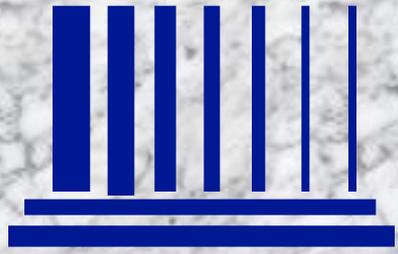


**State Ethics
Commission**

**Conflict of Interest
Seminar-**

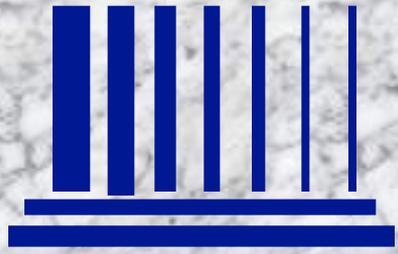
**Contributory Retirement
Boards**



State Ethics Commission

THE COMMISSION

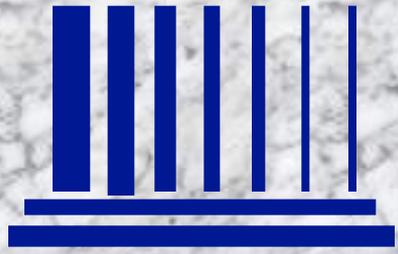
- ◆ is a five-member, independent, non-partisan agency.
- ◆ provides advice, education and enforcement of M.G.L. 268A and 268B.
- ◆ Conflict of interest law applies to all state, county and municipal employees, including volunteers, paid or unpaid, full-time, part-time, intermittent or specials.



State Ethics Commission

THE DIVISIONS

- ◆ **Public Education Division:**
Seminars, Website, Media.
- ◆ **Legal Division:**
Free, confidential, guidance, oral or written.
Statements of Financial Interests.
- ◆ **Enforcement Division:**
Investigates 900-1200 complaints a year.
Complainant identity kept confidential.
Anonymous complaints accepted.

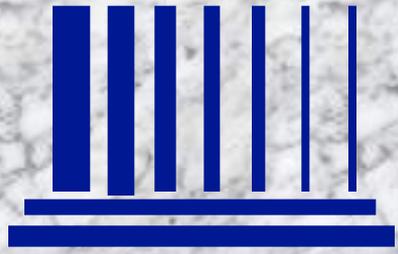


State Ethics Commission

Website

www.mass.gov/ethics

- Educational materials
- Formal Legal Opinions
- Enforcement Decisions
- Disclosure Forms
- Links to the Online Training Program and Summary of the Conflict of Interest Law for Municipal Employees

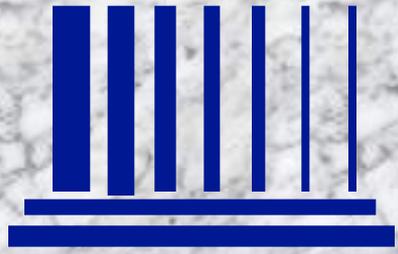


State Ethics Commission

Obtaining Legal Advice

Speak to the Attorney of the Day

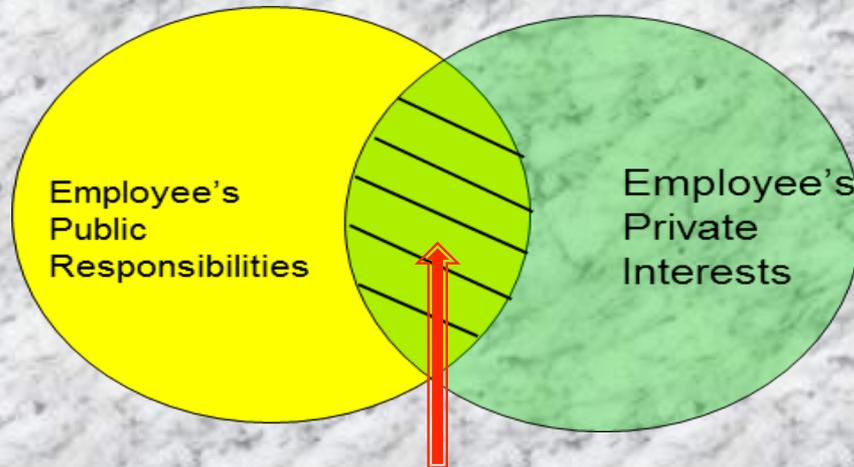
- Advice is Confidential
- Advice can be given by telephone (617-371-9500), email, or letter.
- Online request for advice, www.mass.gov/ethics.
- No third party or past conduct advice given.
- Disclosure forms available on the website.



