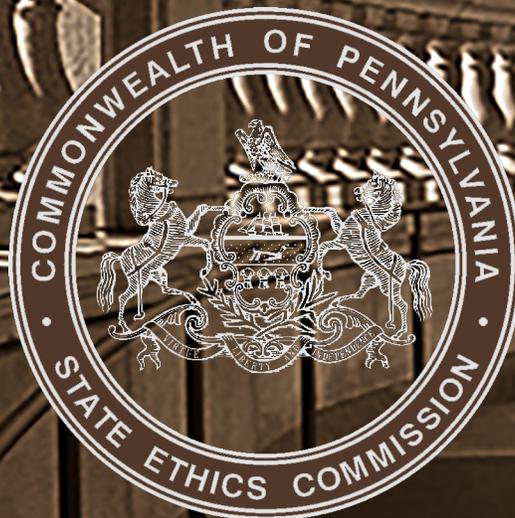


PENNSYLVANIA STATE  
ETHICS COMMISSION

2 0 1 3

Annual Report





*strengthening the faith and confidence of the people  
of this Commonwealth in their government*



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## INTRODUCTION

In accordance with the provisions of the Public Official and Employee Ethics Act, the Pennsylvania State Ethics Commission is releasing its annual report for the year 2013.

Historically, the Pennsylvania Public Official and Employee Ethics Act (“Ethics Act”) was enacted in order to strengthen the faith and confidence of the people of the Commonwealth of Pennsylvania in their government. In order to accomplish this task, the law provided for certain restricted activities in which public officials and public employees could not participate. Additionally, the law created the State Ethics Commission, which was established as an independent Commonwealth agency vested with the overall responsibility of administering and enforcing the provisions of the Ethics Act. The Commission is composed of seven (7) members.

The Ethics Act vests three (3) main functions in the Commission. The Commission is authorized to administer and enforce financial disclosure requirements. The Commission is also mandated to provide advice and guidance in the form of written opinions to public officials and public employees (or their appointing authorities or employers) regarding their responsibilities and duties under the Ethics Act. Lastly, the Commission has jurisdiction to investigate, either upon its own motion or upon the receipt of a sworn complaint, alleged violations of the Ethics Act. The Commission’s jurisdiction in all three (3) of these areas is uniform in its application to local, county and state level public officials and public employees. Enumerated throughout this annual report are the activities of the Commission which occurred during 2013.

In November 2006, with the passage of Act No. 134-2006, the Lobbying Disclosure Law, the Commission was vested with additional responsibilities relating to the activities of lobbyists and principals in the Commonwealth of Pennsylvania. The Commission is authorized to issue advisory opinions as well as to conduct investigation and enforcement action in relation to violations of the Lobbying Disclosure Law.

The Commission also has responsibilities pursuant to the Pennsylvania Racehorse Development and Gaming Act (“Gaming Act”), including biennially issuing various lists of officials and positions subject to provisions of the Gaming Act as well as providing determinations as

to whether a particular individual or person would be subject to various prohibitions of the Gaming Act.

The Commission has also remained active in the Council on Governmental Ethics Laws (COGEL)(see page 26 infra). Commission staff members have served on several COGEL committees throughout the years and have also served as officers in the COGEL organization.



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## ORGANIZATION AND STAFFING

During 2013, the Commission was comprised of six (6) members with one (1) vacancy. In addition two (2) new Commissioners were appointed, replacing long-time Commissioners Donald McCurdy and Mark Volk. Roger Nick was appointed to replace Commissioner McCurdy on January 2, 2013, by Speaker of the House Samuel H. Smith. The Honorable Kathryn Streeter Lewis was appointed to replace Commissioner Volk on June 28, 2013, by Senate Minority Leader Jay Costa.

On January 20, 2013, Deputy Executive Director/Director of Investigations Robert P. Caruso was named as interim Executive Director. Mr. Caruso was subsequently appointed by the Commission as Executive Director effective May 6, 2013. Brian D. Jacisin, Assistant Counsel, was promoted to the position of Deputy Executive Director/Director of Investigations on May 6, 2013.

NOTE: Maria Feeley, Esquire was appointed to the Commission on April 2, 2014, to fill a longstanding vacancy on the Commission. Ms. Feeley was appointed by the Honorable Tom Corbett, Governor of the Commonwealth of Pennsylvania.

## COMMISSIONERS

The Ethics Act mandates that the Commission is to be comprised of seven (7) Commissioners: one each appointed by the President Pro Tempore of the Senate, the Minority Leader of the Senate, the Speaker of the House, and the Minority Leader of the House; and three (3) appointed by the Governor, two (2) of whom may be of the same political party. Commission Members are appointed without confirmation.

