

PENNSYLVANIA STATE ETHICS COMMISSION

THE ETHICS ACT

A Short Guide On How To Stay
Out of the Newspapers



DO YOU TRUST YOUR
GOVERNMENT?

CORE MISSION

The Pennsylvania State Ethics Commission's core mission and guiding principle is that public office is a public trust and that any effort to realize personal financial gain through one's public office is a violation of that trust.

The State Ethics Commission

Independent Administrative State Agency

7 Commissioners:

- 2 appointed by the Senate (1 D, 1 R)
- 2 appointed by the House (1D, 1R)
- 3 appointed by the Governor (only 2 of same political party)

21 Staff:

- Investigative Division (Eastern and Western Regions)
- Administrative Division
- Legal Division

STATE ETHICS COMMISSION

JURISDICTION

➤ PUBLIC OFFICIALS

Any person elected by the public or elected or appointed by a governmental body or an appointed official in the executive, legislative or judicial branch of this Commonwealth or any political subdivision thereof.

➤ PUBLIC EMPLOYEES

Any individual employed by the Commonwealth or a political subdivision who is responsible for taking or recommending official action of a nonministerial nature with regard to:

- contracting or procurement;
- administering or monitoring grants or subsidies;
- planning or zoning
- inspecting, licensing, regulating or auditing any person; or
- any other activity where the official action has an economic impact of greater than a de minimis nature on the interests of any person.

