

OHIO ETHICS LAW

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With Credit to Mark Wagoner



“How not to turn a trip to the statehouse or courthouse into a trip to the big house....”

Purpose

- Provide an overview of Ohio Ethics laws and its enforcement structure;
- Explain the components of The Ohio Ethics Law:
 - Conflicts of Interest
 - Public Contracts
 - Post Employment Situations
- Explore campaign finance and contributions and how to distinguish from a bribe.

What are Ethics? Ethics are Moral principles that govern a person's or group's behavior.

What is corruption? Corruption is the abuse of entrusted power for private gain

Corruption is a form of [dishonesty](#) or [criminal offense](#) undertaken by a person or organization entrusted with a position of authority, to acquire illicit benefit or abuse power for one's private gain. Corruption may include many activities including [bribery](#) and [embezzlement](#). [Political corruption](#) occurs when an office-holder or other governmental employee acts in an official capacity for personal gain.

Public corruption includes corruption of the political process and of government agencies as well as corruption in processes of allocating public funds for contracts, grants, and hiring.

The Ohio Ethics Law

- Purpose – To ensure that public employees are not influenced by personal interests when spending public dollars or making public decisions.

The Ohio Ethics Law, cont'd.

- The Ethics Law and Ethics Commission
Oversee:
 - All state and local public officials and employees (except legislative and judicial members); estimated to be over half a million
 - Private parties and corporations who do business with public offices

The Ohio Ethics Commission

- Promotes ethics in public service to strengthen the public's confidence that Government business is conducted with impartiality and integrity.
- Established in 1973 along with the Ohio Ethics Law.





- Oversees the Ohio General Assembly, both The Ohio House of Representatives and The Ohio Senate
- Oversees lobbying activity and financial disclosures
- Counseling to avoid ethical problems

The Ohio Ethics Law: A Working Understanding

- General Public Protections – The Ethics Law contains criminal restrictions to:
 - Restrict participation in public matters involving direct and definite personal, family and business interests of a public official or employee;
 - Limit compensation for public duties to their public employer;
 - Restrict personal, family, and business interests in public contracts;
 - Prohibit nepotism in public hires and services;
 - Condition former officials and employees' post-employment activities;
 - Control the disclosure of confidential information; and
 - Provide protections against influence peddling in public agencies for personal benefit.

The Ohio Ethics Law: A Working Understanding

- **General Public Protections – Financial Disclosure:**
 - About 12,000 public officials, employees and candidates for public office are required to complete financial disclosure statements annually;
 - Purpose is to allow the public to understand the sources of a public official's income and finances to assess conflicts of interest;
 - Disclosure statements disclose sources of income and gifts, companies in which filers have investments and sources of travel or meals;

The Ohio Ethics Law

- General Rule: Whenever the interests of the public official or the public official's family or business associates are present in an issue before the public official, there is an ethics questions.

Conflict of Interest

- Public employees taking official actions or making decisions in matters that directly affect themselves, family members, or business associates



Conflict of Interest, cont'd.

- Must completely abstain from decision making, discussions, voting, or making recommendations when there is a personal interest.
- Example:
 - Public employee or elected official voting on an issue when it impacts their private property.

Conflict of Interest: Gifts

- Prohibits public employees from soliciting, accepting, or using public position to secure things of value that could have substantial and improper influence on the employee.
- Examples:
 - Job offers
 - Property Values
 - Money
 - Gifts
 - Compensation
 - Travel, Meals, Lodging

Conflict of Interest: Gifts, cont'd.

- Must consider source and value
 - This determines if substantial and improper influence exists.
 - Substantial Value?
 - No set dollar amount
 - Improper Source?
 - Person, company, or association (public or private) that is doing business, or interested in doing business, or regulated by the public entity.

Conflict of Interest: Gifts, cont'd.

- Examples of Things of Value:

- Raffled items of value

- Laptop

- Television

- Meals of substantial value

- Real Estate

- Payment of debts



Conflict of Interest: Appearance of Impropriety

- Even if not of substantial value – public employees should still be aware of appearance of impropriety.
 - Multiple visits to suites for cocktails or food
 - Especially true if alcoholic beverages could influence behavior of representative of public agency.

Public Contracts

- Prohibits public employees from profiting from contracts that he or she authorizes on behalf of public agency;
- Cannot use authority to secure contract where official, family member, or business associate has a private interest.

Public Contracts, cont'd.

- Nepotism

- Public officials or employees are prohibited from hiring a family member into a public position.
- Hiring includes:
 - Having a part in the decision
 - Supervising, either directly or indirectly, the employee
 - Having any influence on the hiring process
- Hiring is considered a “public contract”

Post Employment

- Revolving door prohibitions on a public official, during public service and for one year afterwards, from representing anyone on any matter in which he/she personally participated while he/she was a public official or employee.



Ohio Campaign Finance Law

- Ohio requires public office holders to report contributions to their campaign accounts and on expenditures from their campaign accounts
- These reports are generally due to be filed 30 days before an election and after an election
- Campaign contributions may not be anonymous
- Cash contributions are limited to one-time \$100
- Corporate contributions to individual campaigns are generally prohibited

Campaign Contribution vs. Bribe

- There is a distinction between a campaign contribution and a bribe
- A campaign contribution is made to benefit a candidate without a specific expectation that the individual receiving the contribution will take a specific public action for the unique benefit of the donor
- A campaign contribution becomes a bribe when it is made with the expectation that the donor will receive a specific personal benefit from an action the politician will take or has taken in office.
- The distinction is dependent on all the circumstances surrounding the contribution. A contribution that is not reported is a significant indicator that the payment was a bribe, not a true campaign contribution

Conclusion

- Its important that you understand what the limits relating to ethics are for public official
- Its important for you and your business to promote and defend moral behavior and to prevent corruption
- Ask questions before acting if unsure
- Who to contact?
 - The Ohio Ethics Commission
 - 1-614-466-7090
 - www.ethics.ohio.gov



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