of your interest, the amount of the interest, other interests held in the entity, and any encumbrances or conditions. Additionally, if the interest was acquired during the calendar year, the date and manner of acquisition, the identity of the person from whom you acquired the interest, and the nature and amount of consideration will need to be disclosed.

Finally, if you transferred the interest during the calendar year, the name of the person to whom you transferred the interest (if known), the portion of interest transferred and the amount of consideration received.

SCHEDULE D. Gifts You must report **each gift in excess of \$20 in value, or a series of gifts from any one person totaling \$100 or more**, received by you at any time during this reporting period or by any other person at your direction, **from or on behalf of**, directly or indirectly, any **person who does business with the State or is regulated by the State, or is registered or required to register under the lobbying title of the Public Ethics Law** for each gift, answer Questions 1 through 4. Generally, gifts received by members of your immediate family will be considered as gifts received by you for reporting purposes. You should note if the gift was received by a spouse or dependent child.

The following gifts need not be reported:

1. Gifts received from your spouse, children and parents.
2. Political campaign contributions regulated in accordance with the provisions of the Elections Article or any other provision of State law regulating the conduct of elections or the receipt of political campaign contributions. Contributions to legal defense funds are generally considered to be gifts under the Ethics Law.
3. If, as a staff member of the General Assembly, you attended a meals and beverages special event to which a qualifying legislator group (all members, either house, a standing committee or a county or regional delegation officially designated for disclosure purposes by the presiding offices) was invited, you need not include it in this financial disclosure form.

SCHEDULE E. Offices, Directorships, Salaried Employment, and Similar Interests

List on this schedule the name and address of the principal office of each business entity doing business with the State in which, at any time during the reporting period, you or a member of your immediate family (spouse and dependent children) held an office, directorship, salaried employment, or similar interest. Also list any

other similar interests (such as being a partner) held by you or a member of your immediate family during the reporting period, and not otherwise disclosed on this Schedule, in any business entity doing business with the State. For example, the presidency of a corporation or a partnership in a law firm should be reported, as should employment as an engineer in a consulting firm that is a partnership. For each office, directorship, and employment to be disclosed, answer Questions 1 through 6.

SCHEDULE F. Debts

Report all **debts you owed** during the reporting period **to any entity doing business with the State**. The Ethics Commission maintains a list of financial institutions doing business with the State and it is available on our website <http://ethics.gov.state.md.us>. **Exclude retail credit accounts** (which includes store and bank charge accounts). You must, however, include installment loans, mortgages, car loans, or other time-fixed **liabilities owed to an entity doing business with the State**.

Please answer Questions 1 through 7 for each debt to be disclosed. The Ethics Law requires that you identify the person or entity to whom the debt is owed, the date the debt was incurred, the terms of payment of the debt, the amount of the debt owed as of the last day of the calendar year, the extent to which the principal amount of the debt increased or decreased during the calendar year, and a description of any security given for the debt. Additionally, if this transaction resulted in a debt being owed by your spouse or dependent child, you need to identify your spouse and/or child and describe the transaction.

SCHEDULE G. Family Members Employed by the State

Please answer Questions 1 through 3 as appropriate listing all members of your **immediate family (spouse and dependent children)** who were **employed by the State in any capacity at any time during the reporting period**. Include the name of the agency where employed.

SCHEDULE H. Employment and Business Ownership

Please answer Questions 1 and 2 as appropriate listing: 1) the **name and address of any places of employment** for you, your spouse or a dependent child, and 2) **business entities** wholly or partially owned by you, your spouse or a dependent child, and **from which income was earned during the reporting period whether or not the entity did business with the State**. For example: salaried employment, individual consulting activities, private practices, and business activities involving income-producing real property. **With regard to dependent children, you need report only earned income from employment or an interest in a business entity if that employment or business entity did business in excess of \$10,000 with your agency or was regulated by your agency.** For example, if your dependent child had summer employment as a lifeguard or in a local restaurant, you need not report that child's employment.

SCHEDULE I. Optional

You may use this Schedule for any interest or transactions you have not been required to disclose on Schedule A through H but wish to disclose. This Schedule may also be used to further explain any prior entry.