

AML Research Memo: HB309

The following are excerpts of comments submitted to AML in response to a request for feedback on HB309. They do not reflect the position of AML nor of any specific local government.

"We voted out of the APOC Financial Disclosure Statements and instead follow our own procedures and standards to keep track of potential conflicts of interest for city manager, city council, planning commission. The elected and appointed officials are volunteer and we found many residents were not interested in filing for office or applying to sit on the planning commission because of the detail required by APOC in the annual filing. When we established our own procedure, we eliminated the financial amount associated with the conflict (what the volunteer makes, or how much they have in property value) and instead have them list their employer or income source, and the location of the property (it is a little more detailed but not significantly intrusive). For the candidate filing requirements, it is a few extra step for the candidates but hasn't been an issue for our community. To my knowledge we have not had any groups meeting the need to file so that too doesn't seem impactful.

I can see how the filing requirements can be a barrier for some people. As a municipal official trying to prevent actions taken with conflict, I appreciate having thoughtful legislation outlining standards for disclosure of interests but feel, for smaller communities, that legislation can be locally considered, approved, and managed. Ideally, each municipal official would be cognizant of where they may or may not have a financial conflict, but I have found, many get wrapped up in the issue and don't even think about it. Since I annually review their statements, I have an idea of where financial conflicts of interest may pop up which has saved us from having to repeat an action due to an individual with a conflict participating."

"The APOC reporting is fairly burdensome in smaller communities where candidates typically are well known to the voters and there is little utility in revealing their finances to their neighbors. The idea of each community deciding for itself whether to follow APOC rules rather than having the Legislature tell them what to do is also appealing. I suppose if this passes and communities want some reporting/financial disclosure it can still be required via a locally tailored ordinance. In the past decade I have seen a noticeable decline in the number of folks running for local elective office or applying to be on planning commissions. No idea if reporting /financial disclosure requirements influence that."

"It can help the person doing the reporting identify their possible conflicts and creates awareness for them on what types of interests they have that can be impacted by holding office. For the public, it provides some level of transparency and assurance that their elected officials serve with the interests of their constituents in mind and not for their own personal benefit."

"In 2011, we had the question on our ballot opting out of the state APOC POFD and to implement a local financial disclosure system instead and it was resoundingly defeated."

"We opted out of the annual APOC reporting in 2012 and adopted our own form which was a little simpler. The financial disclosure form we have is required for all new candidates (mayor & council), planning & zoning commissioners, and the city manager. It is also required to be re-filed each year that a person remains in one of those seats. The premise is that any financial interest over \$5K is disclosed on the form to identify potential conflicts of interest, and although it is public record and we have had requests for forms in years past, it is more often just filed away. Our city code was updated in the past two years in an attempt to clarify and quantify the financial threshold for a conflict (\$5K), in keeping with our financial disclosure form. In practical terms, potential conflicts of interest are not expressly tied to the financial disclosure forms, but rather are situational and related to a particular business item at hand. We have no mechanism in place to use the form as a tool."