Overview of MPOs, RPOs &
The State Government Ethics Act:

Background
What is the State Government Ethics Act?

- Chapter 138A of the NC General Statutes.
- Establishes a code of conduct for certain elected and appointed public officials and employees.
- Requires financial disclosures from most, including MPO and RPO TACS.
- Requires ethics education of some, but NOT MPO or RPO TACS.
- Prohibits certain conduct.
- Interpreted & enforced by the State Ethics Commission.
  - 8 members appointed by the Governor & General Assembly.
  - Bi-partisan: 4 Republicans and 4 Democrats.
TAC members of the MPO and RPOs and their alternates or designees are subject to certain ethics standards and certain provisions of the Ethics Act (S.B. 411; S.L. 2013-156).

MPO TAC members are subject to the Ethics Act through G.S. 136-200.2.

RPO TAC members are subject to the Ethics Act through G.S. 136-211.

G.S. 136 is one of the statutes that addresses local government employees and their conduct. The UNC School of Government interprets G.S. 136.

The Ethics Commission does not interpret G.S. 136.
Enhanced Civil Fines and Criminal Penalties

* In 2014, the General Assembly enacted legislation (Section 12 of S.L. 2014-58(H1025)) that amended G.S. 138A-25 by
  * establishing civil fines and criminal penalties for TAC members of MPOs and RPOs and their alternates or designees who fail to timely file both a complete Statement of Economic Interest (SEI) and a complete Real Estate Disclosure Form (RED) with the State Ethics Commission.

* This law went into effect on October 1, 2014 and applies to all SEI and RED filings required on or after October 1, 2014.
**Civil**

* $250 civil penalty **shall** be imposed for late, incomplete, or non-filing of the SEI (except in extenuating circumstances as determined by the Ethics Commission).

**Criminal**

* Class 1 misdemeanor for failure to file a complete SEI within 60 days of notice of failure and the Commission shall report such failure to the Director of the State Bureau of Investigation for investigation and referral to the District Attorney for possible prosecution (unless Commission determines extenuating circumstances exist).

* **Criminal penalties** for knowingly concealing information or providing false information on the SEI.
Civil

* $250 civil penalty **shall be imposed** for late, incomplete, or non-filing of the RED (except in extenuating circumstances as determined by the Ethics Commission).

Criminal

* **Class 1 misdemeanor** for failure to file a complete RED within 60 days of notice of failure and the Commission **shall report** such failure to the Director of the State Bureau of Investigation for investigation and referral to the District Attorney for possible prosecution (unless Commission determines extenuating circumstances exist).

* **Criminal penalties** for knowingly concealing information or providing false information on the RED.
What MPO and RPO Members Are Subject to the SEI and RED Filing Requirements of the Ethics Act?

* Newly Appointed and Prospective TAC members of each MPO and RPO
* Current TAC members of each MPO and RPO
* TAC Members’ Alternates or Designees

TCC Members are **NOT** subject to the SEI and RED filing requirements of the Ethics Act.
Overview of MPOs, RPOs &
The State Government Ethics Act:

Duties & Responsibilities
Pursuant to the Ethics Act
**WHEN AND WHAT**

**Initial Filing** – An individual appointed to an MPO or RPO TAC may not assume his or her position on the TAC (and thus may not participate in TAC meetings as a member, including voting on matters before the TAC) until:

1. **They have filed** a complete Statement of Economic Interest (SEI) with the State Ethics Commission (Commission); **and**
2. **They have filed** a complete Real Estate Disclosure Form (RED) with the Commission **the 2017 RED is attached to the 2017 SEI**; **and**
3. **They have received** the Commission's written evaluation of their filed SEI.
Statement of Economic Interest (SEI)

**WHAT**

* A written disclosure of certain financial, professional & personal information about you and your *immediate family*.

* **Immediate family includes** you (TAC member), your spouse (unless legally separated), unemancipated children living in your household and members of your *extended family who live with you*.

* **Extended family includes** you (TAC member), your spouse, lineal descendants (children, grandchildren, great-grandchildren, etc.), lineal ascendants (parents, grandparents, etc.), siblings, your spouse’s linear descendants and linear ascendants, your spouse’s siblings, and the spouse of any of these individuals.
What

* A list of all real estate that is owned wholly or in part by
  * You (the TAC member),
  * a member of your extended family, or
  * a business with which you are associated; AND

* that is located within the jurisdiction of the MPO or RPO on which you serve.
WHAT QUALIFIES AS A BUSINESS WITH WHICH ASSOCIATED?