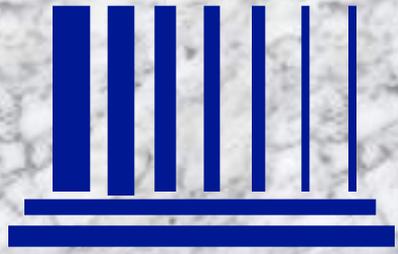
State Ethics Commission

CONFLICTS 101

Professional Life ↔ Personal Life



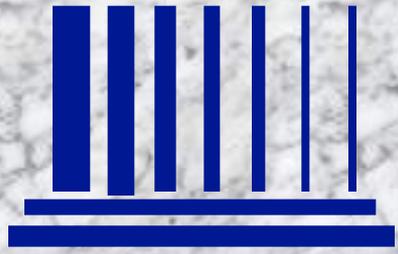
Focus of the Conflict of Interest Law



State Ethics Commission

Conflict of Interest Law: Gifts

- **§ 2- Bribery:** prohibits corrupt gifts, offers, and promises to influence official acts.
- **§ 3- Gifts and Gratuities:** prohibits gifts of substantial value given for or because of official acts performed or to be performed.
- **§ 23(b)(2)(i)- Gifts:** prohibits gifts of substantial value given for or because of official position.



State Ethics Commission

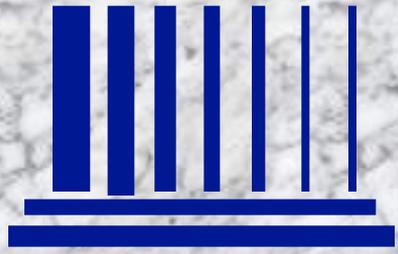
Examples of Prohibited Gifts

Connection to Official Act

•**Example:** You help a retiree obtain a benefit for which he is eligible. The retiree sends you a \$50 restaurant gift certificate to say thank you. You may not accept this gift.

Because of Official Position

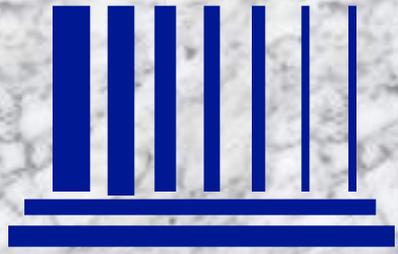
•**Example:** Someone gives you tickets worth \$50 or more to a sporting event because you are a retirement board member and not because of any friendship you have with the giver. You may not accept this gift.



State Ethics Commission

Conflict of Interest Law: Gifts

- **§ 23(b)(3)- Standards of Conduct:** prohibits gifts valued at less than \$50 if the receipt of a gift creates the appearance that the public employee could be improperly influenced in the performance of their duties, unless a written disclosure is filed.



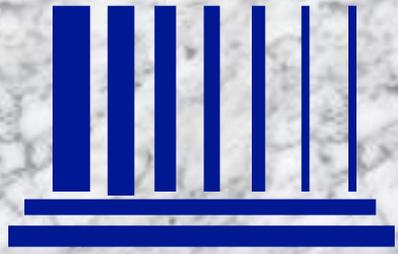
State Ethics Commission

Regulatory Exemption: Gifts

**930 CMR 5.08: Gifts Worth \$50 or More and Related to
Official Action or Position: Exemptions**

(Disclosure and Prior Approval Required in Certain Circumstances)

- **Travel Expenses where the purpose of the travel serves a legitimate public purpose**
- **Incidental Hospitality That Serves a Public Purpose**
- **Legitimate Speaking Engagements**
- **Honorary Degrees.**