THREE PRIMARY FUNCTIONS



INVESTIGATIONS



ADVICES AND OPINIONS

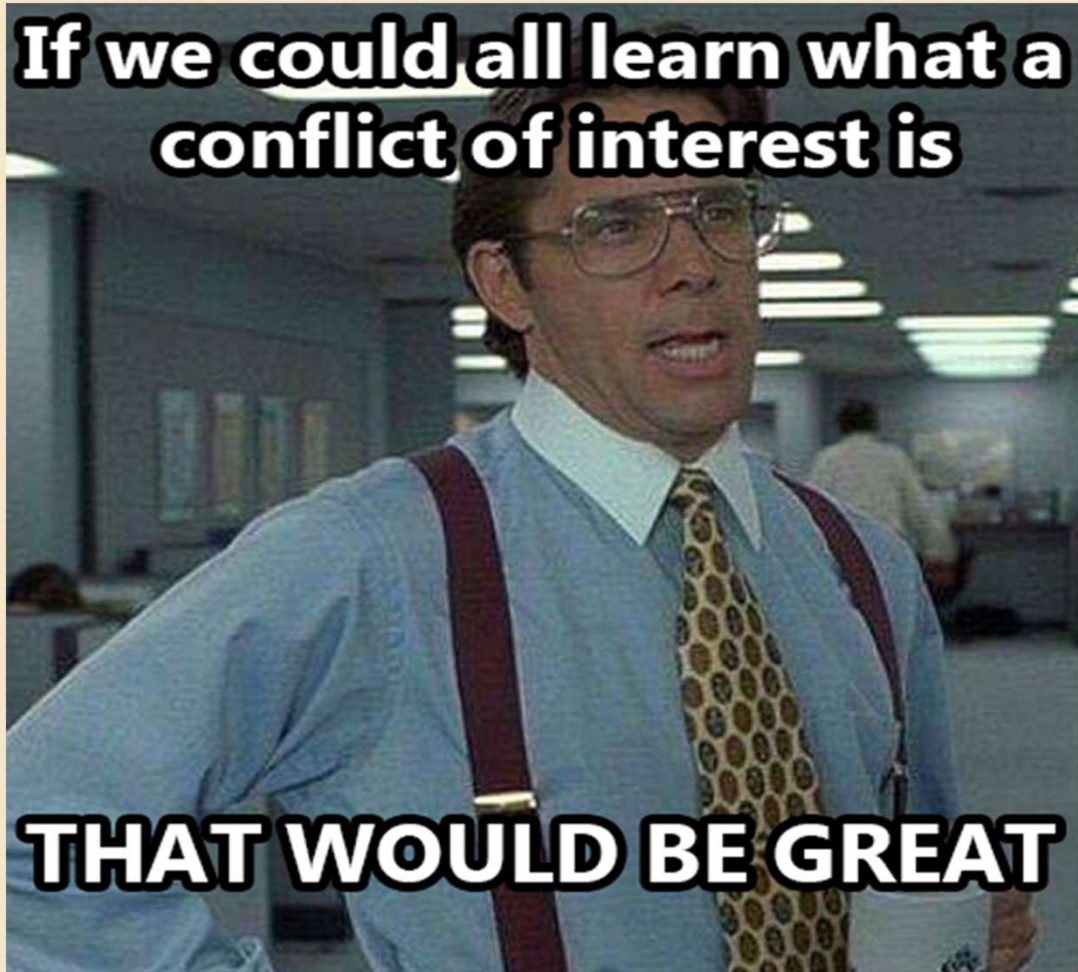


STATEMENTS OF
FINANCIAL INTERESTS

Restricted Activities



**If we could all learn what a
conflict of interest is**



THAT WOULD BE GREAT

Conflict of Interest: 1103(a)

No public official or public employee shall engage in conduct that constitutes a conflict of interest.

**Use of
Authority of
Office or
Confidential
Information**

**For the
private
pecuniary
benefit of**

**Themselves,
a member of
their
immediate
family, or a
business
with which
they are
associated.**

Profit?

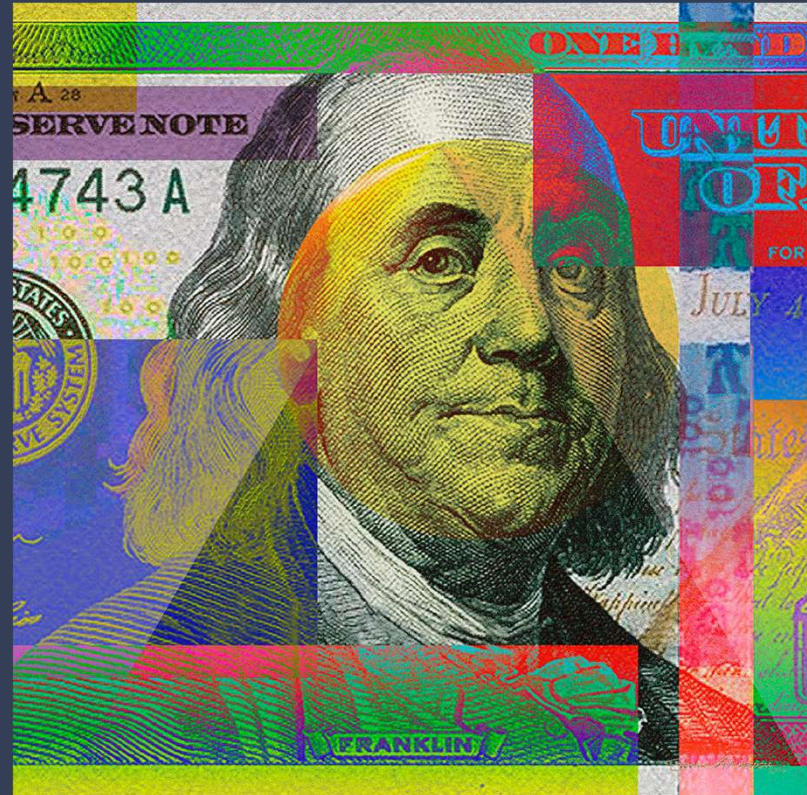




**Use of Office or
Employment**

More than
Voting at a
Public
Meeting

Private Pecuniary Benefit



Immediate Family Members

Parent

Spouse

Child

Sibling



A blurred background image of a business meeting. A person in a white shirt is holding a red notebook and a yellow pencil, gesturing with their hands. Another person's hand is visible in the foreground, holding a pen. A calculator is on the desk in the lower left. The scene is brightly lit, suggesting an office environment.