## CURRENT COMMISSIONERS

**JOHN J. BOLGER-CHAIR**

**NICHOLAS A. COLAFELLA-VICE-CHAIR**

**RAQUEL KENNEDY BERGEN**

**MARK R. CORRIGAN, ESQUIRE**

**ROGER E. NICK**

**THE HONORABLE KATHRYN STREETER LEWIS**

**MARIA A. FEELEY, ESQUIRE**

## COMMISSIONER BIOGRAPHIES

### JOHN J. BOLGER, CHAIR

John J. Bolger was appointed to the State Ethics Commission on October 2, 1998, by the Honorable Thomas J. Ridge, Governor of the Commonwealth of Pennsylvania, and reappointed by the Honorable Mark Schweiker, Governor of the Commonwealth of Pennsylvania, on March 25, 2002. Mr. Bolger was elected Vice Chair on May 2, 2002. Mr. Bolger has served as Chair of the Commission since September 24, 2012. Mr. Bolger, who is currently retired, served for 28 years with the Pennsylvania Bankers Association in various positions, including Director of Public Affairs, Vice President for Governmental Affairs, and vice president, secretary, and chief administrative officer. Mr. Bolger has also been involved in numerous civic activities, including the Holy Spirit Hospital Capital Campaign, chairman of Hospice of Central Pennsylvania, the American Heart Association Jail Bond Program, the Allied Arts Fund Raising Campaign, the United Way Campaign where he served as coordinator, and as a board member of the Harrisburg Rotary Club.

Professionally, Mr. Bolger served as the past president of the Pennsylvania Society of Association Executives. He was named as the Notre Dame Club "Man of the Year" and also served as the past president of the Notre Dame Club of the Harrisburg Area. Mr. Bolger is a graduate of the University of Notre Dame where he received a Bachelor of Science degree in Business Administration. In 2001, Mr. Bolger received the Award of Excellence from the Pennsylvania Alliance for Association Advancement (PA 3) for his outstanding commitment to profession, service, and community.

### NICHOLAS A. COLAFELLA, VICE CHAIR

Nicholas A. Colafella, Ph.D. was appointed as a member of the State Ethics Commission on December 27, 2004. Dr. Colafella was elected Vice-Chair of the Commission on January 28, 2013.

Dr. Colafella was a Member of the Pennsylvania House of Representatives from 1981 to 2002, serving the 15th Legislative District (Beaver County). As a Member of the House of Representatives, Dr. Colafella served as the Democratic Chairman of



the House Insurance Committee (1992–1998), and the House Education Committee (1999).

During this time period, Dr. Colafella also served as a member of the Board of Directors of the Pennsylvania Higher Education Assistance Agency, the Pennsylvania State Board of Education, the Council of Higher Education, and the State Board of Vocational Education. From 1969 until 1980, Dr. Colafella served as the Dean of Continuing Education and Community Service for the Community College of Beaver County as well as its Director of Evening Education. He also served as a business instructor at the same institution, and previously served as a high school business teacher at Center High School and Northwestern High School.

In 1992, Dr. Colafella was recognized as the Outstanding Legislator of the Year by the College and University Public Relations Association of Pennsylvania, and he was named Man of the Year in 1982 by the Upper Beaver Valley Jaycees.

Dr. Colafella has devoted substantial efforts towards community involvement, including his service as chairman of the Beaver County Drug and Alcohol Commission, the University of Pittsburgh Medical Center Beaver Valley Hospital Advisory Committee, board member of the Pennsylvania State University Beaver Campus Advisory Committee, and the Beaver County Mental Health and Mental Retardation Agency.

From 1956 to 1958, he served in the United States Navy. He received his Ph.D. from the University of Pittsburgh, where he published his dissertation entitled *A Study of Voluntary Support for Pennsylvania Community Colleges*. He received his Master of Arts in Education from Duquesne University and his Bachelor of Science in Education from Youngstown State University.

#### **DONALD M. MCCURDY**

(Replaced by Roger Nick on January 2, 2013)

Donald M. McCurdy, Esquire, was appointed to the State Ethics Commission on February 22, 2001, by the then Speaker of the House, Matthew Ryan.

Mr. McCurdy, an attorney from Springfield, Pennsylvania, is a member of the Delaware County Court, the Pennsylvania Supreme Court, and the U.S. Supreme Court. He is a graduate of Dickinson College and Dickinson School of Law, Carlisle, Pennsylvania. Mr. McCurdy served as the Special Assistant Deputy Attorney

General for the Commonwealth of Pennsylvania from 1963 to 1966. Mr. McCurdy was also a Member of the Pennsylvania House of Representatives, 165th District, from 1967 through 1974.

Mr. McCurdy served in active duty as a helicopter pilot for the United States Navy from 1955–1959. He is a retired Commander USNR with 27 years of service.

