

Racial Equity and Social Justice (RESJ) Impact Statement

Office of Legislative Oversight

BILL 17-22: PUBLIC ETHICS LAW – AMENDMENTS

SUMMARY

The Office of Legislative Oversight (OLO) anticipates that Bill 17-22 will have little to no impact on RESJ in the County, as the proposed amendments to the Public Ethics Law are mostly technical changes prompted by state law, and do not appear to have any significant effects on County residents or employees by race and ethnicity.

PURPOSE OF RESJ IMPACT STATEMENT

The purpose of racial equity and social justice (RESJ) impact statements is to evaluate the anticipated impact of legislation on racial equity and social justice in the County. Racial equity and social justice refer to a **process** that focuses on centering the needs, leadership, and power of communities of color and low-income communities with a **goal** of eliminating racial and social inequities.¹ Achieving racial equity and social justice usually requires seeing, thinking, and working differently to address the racial and social harms that have caused racial and social inequities.²

PURPOSE OF BILL 17-22

The County's Public Ethics Law sets "comprehensive standards for the conduct of County business and requires public employees to disclose information about their financial affairs."³ The law was enacted to protect against improper influence in government, based on the following principles:⁴

- The County's system of representative government depends in part on the people maintaining the highest trust in their officials and employees;
- The people have a right to public officials and employees who are impartial and use independent judgement; and
- The confidence and trust of the people erodes when the conduct of County business is subject to improper influence or even the appearance of improper influence.

The goal of Bill 17-22 is to make the following amendments to the County's Public Ethics law, most of which are prompted by state ethics requirements:⁵

- Alter the definition of *restricted donor* and add a definition for *quasi-governmental entity* within the law.
- Clarify that certain ethics provisions that apply to County vendors under the law also apply to vendors of Housing Opportunities Commission (HOC) and the Montgomery County Revenue Authority (MCRA). Particularly, while engaged in a procurement matter with an agency or County agency (including HOC or MCRA), vendors "must not employ or offer to employ a public employee if the duties of the public employee include significant participation in the procurement matter."
- Prohibit public employees from retaliating against an individual for communicating with the Ethics Commission or participating in an investigation of a potential ethics violation.
- Expand the scope of financial disclosures⁶ with respect to business interests attributable to the filer, including requiring the disclosure of financial or contractual relationships with the University of Maryland medical system, state or local government entities in Maryland, and quasi-governmental entities.

RESJ Impact Statement

Bill 17-22

Bill 17-22 was introduced to the Council on June 21, 2022.

ANTICIPATED RESJ IMPACTS

OLO anticipates that Bill 17-22 will have little to no impact on RESJ in the County, as the proposed amendments to the Public Ethics Law are mostly technical changes prompted by state law, and do not appear to have any significant effects on County residents or employees by race and ethnicity.

RECOMMENDED AMENDMENTS

The Racial Equity and Social Justice Act requires OLO to consider whether recommended amendments to bills aimed at narrowing racial and social inequities are warranted in developing RESJ impact statements.⁷ OLO does not offer recommended amendments for Bill 17-22, as its limited scope does not address racial and social inequities in the County.

CAVEATS

Two caveats to this racial equity and social justice impact statement should be noted. First, predicting the impact of legislation on racial equity and social justice is a challenging, analytical endeavor due to data limitations, uncertainty, and other factors. Second, this RESJ impact statement is intended to inform the legislative process rather than determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

¹ Definition of racial equity and social justice adopted from “Applying a Racial Equity Lens into Federal Nutrition Programs” by Marlysa Gamblin, et.al. Bread for the World, and from Racial Equity Tools. <https://www.racialequitytools.org/glossary>

² Ibid

³ Montgomery County Code Section 19A-2, Ethics, Legislative Findings and Statement of Policy, Montgomery County, Maryland, Accessed July 18, 2022. https://codelibrary.amlegal.com/codes/montgomerycounty/latest/montgomeryco_md/0-0-0-128183#JD_19A-2

⁴ Ibid

⁵ Bill 17-22, Public Ethics Law – Amendments, Montgomery County, Maryland, Introduced June 21, 2022. https://apps.montgomerycountymd.gov/ccllms/DownloadFilePage?FileName=2758_1_21300_Bill_17-2022_Introduction_20220621.pdf

⁶ Financial disclosure statements are required to be filed by each incumbent and candidate for County Executive and County Council, as well as certain public employees.

⁷ Bill 27-19, Administration – Human Rights – Office of Racial Equity and Social Justice – Racial Equity and Social Justice Advisory Committee – Established, Montgomery County Council