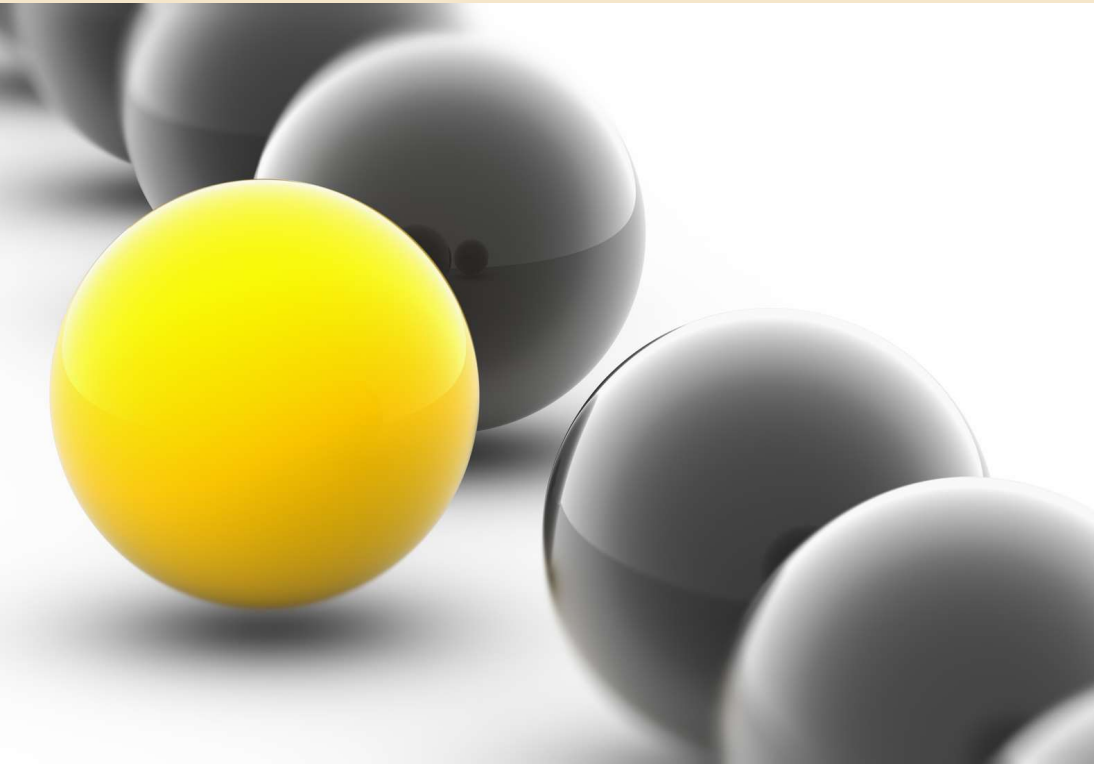
**Business with which
associated**

Exceptions

Actions having a de minimis economic impact

Affects to the same degree a class consisting of the general public

Subclass consisting of an industry, occupation, or other group





Common Ethics Issues

Nepotism

When can a family member work at the same governmental entity?



USE OF GOVERNMENT ASSETS





PLCB BOURBON LOTTERY

PLCB Member and Employees used confidential information to purchase highly sought-after bottles of bourbon left over from a public lottery.

No private pecuniary benefit, so no Ethics Act violation.