#### **RAQUEL KENNEDY BERGEN, COMMISSIONER**

Raquel Kennedy Bergen, Ph.D. was appointed as a member of the State Ethics Commission on March 3, 2004, by the Honorable Edward G. Rendell, Governor of the Commonwealth of Pennsylvania.

Dr. Bergen is Professor and Chair of the Department of Sociology at Saint Joseph's University in Philadelphia, Pennsylvania. She graduated from Saint Joseph's University with a B.S. in Sociology in 1989 and received her Ph.D. from the University of Pennsylvania in 1994. She has been a member of the faculty at Saint Joseph's University since 1993. Her area of expertise is the Sociology of Gender and specifically, the sociological study of violence against women. She is the author of several scholarly publications and books including, *Wife Rape: Understanding the Response of Survivors and Service Providers*; and *Issues in Intimate Violence*. With Claire Renzetti and Jeff Edleson she edited *Sourcebook on Violence Against Women* and the anthology, *Violence Against Women: Classic Statements*. She also co-edited the collection *Violence Against Women* with Claire Renzetti. As a result of her research on violence against women, Dr. Bergen was awarded the McShain Chair in Ethics from Saint Joseph's University for 2002-2004.

Dr. Bergen has been involved in various forms of service at Saint Joseph's University. She has served as a member of the Faculty Senate, University College, Gender Studies Committee, the Board of Rank and Tenure, and the Institutional Review Board, and she served as the Chair of the Sexual Harassment Panel. For the past eighteen years, she has been the faculty moderator for REPP (the Rape Education Prevention Program) at Saint Joseph's University. This group is responsible for providing educational programs on sexual assault and crisis counseling for survivors of sexual violence within the community. Dr. Bergen volunteers as a crisis counselor for battered and sexually abused women and speaks nationally about women's experiences of sexual



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violence in intimate partnerships. She is currently studying the intersection of physical and sexual violence in women's experiences cross-culturally.

#### **MARK VOLK, COMMISSIONER**

(Replaced by The Honorable Kathryn Streeter Lewis on June 28, 2013)

COL (Ret.) Mark Volk was appointed as a member of the State Ethics Commission on July 2, 2009.

COL (Ret.) Volk, a retired Army Colonel, holds both Bachelor's and Master's Degrees in History from the University of Scranton as well as a Master's of Science in National Security Strategy from the National War College. During his 26 year Army career, he served in a variety of staff and command positions in both the United States and Germany. He also trained as a Middle East/North Africa specialist. During the Los Angeles riots in 1992, he was the Joint Task Force liaison officer to Central Bureau, LAPD. COL (Ret.) Volk also served as the senior intelligence staff officer for 3rd Infantry Division in Germany and as Commander, 103rd/101st Military Intelligence Battalion. He deployed the 101st MI to Bosnia in September 1996 where it was the intelligence support force for Task Force Eagle in Multi-National District - North.

COL (Ret.) Volk joined Lackawanna College in July 2004, and he subsequently held positions as Special Assistant to the President, Vice President of Operations and Planning, and Executive Vice President. On January 27, 2012, COL (Ret.) Volk was appointed as the 8th President of Lackawanna College. His tenure as President commenced on July 1, 2012.

An active community volunteer, COL (Ret.) Volk helps coordinate volunteer support for the Children's Advocacy Center of Northeast PA and serves on the boards of The Greater Scranton Chamber of Commerce, Leadership Lackawanna and the Northeast Council of the Boy Scouts of America.

#### **MARK R. CORRIGAN, COMMISSIONER**

Mark R. Corrigan, Esquire, was appointed as a member of the State Ethics Commission on July 2, 2012, by Senator Joseph Scarnati, President Pro Tempore of the Senate.

Mr. Corrigan graduated from the Université de Montpellier, France, 1972; Shippensburg State College, 1973; Pennsylvania State University, 1975; and Dickin-

son School of Law, 1979.

Mr. Corrigan is a member of the Bar of the Supreme Court of Pennsylvania. He taught in the Harrisburg School System from September 1973 to June 1976. Mr. Corrigan served as Law Clerk with the Pennsylvania Department of Education from June 1977 to October 1979. He was Legal Counsel to Senator J. Doyle Corman. Mr. Corrigan was the Executive Director of the Senate Local Government Committee from November 1, 1979 to June 30, 1981. He was elected Secretary of the Senate of Pennsylvania on June 30, 1981, and served in that position until retiring on December 31, 2011.

#### **ROGER E. NICK, COMMISSIONER**

Roger E. Nick was appointed to the State Ethics Commission on January 2, 2013, by the Speaker of the House, Samuel H. Smith.