BUSINESS

in which you (TAC member) or a member of your immediate family is one of these

- Employee
- Lobbyist
- Owns Lesser of $10K+ or 5% Interest
- Director, Officer, Partner, etc.

GS 136-200.2(i); GS 138A-3(3).
SEI and RED Filing Times and Ways

**When**

* Initially Appointed and Prior to Assuming TAC Position
* Annually - Filing Period Opens: January 1st each year
* **Deadline:** April 17th this year (the 15th falls on a Saturday)
* **Must file each year no later than April 15th**
* After the SEI and RED are properly completed & filed, no duty to amend or update a complete SEI and RED during the year.

**How**

* **Two Ways to File in 2017**

  - **Electronically** via the Commission’s website, obtain NCID account, complete form and submit it electronically to the Commission; or
  - **Manually** – print the form out, complete it, sign it, and file the original with the Commission.

*Copies and forms submitted via email or fax CANNOT be accepted*
SEIs and All Attachments Are—
• Public records
• 2017 SEIs – are accessible online

Contact Information Page
• First Page of the 2017 SEI
• Contains required personal contact information such as
  • Mailing address
  • Phone number
  • Email address
• Will not be accessible on Commission’s website
• Info is a public record
ACCESSING & COMPLETING THE SEI and the RED FORM ELECTRONICALLY

This Presentation Addresses How To:
1. Access the Web Form
2. Complete the Web Form
   a. Use the Web Form
   b. Multi-Response Questions & Attachments
3. Save, Log Out, & Log Back In
   a. Save & log out
   b. Timing out
   c. Log back in
4. Review Draft Responses
5. Upload Attachments: Electronic Filing Only
6. Check for Completeness & Correcting “Errors”
7. File Electronically
Obtaining an NCID Account
Must Obtain an NCID Account to Electronically File Your SEI and RED

* Go to: https://ncid.nc.gov & follow the instructions

Click “Register” & follow the instructions
ACCESSING THE WEB FORM

Go to the Commission’s website at www.ethicscommission.nc.gov

- Choose the “Statements of Economic Interest” drop down menu.
- Click on “MPO/RPO Filers”
• Choose **Electronic Filing** &
• Click **“Login”**
You must have an NCID to access the SEI web form.
For questions about NCID, contact NC DIT at 919-754-6000 or toll free at 800-722-3946. NCID is not administered by the State Ethics Commission.
Choose the Correct Form
The Long Form or the No Change Form

Under Electronic Filing

- First time filing an SEI
  - choose the SEI/RED “2017 Long Form”
- Did not file an SEI in 2016
  - choose the SEI/RED “2017 Long Form”
- Have ANY Changes to the SEI information since filing your 2016 SEI
  - choose the SEI/RED 2017 Long Form”
- Filed an SEI Long Form or an SEI Short Form in 2016 and there are no changes to your SEI information since you filed your 2016 SEI Form
  - Choose the SEI/RED “2017 No Change Form”
COMPLETING THE WEB FORM

Type in the required information for each question.

Click on "Back" to Return to the previous question.

Click on "Next" to Advance to the next question.
$10,000 Plus Disclosures

If you or your spouse or members of your immediate family have assets or liabilities with a market value of at least $10,000 in the following categories, please provide the requested information as of December 31st of the preceding year unless another time period is specified in the question.

- Do not list the value of those assets or liabilities.
- Do not list assets or liabilities held in blind trust established by or for the benefit of you or an immediate family member.

Section

- Contact Information
- $10,000 Plus Disclosures (1-8)
- Other Disclosures (9-22)
- Review SFI
- Affirmation

You can also edit or delete information you have entered.

- After entering the information, click “Add” & the information will appear on the screen.
- Repeat as needed for additional responses.
Instead of typing in your responses, you may include attachments by checking the “See Attached” box. (Attachments must be in pdf format.)

If you check this box make sure you remember to attach your attachments to your SEI.
SAVE, LOGOUT & LOG BACK IN

$10,000 Plus Disclosures

Section

Contact Information
$10,000 Plus Disclosures (1-8)
Other Disclosures (9-22)
Review SES
Affirmation

6(a). Do you, your spouse, or members of your immediate family have financial interests valued at $10,000 or more in a non-publicly owned company or business entity (including interests in sole proprietorships, partnerships, limited partnerships, joint ventures, limited liability companies, limited liability partnerships, and closely held corporations)?