**GIFTS, TRAVEL, LODGING,
HOSPITALITY**



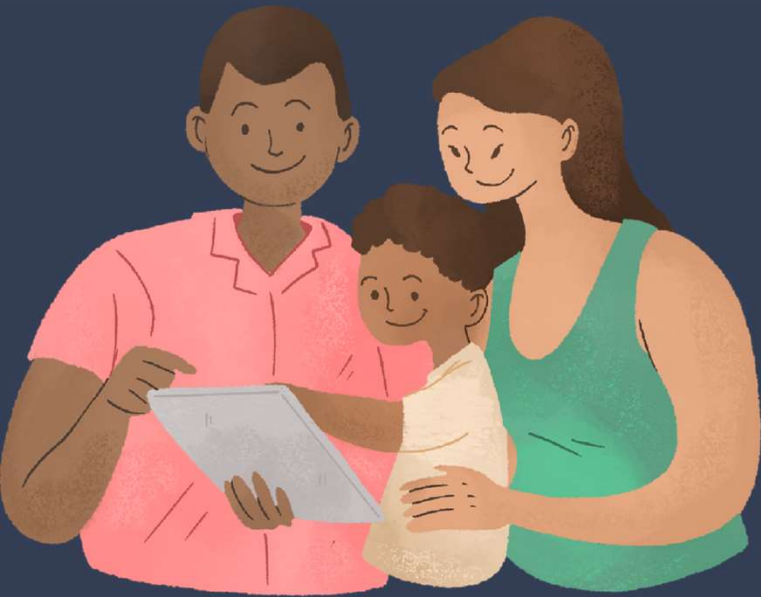


Contracting with your governmental body: 1103(f)



Contracting with your governmental body: 1103(f)

If you, your spouse, or your child - or a business with which you, your spouse, or child is associated - wishes to enter into a contract or subcontract with your governmental body valued at \$500 or more:



The contract must have been awarded through an open and public process including prior public notice and subsequent public disclosure of all proposals considered and contracts awarded,

AND

You shall not have any supervisory or overall responsibility for the implementation or administration of the contract.

If you have a conflict:



AND publicly announce and disclose nature of your interest in a written memo with the person recording the meeting minutes.



IMPROPER INFLUENCE

Honoraria are prohibited: 1103(d)





Payment m

/appearances

Nonpu

in Nature

Not Honorarium:

Legitimate compensation

AND

Undertaken in private profession or
occupation unrelated to public
position



Donating honorarium payments to a charity does not make the receipt of prohibited honoraria acceptable!



Revolving Door: 1103(g)

No former public official or
public employee shall

Represent a "person"

For promised or actual
compensation

Before their former
governmental body

For one year after leaving



Advices and Opinions



WHAT IS AN ADVICE?



The Commission provides advice and guidance regarding the duties of those who are subject to the Ethics Act

Such advice and guidance is in the form of Advices of Counsel and Opinions of the Commission

