

The Ohio Ethics Law & the Private Sector E-Course Transcript

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The Ohio Ethics Law & the Private Sector

Welcome to the Ohio Ethics Commission's e-course on The Ohio Ethics Law and the Private Sector. This course was created to help people in the private sector understand how the Ohio Ethics Law guides their interactions with public employees and officials.

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Why the Ohio Ethics Law?

The Ohio Ethics Law ensures that public officials and employees aren't influenced by personal, financial, or other interests when they spend public money or make decisions on behalf of a public agency.

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Why the Ohio Ethics Law?

All Ohioans have the right to expect that governments in Ohio - both state and local governments - operate objectively and fairly. When decisions are made, like when funds are spent, when contracts are signed, when employees are hired, the Ohio Ethics Law says that we can expect that those decisions were made with the public's best interest in mind.

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The Ohio Ethics Commission administers the Ethics Law, promoting government ethics in Ohio and upholding trust in government. We fulfill this mission through several statutory responsibilities.

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Advice

Providing guidance

Helping identify potential conflicts of interest

Advice - Providing guidance to public entities, private businesses, and non-profit organizations, helping them identify potential conflicts of interest.

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Education
Cultivating knowledge
Helping public employees comply with the law

Education - Cultivating knowledge of the Ohio Ethics Law, helping public employees understand and comply with the law.

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Financial Disclosure
Reminding of financial interests
Assisting in monitoring of potential conflicts of interest

Financial Disclosure - Reminding public officials of financial interests they hold that may conflict with their duties, assisting in the monitoring of potential conflicts of interest.

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Investigation
Conducting investigations
Securing corrective responses to misconduct

Investigation - Conducting investigations into allegations of unethical activity, securing corrective responses to misconduct.

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The Ohio Ethics Law

- Gifts
- Supplemental Compensation
- Post-Employment
- Confidentiality
- Honoraria
- Travel Expenses

Here are the areas of the Ohio Ethics Law that we are going to cover in this e-course, specifically as they relate to the private sector:

Gifts, Supplemental Compensation, Post-Employment, Confidentiality, Honoraria, and Travel Expenses

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Gifts

Let's look first at the area of the Ethics Law that addresses the issue of gifts. For many private companies, sending thank you or holiday gifts to clients is a normal course of conducting business. However, private sector companies interacting with government offices should be aware that the Ethics Law limits gift giving to public servants.

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The Ohio Ethics Law Prohibits Giving anything of value to a public employee or official That could have a substantial and improper influence

The Ethics Law prohibits a private sector party from promising, offering, or giving anything of value to a public servant when that thing of value could have a substantial and improper influence upon that public servant in the performance of his or her duties.

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Substantial and improper are key words here.

When a gift is given to a public official or employee, both the value of the gift and its source must be considered when determining if it breaks the law.

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Improper Sources

- Doing (or seeking to do) business with agency
- Regulated by agency
- Specific interests in matters before agency

The Ethics Law identifies the following sources of gifts as "improper" to public officials and employees:

Anyone doing (or seeking to do) business with their agency, anyone regulated by their agency, anyone with specific interests in matters before their agency

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No Specific Dollar Amount

The Ohio Ethics Law doesn't specify a dollar amount as a "cut off" for substantial gifts,

so the Ethics Commission has provided guidance by giving examples of substantial and nominal things of value in our Advisory Opinions.

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Substantial Gifts

Substantial gifts could include, perhaps, a golf outing, payment of debts or loans, travel expenses, lavish meals, season tickets for a professional sports team or theatre series, or significant discounts on major consumer items.

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Nominal Gifts

Items that are considered nominal, and therefore not prohibited, could include a plate of homemade cookies, a promotional pen or pencil, an inexpensive box of chocolates, a sandwich, or a coffee cup.

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When it comes to gifts and the Ohio Ethics Law, the bottom line is that both the public and private sectors are equally responsible in ensuring that the Ohio Ethics Law is obeyed.

Visit our website or give us a call if you would like further information.

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Supplemental Compensation

The next area of the Ohio Ethics Law that the private sector should be aware of is known as Supplemental Compensation. Essentially, this area of the Ethics Law prohibits anyone from promising or giving anything of value to a public servant if it is given with the intent to compensate that public servant for some official action, inaction, or decision.

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Includes

- [Money](#)
- [Gifts](#)
- [Travel expenses](#)

The point of this restriction under the Ethics Law is to make sure that a public servant owes his allegiance to, and only to, the government agency he or she serves. Be aware that compensation can include money, gifts, or travel expenses.