[ ] Yes  [ ] No

6(b). For each of those non-publicly owned companies or business entities identified in question 6(a) (the "primary company"), please list the names of any other companies in which the primary company owns securities or equity interests valued at over $10,000, if known.

[ ] None or Not Known

6(c). If you know that any company or business entity listed in 6(a) or (b) above has any material business dealings or business contracts with the State, or is regulated by the State, provide a brief description of that business activity.

[ ] None or Not Known

You can save your information & logout at any time.
After 30 minutes of inactivity, your session will time out.

Click “Login” & use your NCID to return to the form.
Log Back In

Electronic Filing
Type your responses and file your SEI electronically. We HIGHLY RECOMMEND ELECTRONIC FILING. It’s fast, easy, ensures immediate confirmation of your filing, and saves your information for future filings.

Create NCID Account
Login
2017 Long Form
2017 No Change Form

Manual Filing
Print PDF document and handwrite your responses and mail or hand deliver your SEI.

Do NOT click “Remove Form in Progress” UNLESS you want to delete all of your information & start a new form.

To log back in & access your form, click Login & use your NCID.

Choose your form “In Progress.”
Click the link below to review a draft of your SE1:

**Review SE1 Responses**

**DO NOT** submit this draft copy to the State Ethics Commission.

You must click the "Next" button at the bottom of the page to affirm and complete your SE1.

Click here to open your draft responses in a pdf document.
UPLOADING ATTACHMENTS – ELECTRONIC FILING

If you answered "See Attached" on any questions, you may upload your attachments here.

- To upload, click "Select File," choose the file you want to upload, and click "Upload File."
- You may upload multiple files.
- Please include the SEI question number to which you are responding on the attachment.
- Only PDF files can be uploaded.
- Maximum file size is 10MB.
- Please disclose only information required by each question on the SEI form.
- Please redact from any attachment(s) all identifying information, including but not limited to Social Security numbers, account numbers, and any other numbers or information that can be used to access a person’s financial resources.

The file is ready to be uploaded. Click the Upload File button below.

Then click “Upload File”.

Click “Select File” & choose the attachment you want to upload.

Attachment must be a pdf file.
After uploading an attachment, the file name will appear on the screen.

You may also view or delete attachments.

Hint: If you select the wrong attachment, upload the file then delete it.
Please **carefully read** the Affirmation information & then check the “I Agree” box.

Then click here.
CORRECTING “ERRORS”

If you did not fully answer all questions, including subparts, you will receive an error message indicating which questions you did not answer.

Click here to go to the first error.
CORRECTING “ERRORS”

- After responding, click here to go to the next unanswered question.
- DO NOT CLICK “BACK” OR “NEXT”
AFFIRMING YOUR SEI IS CORRECT

After correcting all errors, you must check “I Agree”.

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**Affirmation**

I affirm that the information provided in this Statement of Economic Interest and any attachments hereto are true, complete, and accurate to the best of my knowledge and belief.

I also certify that I have not transferred, and will not transfer, any asset, interest, or property for the purpose of concealing it from disclosure while retaining an equitable interest.

I understand that my Statement of Economic Interest and any attachments or supplements thereto are public record.

I acknowledge that I have read and understand N.C.G.S. 138A-26 regarding concealing or failing to disclose material information and N.C.G.S. 138A-27 regarding providing false information:

138A-26. Concealing or failing to disclose material information. A filing person who knowingly conceals or knowingly fails to disclose information that is required to be disclosed on a statement of economic interest under this Article shall be guilty of a Class I misdemeanor and shall be subject to disciplinary action under G.S. 138A-45. (2006-291, s. 1.)

138A-27. Penalty for false information. A filing person who provides false information on a statement of economic interest as required under this Article knowing that the information is false is guilty of a Class H felony and shall be subject to disciplinary action under G.S. 138A-45. (2006-291, s. 1.)

I agree

Save and Logout
Completing the Confidential Form
Unemancipated Children

The Confidential Unemancipated Children Form follows the SEI Affirmation Page.

2017 SEI –
• Include the initials only of unemancipated children on your SEI.

• You must complete the Confidential Form to provide the full name of children identified by initials on your SEI.

This page is not a public record.
Completing the RED Form Electronically

The RED follows the SEI Affirmation Page

All TAC Members are required to file a complete RED, even if they do not own any real property or the real property that they own is not located within the MPO or RPO area.