Mr. Nick is a native of Smethport, Pennsylvania and a graduate of Edinboro State University, with a B.A. in Political Science. Mr. Nick was employed by the Pennsylvania General Assembly and the Pennsylvania Higher Education Assistance Agency from 1973 until his retirement in 2009. During his 36 year career with the Commonwealth, Mr. Nick held a number of positions with the Pennsylvania House of Representatives, including Executive Director of the House Transportation Committee (1973-1976), Legislative Liaison to the Pennsylvania Department of Transportation (1983-1985), and Chief of Staff to Speaker of the House Matthew J. Ryan from 1985 to 2003. Mr. Nick served as an Executive Assistant to State Senator Robert J. Kusse from 1976 to 1983. Mr. Nick also served as the Vice President of the Legislative and Board Affairs for the Pennsylvania Higher Education Assistance Agency from 2003 to 2005. Mr. Nick returned to the Pennsylvania House of Representatives in 2005, serving as the Chief Clerk from 2005 until his retirement in 2009.

Mr. Nick was active as a Member of the Legislative Audit Advisory Commission, a position he held from 2011 to 2013.

#### **HONORABLE KATHRYN STREETER LEWIS, COMMISSIONER**

The Honorable Kathryn Streeter Lewis was appointed to the State Ethics Commission on June 28, 2013, by the Honorable Jay Costa, Democratic Leader of the Senate of Pennsylvania.



Judge Lewis served for more than 20 years as a judge of the Court of Common Pleas of the Commonwealth of Pennsylvania, First Judicial District (Philadelphia). She was appointed to the bench by Governor Robert P. Casey in 1988; elected to a 10 year term in 1989; and retained for another term in 1999.

Judge Lewis presided in all three Divisions of the First Judicial District: Family, Trial, and Orphans Court. In 1992, Judge Lewis was appointed by the Pennsylvania Supreme Court to be Administrative Judge of the Orphans Court Division where, in addition to administrative duties, she presided over cases involving wills, trusts, estates, and guardianships. While assigned to the Family Court Division, she primarily presided over cases involving juvenile delinquency and dependency. During her tenure in the Trial Division, she presided over jury and non-jury trials of criminal cases including major felonies and homicides, non-capital and capital. Judge Lewis also supervised the Philadelphia County Investigating Grand Jury from 2004 to 2006.

Prior to her appointment to the bench, Judge Lewis served as the First Deputy City Solicitor for the City of Philadelphia. While serving in the City Solicitor's Office her areas of practice included major commercial and housing developments, public utilities, and publicly subsidized economic development projects.

After leaving the bench, Judge Lewis served as the Executive Director of Homemaker Service of the Metropolitan Area, Inc., a non-profit corporation providing home health, skilled, and personal care services to low income, disabled, elderly, and chronically ill persons in their homes.

Judge Lewis is also an Adjunct Professor of Law at Villanova University School of Law where she teaches Trial Advocacy. She also is a member of the law school's Board of Consultants.

Throughout her career, Judge Lewis has remained active in the community by serving on the boards of numerous organizations including: Visting Nurses Association of Greater Philadelphia, The Haverford School, Philadelphia Bar Association Board of Governors, Pennsylvania Bar Association House of Delegates, Barristers Association of Philadelphia, Philadelphia Juvenile Justice Alliance, Villanova Law School Inn of Court, Self, Inc., Philadelphia Chapter National Bar Association Women Lawyers Division Foundation, and

others.

Judge Lewis received her Juris Doctor (J.D.) from Villanova University School of Law and her Bachelor of Arts degree from the University of Pennsylvania.

#### **MARIA A. FEELEY, COMMISSIONER**

Maria A. Feeley, Esquire, was appointed to the State Ethics Commission on April 2, 2014, by the Honorable Tom Corbett, Governor of the Commonwealth of Pennsylvania.

Ms. Feeley is a partner in the Litigation and Dispute Resolution Department of Pepper Hamilton LLP, resident in the Philadelphia office, where she handles complex litigation matters throughout the United States in both state and federal courts. Ms. Feeley is chair of the firm's Women's Initiative, vice chair of the firm's Diversity Committee, and a member of the firm's Hiring and Contributions Committees.

Ms. Feeley is also an adjunct professor at Rosemont College and a member of the college's Board of Trustees.

Ms. Feeley is an arbitrator for the Philadelphia County Court of Common Pleas, and is often appointed to chair civil arbitration panels.

Ms. Feeley has been active in the Philadelphia, Pennsylvania and American Bar Associations, chairing committees regarding Women in the Profession Diversity Task Force, Women's Initiative Task Force and the Philadelphia Bar Association's Commission on Judicial Retention. Since 2009, Ms. Feeley has been a member of the Executive Council of the Pennsylvania Bar Association's Commission on Women in the Profession, and she currently co-chairs the Promotion of Women Committee.