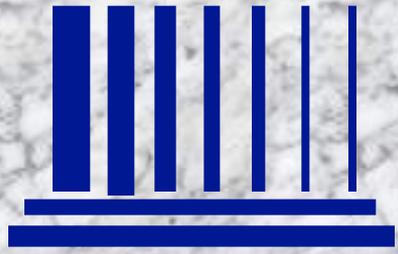


State Ethics Commission

Exemption Example

Example of exemption:

The National Association of State Retirement Administrators offers to pay your expenses so you may attend the annual conference. You fill out the Ethics Commission disclosure form. Your appointing authority certifies that acceptance of such expenses serves a legitimate public purpose and that such public purpose outweighs any special non-work-related benefit to you or the person/entity paying the expenses. You are permitted to accept the payment of expenses. 930 CMR 5.08(2)(d).

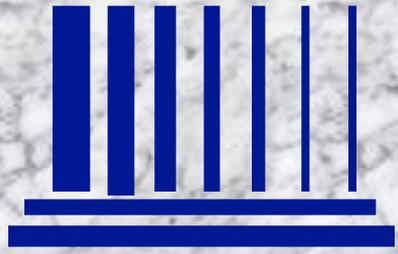


State Ethics Commission

Regulatory Exemption: Gifts

**930 CMR 5.08: Gifts Worth \$50 or More and Related to
Official Action or Position: Exemptions
(Disclosure and Prior Approval Required in Certain Circumstances)**

- **Awards for Meritorious Public Service or Lifetime Achievement.**
- **Public Employee Discounts and Waived Membership Fees.**
- **Gifts Among Public Employees.**
- **Ceremonial Gifts and Privileges.**

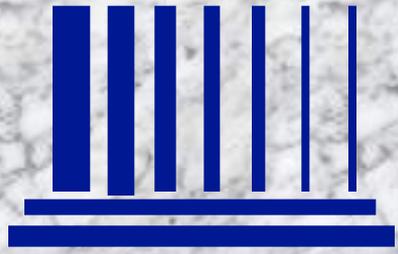


State Ethics Commission

Regulatory Exemption: Gifts

**930 CMR 5.08: Gifts Worth \$50 or More and Related to
Official Action or Position: Exemptions**
(Disclosure and Prior Approval Required in Certain Circumstances)

- **Retirement Gifts.**
- **Unsolicited Perishable Items.**
- **Admission to Political Campaign Events for Elected Officials and their Staff Members.**
- **Gifts Received and Held Temporarily as Part of Charitable Activities.**



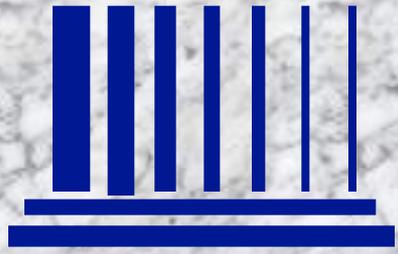
State Ethics Commission

Regulatory Exemption: Gifts

**930 CMR 5.08: Gifts Worth \$50 or More and Related to
Official Action or Position: Exemptions**

(Disclosure and Prior Approval Required in Certain Circumstances)

- **Class Gifts to Teachers.**
- **Passes to School Event given by the district for school sports and entertainment events.**
- **Random Drawings.**



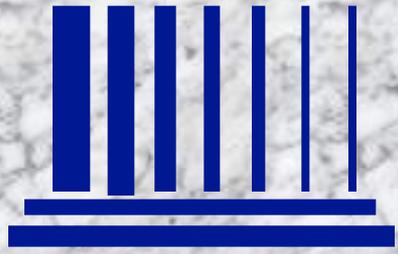
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NEPOTISM

A municipal employee may not in general participate in particular matters in which he, his immediate family, a partner, a business organization with which he has certain affiliations or someone with whom he is negotiating prospective employment has a financial interest.