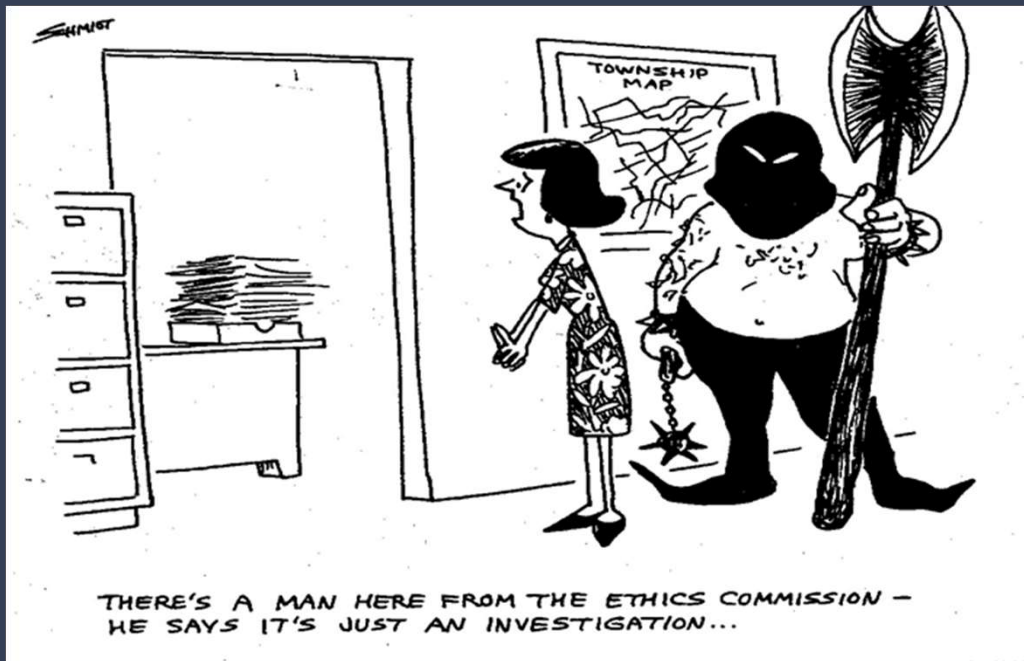
PROSPECTIVE



NOT PROSPECTIVE



Investigations



Proceedings and records relating to an investigation are confidential

Identity of a complainant is confidential

Final Order is a public record

PENALTIES

➤ ADMINISTRATIVE

Public Order
Restitution
Treble penalties

➤ CRIMINAL

Misdemeanor/Felony
Up to \$10K fine
Up to 5 years prison

➤ SFI

Up to \$250 per form

Statement of Financial Interests




Block 7 - Year

B											
06 OCCUPATION OR PROFESSION (This may be the same as block 4)						07 YEAR SEE INSTRUCTIONS					
Information in blocks 8-15 represents disclosure for the calendar year listed here:						2 0					
08 REAL ESTATE INTERESTS involved in transactions with the commonwealth, any of its agencies, or a political subdivision. If NONE, check this box <input type="checkbox"/>											

Blocks 8 and 9 – Real Estate Interests and Creditors

08	REAL ESTATE INTERESTS involved in transactions with the commonwealth, any of its agencies, or a political subdivision	If NONE, check this box	<input type="checkbox"/>
09	CREDITORS TO WHOM IS OWED MORE THAN \$6,500	If NONE, check this box	<input type="checkbox"/>
Name:	<input type="text"/>	Address:	<input type="text"/>
Interest Rate	<input type="text"/>		

Block 10 – Direct or Indirect Sources of Income



10	DIRECT OR INDIRECT SOURCES OF INCOME OF \$1,300 OR MORE, including (but not limited to) all employment	If NONE, check this box <input type="checkbox"/>
Name:	Address:	(OFFICIAL USE ONLY)
11	GIFTS VALUED AT \$250 OR MORE IN THE AGGREGATE	If NONE, check this box <input type="checkbox"/>

Block 10 – Direct or Indirect Sources of Income, continued

Income includes money or thing of value received or to be received as a claim on future services or in recognition of services rendered in the past, whether in the form of a payment, fee, salary, expense, allowance, forbearance, forgiveness, interest, dividend, royalty, rent, capital gain, reward, severance payment, proceeds for the sale of a financial interest in a corporation, professional corporation, partnership or other entity.

Block 10 – Direct or Indirect Sources of Income, continued

Income that should be reported:

- 1) monthly pension payments where the employer has contributed in whole or in part to your pension
- 2) 401K account that has generated dividends, distributions or capital gains.

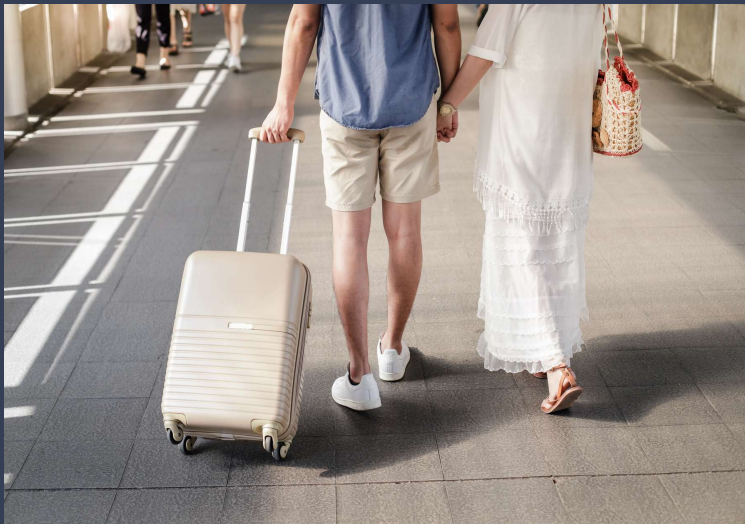
Income that should not be reported:

- 1) 401K accounts funded 100% by the employee
- 2) An inheritance received from a family member is not considered “income” unless the inheritance would be designated as a payment for, or in recognition of, services.