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Post-Employment
AKA "the Revolving Door"
Prohibits public servant from representing
Before ANY public agency
On a matter with personal participation
For one year after leaving public service

Now let's look at the Post-Employment statute, commonly referred to as the "revolving door."

In general, this provision of the Ethics Law prohibits a public official or public servant from representing someone else before any public agency on a matter in which that public servant personally participated. This restriction applies to public servants throughout their years of public service, and for most for one year after leaving public service.

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Private sector entities that have regulatory or business ties with public agencies work with public officials who are very knowledgeable about the business in which the private entity is engaged, so it's understandable when private entities may wish to hire these qualified and experienced public employees into their own organizations.

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The Ohio Ethics Law Prohibits
Promising future employment to a public official or employee
Engaged in any activity regarding the private organization

But there are two important factors to remember.

First, The Ethics Law prohibits a private organization from promising or giving the promise of future employment to a public official or employee who is engaged in contractual, regulatory, or other activity regarding the private organization.

In order for a public servant to apply or be hired into a position in your company, he or she must not be involved in any matters related to your company.

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The Ohio Ethics Law Restricts
Interacting with any public agency
For one year
On any matter with personal participation

Secondly, if the public official or employee is hired into your company, he or she may be restricted in their interaction with any public agency in that first year of employment.

If there is a matter of interest to your company in which the employee participated when working in the public sector, he or she cannot communicate with or appear before any public agency regarding that matter for one year.

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Two-Year Restriction

- Legal discretion in solid and hazardous waste matters
- Commissioners and attorney examiners of the Public Utilities Commission
- Commission members or staff of the Ohio Casino Control Commission

For most public servants, the post-employment restriction applies for one year after leaving public service.

For certain categories of people, however, there is a two - year post-employment restriction: First, those who exercised legal discretion in solid and hazardous waste matters Secondly, former commissioners and attorney examiners of the Public Utilities Commission who would be prohibited from representing utilities before state agencies; and finally, Former commission members or staff of the Ohio Casino Control Commission.

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Confidentiality
Current and former public officials or employees
Cannot use or disclose confidential information
Acquired during public duties
Without permission

Another area of the Ohio Ethics Law that the private sector should be aware of is known as confidentiality.

The Ethics Law prohibits former public officials and employees from using or disclosing confidential information that they acquired in the course of their public duties.

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No time limit

There is no time limit for this restriction, and that confidential information can range

from company trade secret information to investigative files to medical records. So, if you are in the private sector and you are considering hiring a former public official or employee, please remember; that person is not allowed to reveal any confidential information that he or she obtained while serving in the former public role.

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Honoraria
Any payment
For speech, article, or attendance

Let's look now at an area of the Ethics Law known as "honoraria." Honorarium means any payment made in consideration for a speech given, an article published, or attendance at a public or private conference, convention, meeting, social event, meal, or other similar gatherings.

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Financial Disclosure Filers
Prohibited from accepting honoraria

Public officials who are required to annually file a Financial Disclosure Statement with the Ethics Commission are prohibited from accepting honoraria for presenting speeches, attending conferences and so on.

Therefore, those in the private sector should be aware of this prohibition and verify whether the public servant with whom you are interacting is a Disclosure filer before offering honoraria.

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Financial Disclosure filers may accept travel expenses to attend meetings where the public official will participate in a panel, seminar, or speaking engagement, or the public official will attend a meeting or convention of a national organization to which any state agency pays dues.

It's important to note here, though, that your company may only cover these travel costs for a public official if your company is not doing or seeking to do business with, regulated by, or has a specific interest in matters pending before that official's agency.

If that's the case, you should not offer anything of substantial value to that employee, such as travel expenses.

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We hope this overview of the Ohio Ethics Law as it pertains to the private sector has been helpful.

We realize that this e-course may just prompt additional questions in your mind, so we want to encourage you to take advantage of the Ohio Ethic Commission's website at ethics.ohio.gov.

There you'll find formal advisory opinions, educational fact sheets, other e-courses, and even information about financial disclosure and our investigative processes.

If you would like to speak to an advisory attorney or an investigator at the Ohio Ethics Commission, please call us. The Ethics Commission is available to both the public and the private sectors to answer questions or offer additional information regarding compliance with the Ohio Ethics Law.

Thank you for participating in this course, and have a great day.