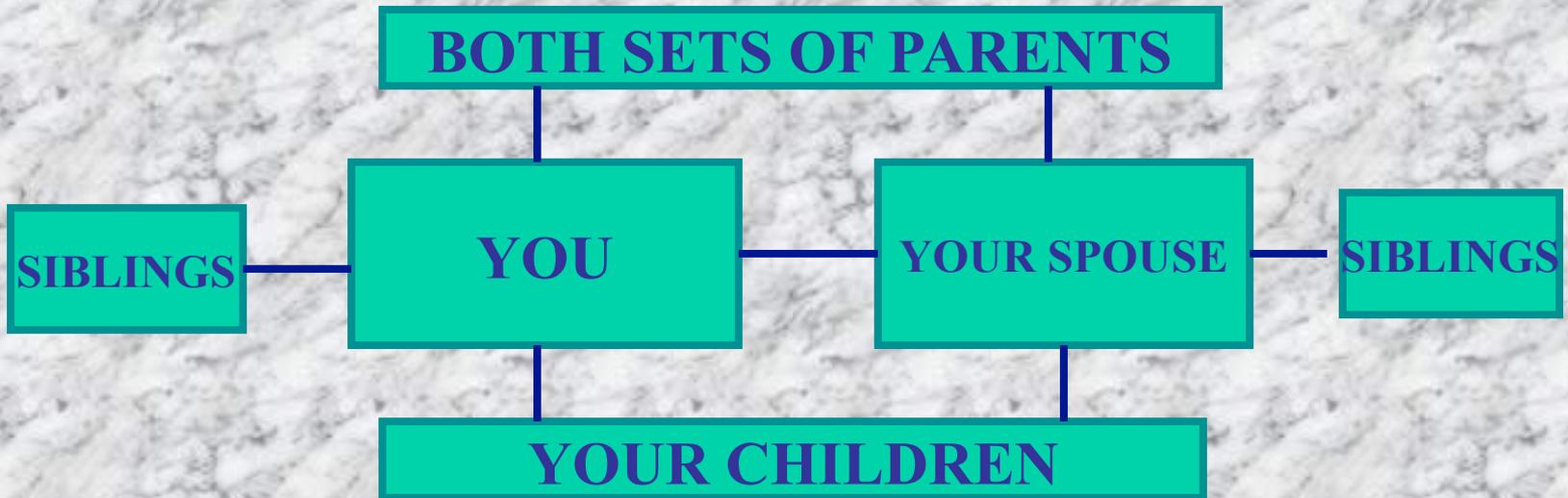


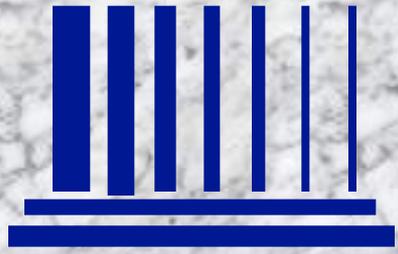
- 2 - Step disclosure and determination process for appointed municipal employees
- No exemptions for elected officials.
- Matters affecting abutters and competitors may affect official's financial interest.



State Ethics Commission

IMMEDIATE FAMILY

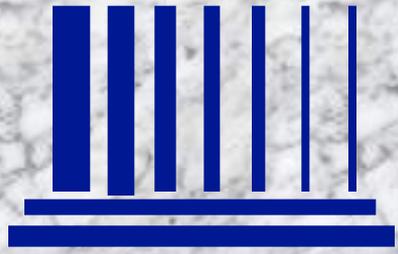




State Ethics Commission

RULE OF NECESSITY

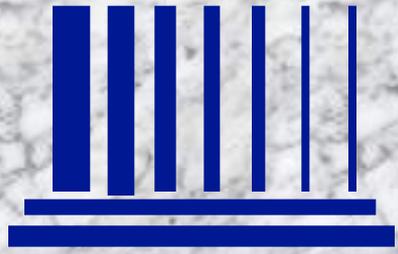
- **AVAILABLE TO ELECTED BOARDS ONLY**
- **THE BOARD CANNOT ACHIEVE A QUORUM**
- **NO OTHER BOARD IS AVAILABLE TO DECIDE THE ISSUE**
- **BOARD SHOULD OBTAIN LEGAL ADVICE**
- **BOARD MEMBERS WILL NEED TO DISCLOSE THE CONFLICTS**