Ms. Feeley served as a member and Chair of the Executive Board of the Stewards' Alliance, an organization dedicated to supporting the special needs schools of the Archdiocese of Philadelphia. In 2011, she was appointed to the Archbishop's Cabinet of the Archdiocese of Philadelphia, and since 2011, she has served on the Strategic Planning Committee for the Archdiocese of Philadelphia, Catholic Social Services. She was also selected to be a member of the Archdiocesan Professionals' Society.

Ms. Feeley provides pro bono legal services through the Philadelphia Volunteers for the Indigent Program (VIP) and Philadelphia Volunteer Lawyers for the Arts



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(PVLA).

She also served on the YWI Advisory Board of Women's Way, the county's oldest and largest women's funding federation, from 2006-2011.

Ms. Feeley has received numerous legal and professional awards from various entities including, the Profiles in Diversity Journal, Philadelphia Business Journal, The Legal Intelligencer and Pennsylvania Law Weekly. In 2008, the Philadelphia Bar Association presented Ms. Feeley with the F. Sean Peretta Award for her exceptional community service. She has repeatedly been listed in the Pennsylvania edition of Super Lawyers Magazine as a Rising Star, an honor given to the top 2.5 percent of attorneys in the state who are 40 years old or younger.

Ms. Feeley received her Juris Doctor (J.D.) in 1997 from Washington and Lee University School of Law, where she served as a case note author and senior articles editor of the Washington and Lee Journal of Civil Rights and Social Justice. Ms. Feeley received her B.A., cum laude, in mathematics and history in 1993 from Rosemont College.

## STAFF

### EXECUTIVE DIVISION

Robert P. Caruso, Executive Director  
 Brian D. Jacisin, Deputy Executive Director/  
 Director of Investigations  
 Heather L. Mulhollan, Executive Secretary

### OFFICE OF CHIEF COUNSEL

Robin M. Hittie, Chief Counsel  
 Martin W. Harter, Senior Assistant Counsel  
 Esther Estelle, Legal Assistant

### ADMINISTRATIVE DIVISION

Leticia Powell, Administrative Officer  
 Helen Johns, Clerk Typist  
 Stanley G. Weaver, Clerk Typist  
 Sean M. Firestine, Information Technology

### INVESTIGATIVE DIVISION (HEADQUARTERS)

Andrew Petsu, Assistant Counsel  
 Daniel M. Bender, Senior Special Investigator  
 Gregory Curran, Special Investigator  
 Claire J. Hershberger, Secretarial Support

### INVESTIGATIVE DIVISION (WESTERN REGIONAL OFFICE)

Jason P. Bricker, Supervising Investigator  
 Daniel P. Cali, Special Investigator  
 Joseph Grado, Special Investigator  
 Cynthia L. Hershberger, Secretarial Support

## COMMISSION MEMBER & EMPLOYEE RESTRICTIONS

The Ethics Act places certain obligations upon the Commission and its staff members. No individual while a member or employee of the Commission, shall:

1. hold or campaign for any other public office.
2. hold office in any political party or political committee.
3. actively participate in or contribute to any political campaign.
4. directly or indirectly attempt to influence any decision by a governmental body, other than a court of law or as a representative of the Commission on a matter within the jurisdiction of the Commission.
5. be employed by the Commonwealth or a political subdivision in any other capacity whether or not for compensation.

Additionally, no member of the Commission shall have served as an officer in a political party for one year prior to appointment.

The State Ethics Commission has also implemented an internal Code of Conduct to govern the members of the Commission. That code is set forth in the Commission's regulations, at 51Pa. Code §11.1 et seq.



## CONTACT INFORMATION

### FOR THE PENNSYLVANIA STATE ETHICS COMMISSION:

#### PHYSICAL ADDRESS / HOURS OF OPERATION:

Room 309 Finance Building  
Commonwealth Avenue and North Streets, Harrisburg  
Office Hours: Monday - Friday, 8:00 a.m. - 5:00 p.m.  
Website: [www.ethics.state.pa.us](http://www.ethics.state.pa.us)  
E-mail address: [ethics@pa.gov](mailto:ethics@pa.gov)

#### MAILING ADDRESS:

Pennsylvania State Ethics Commission  
P.O. Box 11470  
Harrisburg, PA 17108-1470  
Telephone: (717) 783-1610  
Fax: (717) 787-0806  
Toll free: (800) 932-0936

#### PITTSBURGH REGIONAL OFFICE:

Pennsylvania State Ethics Commission  
1 Forestwood Drive, Suite 102  
Pittsburgh, PA 15237  
Telephone: (412) 635-2816  
Fax: (412) 635-2818

