



ST. MARY'S COUNTY ETHICS COMMISSION
ADVISORY OPINION 2011-01
January 11, 2011

A citizen posed three questions concerning interpretation of the requirement pursuant to §158-6.F.5 of the St. Mary's County Public Ethics Ordinance to report the names and addresses of certain creditors in the annual financial disclosure statement. That section requires the reporting of:

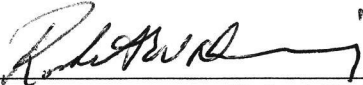
The name and address of any person to whom or entity to which the official or employee was indebted at any time during the reporting period. For the purpose of this subsection, "indebtedness" does not include any retail credit accounts or any liability of less than one thousand dollars (\$1,000.00).

The Commission was asked whether this provision includes (1) residential mortgages held by national lending associations, (2) purchase money loans secured by a registered motor vehicle, or (3) credit card accounts.

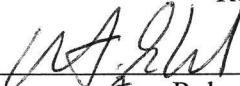
The purpose of the Ordinance is to disclose financial relationships that may reasonably create a conflict of interest. The potential for a conflict concerning an institutional lender who neither does business with St. Mary's County nor has business interests (beyond such loans) in St. Mary's County is negligible. The Commission has interpreted the Ordinance as follows. Residential mortgages held by regulated institutional lenders who extend loans throughout the country, or an entire region of the country, are not encompassed by §158-6.F.5. However, such encumbrances must be reported on Schedule A pursuant to §158-6.F1.b. Motor vehicle loans are sufficiently similar to "retail credit accounts" to be generally excluded. Credit card accounts are included among "retail credit accounts."

However, attention is drawn to the conditions stated in bold on Schedule E of the disclosure statement form. If the reporting person is a party to a credit transaction that generally might be excluded under the interpretation set forth above, but which does in fact involve a creditor doing business with St. Mary's County, or who has an interest that in fact may be the subject of a conflict, the identity of that specific creditor must be disclosed.


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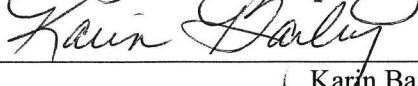
Robert W. Denning, Chair



Robert E. Elwood, Vice Chair



Elizabeth Long, Member



Karin Bailey, Member