State Ethics Commission

IF YOU NEED TO ABSTAIN

- **CAN I REMAIN AT THE TABLE?**
- **CAN I SIT IN THE AUDIENCE?**
- **MUST I LEAVE THE ROOM?**



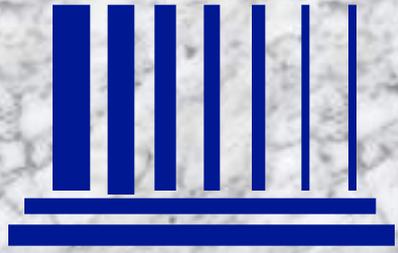
State Ethics Commission

CODE OF CONDUCT

A public official or employee shall not knowingly:

- Act in a manner such that a reasonable person might conclude that he or she might act with bias.
 - *One-step written disclosure to dispel appearance of conflict*
- Secure unwarranted privileges for his/herself or others.
- Use inherently coercive authority.
- Use official resources for private or personal use.
- Disclose confidential information.
- Accept inherently incompatible employment.



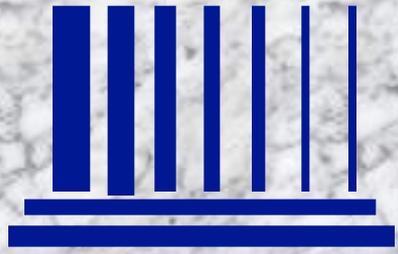


State Ethics Commission

POLITICAL ACTIVITY

- **SOLICITING CAMPAIGN SUPPORT FROM COLLEAGUES, SUBORDINATES OR CONSTITUENTS**
- **CAMPAIGN ACTIVITIES IN PUBLIC BUILDINGS**
- **CANNOT USE PUBLIC RESOURCES FOR POLITICAL PURPOSES**

Advisory 11-1: Public Employee Political Activity



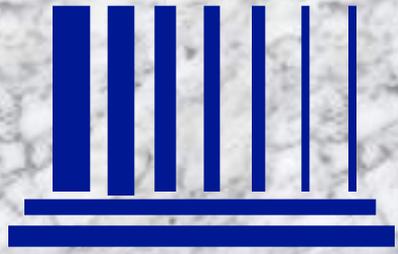
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AFTER HOURS

Agency: Representing 3rd Parties
before Government

Contracts: Financial Interests in
other Municipal Contracts



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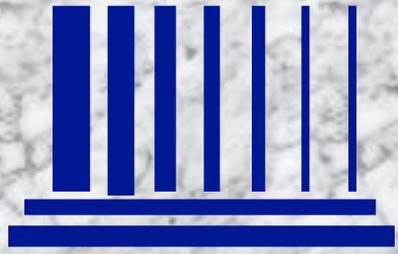


AGENCY

An employee may not act on the behalf of, or receive compensation from, a third party in connection with anything of direct and substantial interest to the municipality.



- **Divided loyalties / Serving two masters**
- **You may never appear before your own agency**
- **Special Municipal Employees who work less than 60 days may appear before other municipal departments, under some circumstances.**
- **You may always represent yourself before any municipal board or department.**

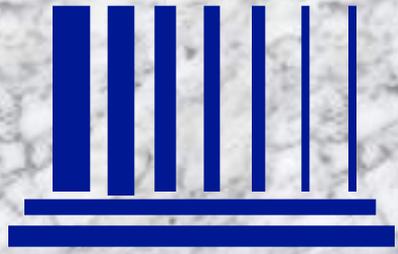


State Ethics Commission

Acting As Agent

Exceptions to the rule:

- **Disciplinary/Personnel issues if uncompensated.**
- **Family members if appointing authority approves.**
- **Testimony/Sworn Statements.**
- **Municipal employees can obtain building, wiring, plumbing, gas fitting or septic permits unless employed by issuer.**



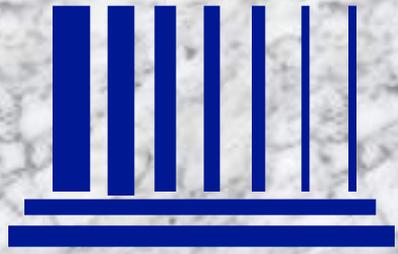
State Ethics Commission

MULTIPLE CONTRACTS, FINANCIAL INTEREST IN CONTRACT

A municipal employee may not have a financial interest in a contract in which the municipality is an interested party.