### FOR THE OPEN-RECORDS OFFICER OF THE PENNSYLVANIA STATE ETHICS COMMISSION:

Robert P. Caruso, Executive Director  
Pennsylvania State Ethics Commission  
309 Finance Building / P.O. Box 11470  
Harrisburg, PA 17108-1470  
Telephone: (717) 783-1610 or 1-800-932-0936  
Fax: (717) 787-0806  
E-mail: [RA-ethicsRTKL@pa.gov](mailto:RA-ethicsRTKL@pa.gov)

### FOR THE PENNSYLVANIA OFFICE OF OPEN RECORDS:

#### MAILING ADDRESS:

Commonwealth of Pennsylvania  
Office of Open Records  
Commonwealth Keystone Building  
400 North Street, 4th Floor  
Harrisburg, PA 17120-0225  
Telephone: (717) 346-9903  
Fax: (717) 425-5343  
E-mail: [openrecords@pa.gov](mailto:openrecords@pa.gov)  
Executive Director: Terry Mutchler

## PUBLIC INFORMATION

### ETHICS COMMISSION WEBSITE

<http://www.ethics.state.pa.us>

### ETHICS COMMISSION E-LIBRARY

<http://www.ethicsrulings.state.pa.us>

### STATEMENT OF FINANCIAL INTERESTS FILINGS:

All Statement of Financial Interests forms filed with the Commission are available for public inspection and copying. There is a charge of 25 cents per page for copies.

Statements of Financial Interests filed with the Commission are also available for public inspection via the Commission's website at [www.ethics.state.pa.us](http://www.ethics.state.pa.us).

During 2013, the Commission developed an on-line Statement of Financial Interests pilot project. The initial on-line filing was made available to statewide elected officials beginning on March 1, 2014.

### COMMISSION DECISIONS:

Commission decisions (orders, opinions, advices of counsel, and determinations) are available at the offices of the Commission and may also be available at county law and public libraries and via the Commission's website at [www.ethics.state.pa.us](http://www.ethics.state.pa.us).

The Commission may require payment for a large quantity of pamphlets or decisions.

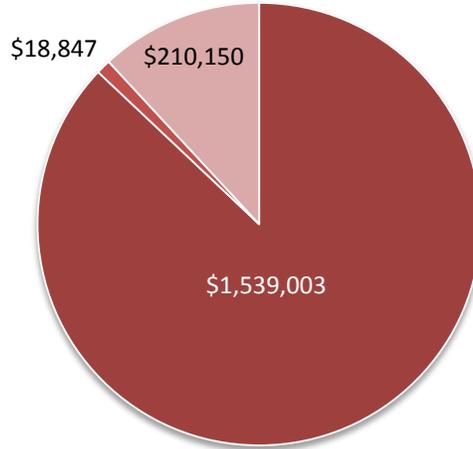


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# BUDGET

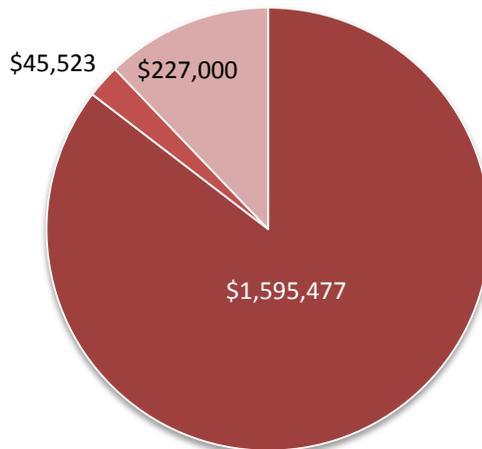
## TWO-YEAR BUDGET ANALYSIS APPROPRIATION 2012-2013

Employee salaries/benefits.....	\$1,539,003
Miscellaneous personnel services.....	\$18,847
Agency Operations .....	\$210,150
Total.....	\$1,768,000



## APPROPRIATION 2013-2014

Employee salaries/benefits.....	\$1,595,477
Miscellaneous personnel services.....	\$45,523
Agency Operations .....	\$227,000
Total.....	\$1,868,000





## POWERS AND DUTIES

The powers and duties of the State Ethics Commission under the Ethics Act include:

- Issuing prospective advisory opinions regarding an individual's duties and responsibilities under the Ethics Act.
- Receiving and reviewing Statements of Financial Interests filed pursuant to the Ethics Act.
- Investigating alleged violations of the Ethics Act, holding hearings, and issuing decisions in relation to said investigations.

## RESTRICTED ACTIVITIES

The Public Official and Employee Ethics Act restricts certain activities as detailed in Section 1103 of the Act.

Section 1103(a) of the Ethics Act restricts public officials and public employees from using the authority of the public position, or confidential information received by being in such position, for a prohibited private pecuniary benefit. The Act provides certain exceptions to the prohibition.

Sections 1103(b) and 1103(c) of the Ethics Act prohibit improper influence involving offering/giving or soliciting/accepting something of monetary value based on the understanding that the vote, official action, or judgment of a public official, public employee, nominee, or candidate for public office would be influenced thereby.