Blocks 11 and 12 – Gifts and Transportation, Lodging, and Hospitality

11 GIFTS VALUED AT \$250 OR MORE IN THE AGGREGATE	If NONE, check this box <input type="checkbox"/>
Source of Gift	Value of Gift
<input type="text"/>	<input type="text"/>
Address of Source of Gift	Circumstance (including description) of Gift
<input type="text"/>	<input type="text"/>
12 TRANSPORTATION, LODGING OR HOSPITALITY WHERE ACTUAL EXPENSES EXCEEDED \$650 IN THE AGGREGATE	If NONE, check this box <input type="checkbox"/>
Source (Name and Address)	Value
<input type="text"/>	<input type="text"/>

Blocks 11 and 12 – Gifts and Transportation, Lodging, and Hospitality, continued



If a public official is invited on a trip that will be paid for by an outside group and takes his spouse on the trip - and the spouse's trip is also paid for by the outside group - the cost of both the public official's and the spouse's trip must be reported.

Blocks 11 and 12 – Gifts and Transportation, Lodging, and Hospitality, continued

If a public official is given 4 tickets to an event, and takes his wife and children, he must report the cost of all 4 tickets.

Question: Does the public official control who receives the tickets?



Block 13 – Office Directorship or Employment in any Business

	13 OFFICE, DIRECTORSHIP OR EMPLOYMENT IN ANY BUSINESS	If NONE, check this box <input type="checkbox"/>
	Business Entity (Name and Address)	Position Held (i.e., officer, director, employee, etc.)
Name:	Address:	

Blocks 14 and 15 – Financial Interest in any Legal Entity and Business Interests Transferred

14 FINANCIAL INTEREST IN ANY LEGAL ENTITY IN BUSINESS FOR PROFIT Business (Name and Address)	If NONE, check this box <input type="checkbox"/>
	Interest Held (i.e., 5%, 10%, etc.)
15 BUSINESS INTERESTS TRANSFERRED TO IMMEDIATE FAMILY MEMBER Business (Name and Address) Transferee (Name and Address)	If NONE, check this box <input type="checkbox"/>
	Interest Held
	Relationship
	Date Transferred

Signature and Date Block

Transferee (Name and Address)	Date Transferred
<p>The undersigned hereby affirms that the foregoing information is true and correct to the best of said person's knowledge, information and belief, said affirmation being made subject to the penalties prescribed by 18 Pa.C.S. §4904 (unsworn falsification to authorities) and the Public Official and Employee Ethics Act, 65 Pa.C.S. §1109(b).</p>	
Signature _____	Enter Current Date _____
<p>THIS FORM IS CONSIDERED DEFICIENT IF ANY BLOCK ABOVE IS NOT COMPLETED. MAKE A COPY FOR YOUR RECORDS.</p>	

broke my ADS!

DEANE M

2000 Agate St #109

CONSUMER SERVICE POLICY ANALYST II

PUBLIC UTILITY COMMISSIONARY

GLAD TO BE GONE!

NONE

COMMUNITY ORGANIZATIONS

PROFESSOR IN HAIR

PROFESSOR IN HAIR

PROFESSOR IN HAIR

SHOLES!

Handwritten symbols: \$%#@

\$250.00 Civil Penalty

\$371.06 Court Costs

Found in Contempt of Court

Warrant for Arrest

SFI Shown to Whole State

PRICELESS



Questions?

Pennsylvania State Ethics Commission

www.ethics.pa.gov

717-783-1610