- **Contracts to provide goods or services.**
- **Multiple positions, one of which is paid.**

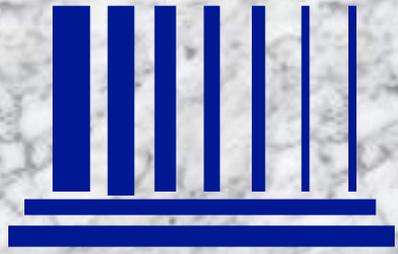




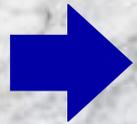
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FINANCIAL INTERESTS IN CONTRACTS

- **LAW APPLIES LESS RESTRICTIVELY TO SPECIALS**
- **MUNICIPAL EMPLOYEES CAN ALSO SERVE AS SELECTMEN, BUT CONDITIONS APPLY**



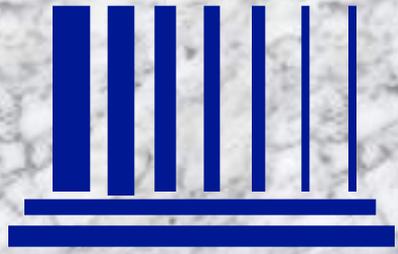
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WHEN YOU LEAVE

Revolving Door Provisions

Restrictions on Appointments



State Ethics Commission

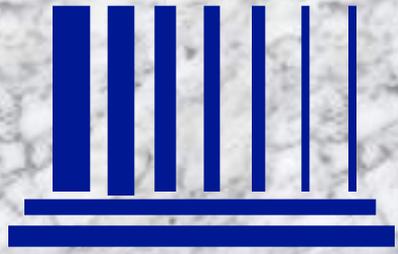
REVOLVING DOOR PROVISIONS

● THE FOREVER BAN

A former municipal employee is prohibited from receiving compensation from or representing a third party in any particular matter in which he participated as a municipal employee.

● THE ONE YEAR COOLING OFF PERIOD

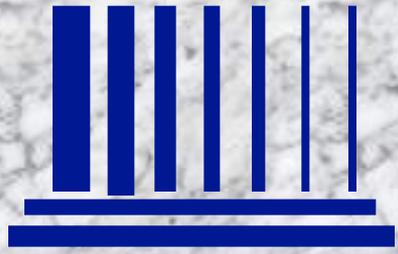
A former municipal employee is prohibited for one year from appearing personally on behalf of a third party if, within two years prior to his last day of employment, the matter was under his official responsibility.



State Ethics Commission

RESTRICTIONS ON APPOINTMENT

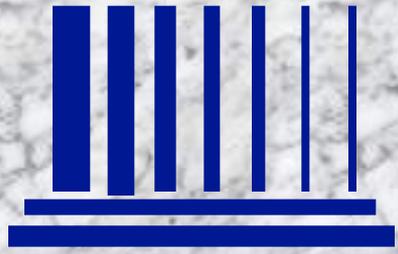
- **Board members are ineligible for appointment to positions supervised by the committee until 30 days after they resign from the board.**
- **Municipal employees who also serve on the Board of Selectmen/Board of Aldermen/City Council are ineligible for any other municipal appointment while a Selectman, Alderman or City Councilor and for 6 months thereafter.**



State Ethics Commission

ETHICS REFORM LEGISLATION

- **Increases civil penalties from \$2,000 to \$10,000 for all sections except for bribery.**
- **Adds section to Code of Conduct prohibiting gifts to public employees because of their official position.**
- **Adds section to Code of Conduct prohibiting public employees from submitting false claims for payment to their employer.**
- **Adds a mandatory training requirement for all public employees.**



State Ethics Commission

Quick Tips

When in doubt **DON'T**

If a bell goes off or a flag goes up..... **CALL**

617/371-9500 or **888/485-4766**

Visit us on the Web at **www.mass.gov/ethics**