Section 1103(d) of the Ethics Act prohibits public officials and public employees from accepting an honorarium.

Section 1103(e) of the Ethics Act prohibits the solicitation or acceptance of a severance payment or anything of monetary value contingent upon the assumption or acceptance of public office or employment. The Act provides certain exceptions to the prohibition.

Where a public official/public employee, his spouse or child, or a business with which he, his spouse or child is associated, is otherwise appropriately contracting with the public official's/public employee's governmental body, or subcontracting with any person who has been awarded a contract with the governmental body, in an amount of \$500.00 or more, Section 1103(f) of the Ethics Act requires that an "open and public process" be observed as to the contract with the

• Preparing and publishing an annual report, special reports, educational materials, and technical studies to further the purposes of the Ethics Act.

• Prescribing rules and regulations to implement the provisions of the Ethics Act. (See 51 Pa. Code §11.1 et seq.)

• Holding at least two public hearings each year to seek input from persons and organizations which represent individuals subject to the Ethics Act.

governmental body. Section 1103(f) of the Ethics Act also provides that the public official/public employee may not have any supervisory or overall responsibility as to the implementation or administration of the contract with the governmental body.

Section 1103(g) of the Ethics Act prohibits a former public official/public employee from representing a person, with promised or actual compensation, before the governmental body with which he has been associated for one year after he leaves that body.

Section 1103(h) of the Ethics Act prohibits the use of information from Statements of Financial Interests for a commercial purpose.

Section 1103(i) of the Ethics Act provides that for two years following termination of employment with the Commonwealth of Pennsylvania, a former executive-level State employee may not be employed by, receive compensation from, assist or act in a representative capacity for a business that he actively participated in recruiting to the Commonwealth or that he actively participated in inducing to open or expand a plant, facility or branch in the Commonwealth, through a grant or loan of money or a promise of a grant or loan of money from the Commonwealth to such business.

Section 1103(j) of the Ethics Act provides procedures to be used when voting conflicts occur.



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## FINANCIAL DISCLOSURE

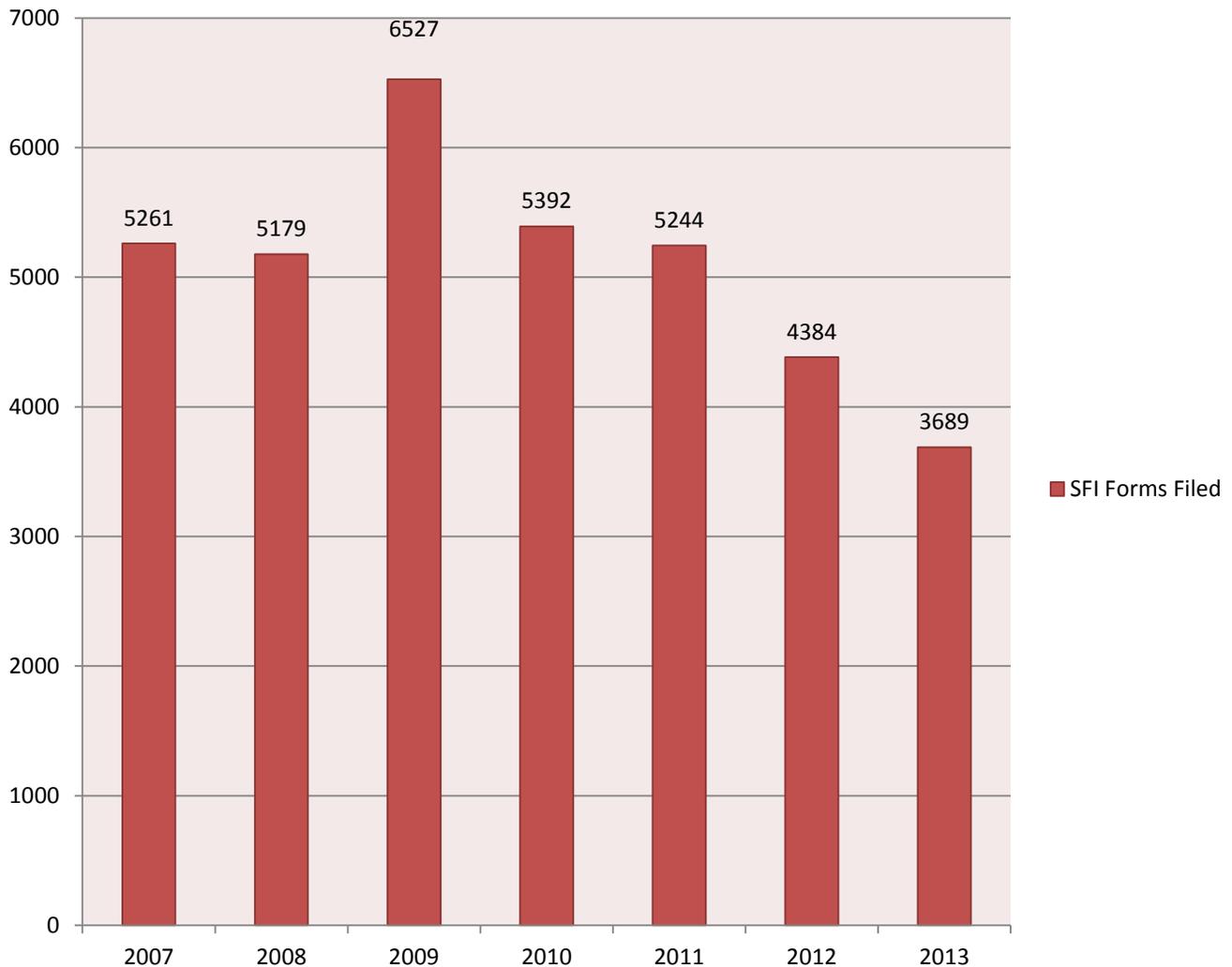
Section 1104 of the Ethics Act (65 Pa.C.S. §1104) requires that public officials, public employees, solicitors, nominees, and candidates for public office file Statements of Financial Interests. Section 1105 of the Ethics Act (65 Pa.C.S. §1105) describes the information to be reported.

