

FINANCIAL DISCLOSURE STATEMENT INSTRUCTIONS (FORM 1)

These instructions are for employees holding M-NCPPC positions which must complete Financial Disclosure Statements, pursuant to Administrative Practice 5-70, Financial Disclosure. The M-NCPPC utilizes a Financial Disclosure form based on the form issued by the State of Maryland's Ethics Commission. These instructions reflect guidance from the State of Maryland, plus directions on how to submit your Form.

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. You may provide the information requested in this form by completing it either electronically or by hand. The Financial Disclosure Statement form and extra schedules can be accessed from the following link: www.mncppc.org/2990/FDS. After completing the Statement, print it, then sign and date the lower portion of the first page. Note: The Statement no longer requires a notarized signature. Make a copy for your records and submit the completed Financial Disclosure Statement to the Office of the Executive Director via email: fdsubmission@mncppc.org or via mail: Office of the Executive Director, 6611 Kenilworth Avenue, Suite 402, Riverdale, MD 20737. Reference: Financial Disclosure Submission on the envelope.

Schedules C, D and E require knowledge regarding whether an entity does business with the State, M-NCPPC, Montgomery County, or Prince George's County. You will be able to access that information by contacting the Executive Director's Office at 301-454-1740. Schedule F requires knowledge regarding whether an entity does business with or is regulated by the M-NCPPC. Please contact the Executive Director's office at 301-454-1740 for this information.

Financial disclosure statements are public records that may be examined or copied by the public. In completing your statement, you can indicate if you want the M-NCPPC to notify you of the names and addresses of any persons who have examined or copied your statement. Note that beginning January 1, 2019, State Law requires the M-NCPPC to redact home address information disclosed in Schedule A, provided you identify that address as your home address.

If you need assistance in completing the form, do not hesitate to call the Executive Director's Office at 301-454-1740. Thank you for your cooperation.

I. FORM INSTRUCTIONS

Filing Under Oath

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. Public Ethics Law § 5-602(e) provides that an electronic filer's submission of the electronic disclosure form is made expressly under the penalties for perjury.

SCHEDULE A. Real Property

Real property held by you or by a partnership, limited liability partnership, or limited liability company in which you have 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 your 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 Questions 1 through 11 as appropriate. The State 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 are 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, M-NCPPC, Montgomery County, or Prince George's County**. Examples of frequently disclosed items on this schedule are corporate stocks, corporate bonds and partnerships. Interests in publicly-traded mutual funds or exchange-traded funds traded on a national scale need not be disclosed unless the mutual fund or exchange-traded fund is composed primarily of holdings of stocks and interests in a specific sector or area that is regulated by the filer's governmental unit. Filers are not required to disclose holdings in an Internal Revenue Service qualified trust or college savings plan. This would include the M-NCPPC § 401(a), 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. Filers 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 Questions 1 through 8 as appropriate. The State 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, publicly traded corporate interest acquired by dividend or dividend reinvestment and the total value 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.

NOTE: In lieu of completing a separate Schedule B for each interest owned, you may print and scan a year-end statement from your broker identifying your holdings, provided the statement includes all of the information required by Schedule B for each interest you held during the calendar year. Do not confuse a year-end statement (acceptable), reflecting the activity during the course of the entire calendar year, with a statement for the month of December (not acceptable), reflecting only the activity during the month of December. If you elect to use a year-end statement, you should redact information such as account numbers and social security numbers before doing so, as the statement is available for review by the public.

SCHEDULE C. Interests in Non-Corporate Business Entities

Report all interests in any **non-corporate business entities** not disclosed on Schedule B that do business with the State, **M-NCPPC, Montgomery County, or Prince George's County**. A sole proprietorship is the type of entity that is included on this Schedule.

Please answer Questions 1 through 6 as appropriate. The State Ethics Law requires for each interest in any non-corporate business entity doing business with the State, **M-NCPPC, Montgomery County, or Prince George's County** 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, M-NCPPC, Montgomery County, or Prince George's County, or is registered or required to register under the lobbying title of the State 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. Gifts received from your spouse, children and parents need not be reported.

Political campaign contributions regulated in accordance with the provisions of the Election Law Article or any other provision of State law regulating the conduct of elections or the receipt of political campaign contributions are by definition not gifts. Contributions to legal defense funds are generally considered to be gifts under the State Ethics Law.

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, M-NCPPC, Montgomery County, or Prince George's County 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, M-NCPPC, Montgomery County, or Prince George's County. 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, or regulated by, the State, M-NCPPC, Montgomery County, or Prince George's County**. The State Ethics Law requires the M-NCPPC to provide to their financial disclosure filers on or before January 15 of each year a list of entities that did business with the agency during the preceding calendar year. **Exclude retail credit accounts** (which include 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 or regulated by your agency.

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, **M-NCPPC, Montgomery County, or Prince George's County**. For example, you should disclose 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 the M-NCPPC or was regulated by the M-NCPPC.

For statements filed on or after January 1, 2019, if your spouse is an individual regulated lobbyist, you must identify each entity that has engaged your spouse for lobbying purposes (i.e., your spouse's clients).

SCHEDULE I. Optional

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

II. GLOSSARY OF TERMS – PUBLIC ETHICS LAW §5-101

"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, M-NCPPC, Montgomery County, or Prince George's County" 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, to the extent ascertainable as of the awarding or execution of a contract or lease, the total consideration committed to be paid, regardless of the period of time over which such payments are to be made;

NOTE: The Commission maintains a complete list of lobbyists and financial institutions that do business with the State, **M-NCPPC, Montgomery County, or Prince George's County**.

(2) a regulated lobbyist (lobbyist or lobbyist employer) as defined in § 5-702 of the Public Ethics Law; or

(3) an entity regulated by the department or executive agency of the 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 the Election Law Article, 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;
- (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; or
- (5) a mutual fund or exchange-traded fund that is publicly traded on a national scale unless the mutual fund or exchange-traded fund is composed primarily of holdings of stocks and interests in a specific sector that is regulated by the individual's governmental unit.

"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 as:
 1. individually or as a member of an executive agency, having decision making authority or acting 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. having duties that 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 regulations of the State Ethics Commission in 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 of 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 based on the recommendation of the State Court Administrator 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.

III. Attributable Interest

Section 5-608 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, 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.

IV. Unknown Information

Section 5-607 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.

V. Blind Trust

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