
MEMORANDUM

TO: SHA SENIOR LEADERSHIP TEAM
FROM: SHA ADMINISTRATOR WILL PINES, P.E.
SUBJECT: MARYLAND PUBLIC ETHICS LAW
REPORTING OF FRAUD, WASTE, ABUSE, AND MISCONDUCT
DATE: FEBRUARY 20, 2025
RESPONSE
REQUESTED BY: N/A

PURPOSE OF MEMORANDUM

To remind all Maryland Department of Transportation State Highway Administration (SHA) employees that we are bound by the Conflicts of Interest provisions of the Maryland Public Ethics Law.

SUMMARY

Employees can find information about the Public Ethics Law on the State Ethics Commission website at [State Ethics Commission](#). These provisions apply to all State employees, regardless of their classification, function within SHA, or salary. Since it is important that you take time to review these provisions, I have attached the **State Employee Ethics Law Statement document, State Ethics Conflicts of Interest**, from the State Ethics Commission to this memorandum. These provisions require employees to avoid conflicts of interest and take appropriate steps if a potential conflict arises.

ANALYSIS

A conflict of interest is a situation in which a person can derive personal benefit from an action or decision made in their official capacity and or a situation in which the aims of two different parties are incompatible. Conflicts of interest are strictly prohibited. What does this mean to you? If you have a second job, or if certain family members (spouse, father, mother, sister, brother, or child) work for a firm with an SHA contract, or own part of a company with an SHA contract, you need to take action to ensure you are not in violation of the Public Ethics Law. If any of the provisions in the attachment apply to you, it is your responsibility to contact the State Ethics Commission for guidance and to resolve the conflict or obtain a waiver, as required by law. Violation of the public ethics law can lead to disciplinary action including termination.

Additionally, you can help reduce the risk of inappropriate conduct by reporting any suspected fraud, waste, abuse, or other types of misconduct by an SHA employee or an entity doing business with SHA. You can make a report by calling SHA's Office of Audits' Fraud Hotline at **1-866-362-1726**. The Fraud Hotline telephone does not display or record the caller's identity, so you can be assured that your identity will remain anonymous. As an alternative, you can call the Office of Legislative Audits' Fraud Hotline, at **1-877- FRAUD 11 (1-877-372-8311)**. All information will remain confidential unless disclosure is compelled by law or the legal process.

All SHA Employees
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This is an important issue. We are asking all current employees to read the Public Ethics Law provisions. Additionally, we are asking that all future employees receive, sign, and date the attachment and that the signed copy be placed in their personnel files.

Thank you for your cooperation. If you have any questions or concerns, please contact the State Ethics Commission, at **410-260-7770**, toll-free **1-877-669-6085**, or via their website [State Ethics Commission](#). You may also contact Ms. Highsmith at **410-545-5514** or via email at chighsmith@mdot.maryland.gov. Ms. Highsmith will be happy to assist you.

Please print and post this email with the attachment in a prominent location for those employees who do not have access to email.

ATTACHMENT

- State Employee Ethics Law Statement document, State Ethics Conflicts of Interest

cc: Ms. Courtney A. Highsmith Esq., Deputy Chief Administrative Officer/SHA Ethics Coordinator
Ms. Laurie Goudy, Chief Administrative Officer
Ms. Latifat Adebakin, SHA Ethics Manager
All Administrative Chiefs

STATE ETHICS CONFLICTS OF INTEREST

WHICH OFFICIALS AND EMPLOYEES ARE SUBJECT TO THE JURISDICTION OF THE STATE ETHICS COMMISSION?

The Maryland Code Annotated, General Provisions Article, Title 5, and Code of Maryland Regulations (“COMAR”) 19A.02.01 and .02 address the conflict-of-interest provisions of the State Ethics Law. The following employees and officials are directly subject to the Ethics Commission's conflict of interest jurisdiction:

1. Employees of the State of Maryland or its agencies.
2. Employees of the judicial branch of government with the exception of judges and certain judicial officers (who are subject to the Judicial Ethics Committee).
3. Members of most State boards and commissions.
4. State officials including the offices of Governor, Lt. Governor, Attorney General, Comptroller, Treasurer, State’s Attorney, Clerk of the Circuit Court, Register of Wills, and Sheriff.
5. Employees of the legislative branch of government.