If no property is owned—complete the top section of the RED and insert “NA” or “None” on the first line of the table.
AFFIRMING YOUR RED IS CORRECT

After completing the RED form, review it and correct any errors.

Please carefully read the Affirmation information & check the “I Agree” box.
Click on “View Filed SEI” to open your filed SEI and RED and print and/or save a copy. Please keep a copy for your records.

North Carolina State Ethics Commission
2017 Statement of Economic Interest

Confirmation

Your SEI was successfully submitted at 3/20/2017 3:51:39 PM. Your confirmation number is a773-81e418cfaedf.

After electronically filing your SEI and RED, you will be given a confirmation number with the date and time your SEI and RED were successfully filed.
Your SEI was successfully submitted at 3/20/2017 3:51:39 PM.

Your confirmation number is a773-81e418cfaedf.

The following documents were attached and have been submitted with this filing:

Test SEI upload pdf.pdf
Civil
* $250 civil penalty **shall** be imposed for late, incomplete, or non-filing. (except in extenuating circumstances as determined by the Ethics Commission)

Criminal
* Criminal penalties for knowingly concealing information or providing false information.

Removal
* May be removed from position as MPO or RPO member.
RED Civil Fines and Criminal Penalties For Late Filing, Incomplete or Non-Filing

Civil

* $250 civil penalty shall be imposed for late, incomplete, or non-filing. (except in extenuating circumstances as determined by the Ethics Commission)

Criminal

* Criminal penalties for knowingly concealing information or providing false information.

Removal

* May be removed from position as MPO or RPO member.
SEI Evaluations

• Ethics Commission staff evaluates your SEI for actual and potential conflicts of interest and sends you the SEI Evaluation Letter.
  • NOTE: Having a potential conflict does not disqualify you from serving, but you may have to recuse yourself from certain official actions in certain situations.

• Norma Houston with the UNC School of Government answers questions and provides guidance regarding any actual conflict or potential conflict of interest identified in your SEI Evaluation Letter.
**SEI Evaluation Letters**

- **Evaluation letters help you (the TAC member) identify areas where you need to exercise caution** – they point out potential “red flags”

- **Remember**
  - Having a conflict of interest does **not** mean you cannot serve
  - **May** require you to recuse yourself regarding a particular matter

SEIs, REDS & Evaluation Letters are public records

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Prepared by: State Ethics Commission
You are **NOT** required to take the Ethics Education and Lobbying Awareness Training provided by the State Ethics Commission.

You **ARE** required to take the local government ethics education training required under state law pertaining to local government officials and any other training required by your unit of local government. Contact Norma Houston at the SOG for more details about these local government requirements.
Overview of MPOs, RPOs &
The State Government Ethics Act:

Complaints & Consequences
Anyone can file a complaint against you with the State Ethics Commission alleging that you violated the SEI or RED filing requirements.

Commission shall report all received complaints of violations of the SEI and RED filing requirements to the Director of the State Bureau of Investigation for investigation and possible prosecution.
A civil fine of $250 will apply for a SEI violation in 2017 and a civil fine of $250 will apply for a RED filing violation in 2017, resulting in a total fine of $500.

Referral to the State Bureau of Investigation for investigation and possible prosecution.

Criminal penalties will apply to SEI and RED filing violations in 2017.

Criminal penalties will apply for knowingly providing false information or failing to disclose information on the SEI or the RED.
Overview of MPOs, RPOs &
The State Government Ethics Act:

Questions & Advice
State Ethics Commission provides guidance and advice as to the SEI and RED filing requirements.

The UNC School of Government advises as to all other ethics questions, including conflicts of interest.
Important Dates & Deadlines

* January 1, 2017
  * 2017 SEI filing period opens.

* April 17, 2017
  * Deadline for filing your SEI and RED

Remember late filing or failure to file in 2017 will result in civil and criminal sanctions.
Contact Information

- **MAILING ADDRESS**
  Mail Service Center
  Raleigh, NC  27699-1324

- **STREET ADDRESS**
  424 N. Blount Street
  Raleigh, NC  27601-1010

- **PHONE & FAX**
  Phone: 919-814-3600
  Fax: 919-715-1644

- **E-MAIL**
  - SEI Questions: SEI@doa.nc.gov
  - RED Questions: SEI@doa.nc.gov
  - Education Questions: Education.Ethics@doa.nc.gov
  - Other Questions: nhouston@sog.org

- **WEBSITE**
  www.ethicscommission.nc.gov

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