Note: Members of the General Assembly are subject to Ethics Commission jurisdiction for financial disclosure purposes only (for conflicts of interest they are subject to the Joint Committee on Legislative Ethics).

Members of boards and commissions may be eligible for certain conflict of interest exemptions.

WHAT ACTIVITIES ARE SUBJECT TO THE CONFLICT OF INTEREST PROVISIONS ADMINISTERED BY THE STATE ETHICS COMMISSION?

The Ethics Law contains the following general types of provisions:

1. An employee, in his or her State employment capacity, may not participate in a matter in which he or she, or certain relatives (spouse, father, mother, sister, brother, or child), has an interest.
2. An employee may not participate in a matter involving as a party a business entity in which he or she or certain relatives (spouse, father, mother, sister, brother, or child) may have employment, prospective employment, contractual or creditor relationships.
3. An employee may not have financial interests in or be employed by an entity regulated by the agency with which he or she is affiliated. Employment includes membership on a private board of directors having such a relationship, even if there is no compensation paid to the employee for participation on the board of directors.
4. An employee may not have a financial interest in, or be employed by, an entity having or negotiating a contract with the agency with which the employee is affiliated - For the Public Ethics Law, the employee's agency for which he or she is affiliated is considered any of the 5 modal administrations within MDOT. For example, an SHA employee may be employed by a company that does business with MAA. Under the Ethics Law, they would still need an exception since MAA is one of the five modal agencies. Employment includes membership on a private board of directors having such a relationship, even if there is no compensation paid to the employee for participation on the board of directors.
5. An employee may not hold any secondary employment relationship that would impair the employee's impartiality and independence of judgment.
6. An employee may not intentionally use the prestige of the employee's office for his or her own private gain or that of another, influence the award of a State or local contract to a specific person, initiate a solicitation for a person to retain the compensated services of a lobbyist, or use public resources or title to solicit a political contribution.
7. An employee whose duties include matters substantially relating to the subject matter of any contract with the State, while a State employee, may not become an employee of the party contracting with the State.
8. An employee may not assist or represent any party for contingent compensation in any matter involving any State agency except in a judicial or quasi-judicial proceeding. An employee of the judicial branch may not represent any party before a court or agency of the judicial branch.

9. A former State employee may not assist or represent anyone, for compensation, other than the State in a case, contract, or other specific matter involving the State, if that matter is one in which the employee significantly participated as a State employee.
10. A State employee may not solicit any gift, and may not knowingly accept any gift, directly or indirectly, from any person, whom the State employee knows or has reason to know:
 - a. is doing or seeking to do business of any kind with the employee's agency;
 - b. is engaged in activities that are regulated or controlled by the employee's agency;
 - c. has financial interests that may be substantially affected in a specific way by the employee;
 - d. is a lobbyist with respect to the matters within the employee's functional jurisdiction; or
 - e. is an association, or an entity acting on behalf of an association, that is engaged only in representing counties or municipal corporations.

There are a number of exceptions to this prohibition as outlined in **Md. Code Ann., Gen. Prov, § 5-505.**

11. A State employee or former employee may not disclose or use for the employee's own economic benefit, or that of another, confidential information acquired by reason of the employee's public position.
12. State Ethics Law requires new financial disclosure filers to receive two (2) hours of MANDATORY ethics training within six (6) months of being required to file

I have read and understand this document regarding the Public Ethics Law, and I agree to abide by the provisions summarized above. **I understand that this is a general summary only and should not be relied upon as a substitute for the Law itself or for the mandatory training required by the Law for certain financial disclosure filers.** More information on each provision is available on the State Ethics Commission's website at <http://ethics.maryland.gov>.

Date

Signature of Employee