In preparation for the May 1, 2014, filing deadline for calendar year 2013, a total of 191,513 forms were distributed to 7,382 state, county, and local government entities for distribution to public officials, public employees, and candidates required to comply with the

Ethics Act.

There were 3,689 individuals who filed Statements of Financial Interests with the State Ethics Commission for calendar year 2013 (filing year 2014). Since Statements of Financial Interests filed with the State Ethics Commission are public documents, as they are received, they are scanned into the Commission’s document management system and are subsequently posted to the Commission’s website in the e-Library.

**Statements of Financial Interests**





## **CIVIL PENALTIES**

Those public officials/public employees, solicitors, nominees, and candidates for public office who are required to file Statements of Financial Interests pursuant to Section 1104 of the Ethics Act (65 Pa.C.S. §1104) and have failed to do so, or have filed deficient Statements of Financial Interests, may be subject to an assessment of a civil penalty as delineated in Section 1109(f) of the Ethics Act (65 Pa.C.S. §1109(f)).

Pursuant to the Ethics Act (65 Pa.C.S. §1101 et seq.), the Regulations of the Commission (51 Pa. Code §11.1 et seq.), as well as the Policies and Procedures of the Commission, upon learning that an individual has failed to file/filed a deficient Statement of Financial Interests, the Commission must first notify the individual of such non-compliance. Warning Notice letter(s) are sent to an individual who has either not filed or filed a deficient Statement of Financial Interests. The Warning Notice letter(s) afford the individual twenty (20) days to cure the deficiency and/or to file a Statement of Financial Interests without penalty. If the individual fails to file within the cure period(s), then the Commission may levy a civil penalty of not more than \$25.00 per day up to a maximum of \$250.00 against the individual and order the filing of the Statement of Financial Interests.

Should an individual fail to comply with an Order of the Commission to either remit the assessed civil penalty and/or to file a Statement of Financial Interests, the Commission is authorized to pursue the matter in the Commonwealth Court of Pennsylvania for the purpose of enforcement of the Commission's Order.

For calendar year 2013, the Commission identified 245 current or former public officials/public employees who failed to file or filed deficient Statements of Financial Interests. Those 245 individuals received an initial or First Warning Letter directing them to file the outstanding forms. Of those 245 individuals sent First Warning Letters, only 43 failed to cure their filings within the twenty day period, prompting the need for Second or Final Warning Notice Letters. Of the 245 individuals identified as filing deficient or failing to file Statements of Financial Interests, 14 individuals were Respondents in actions filed by the Investigative Division of the State Ethics Commission regarding Petitions for Civil Penalty proceedings.

During calendar year 2013, Statement of Financial

Interests compliance reviews and enforcement efforts were hampered by limited funding and lack of staff. Despite continued staff shortages, serious efforts are being made to increase compliance reviews, streamline the enforcement process, and continue enforcement efforts for calendar year 2014 and into the future. Despite the fiscal hurdles of the last calendar year, the State Ethics Commission issued eight (8) Orders assessing a total of \$1,400.00 in civil penalties against public officials or public employees for failing to file or filing deficient Statements of Financial Interests. The penalties were to be paid to the Commonwealth of Pennsylvania.



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# NOTICE OF NON-COMPLIANCE FLOW CHART





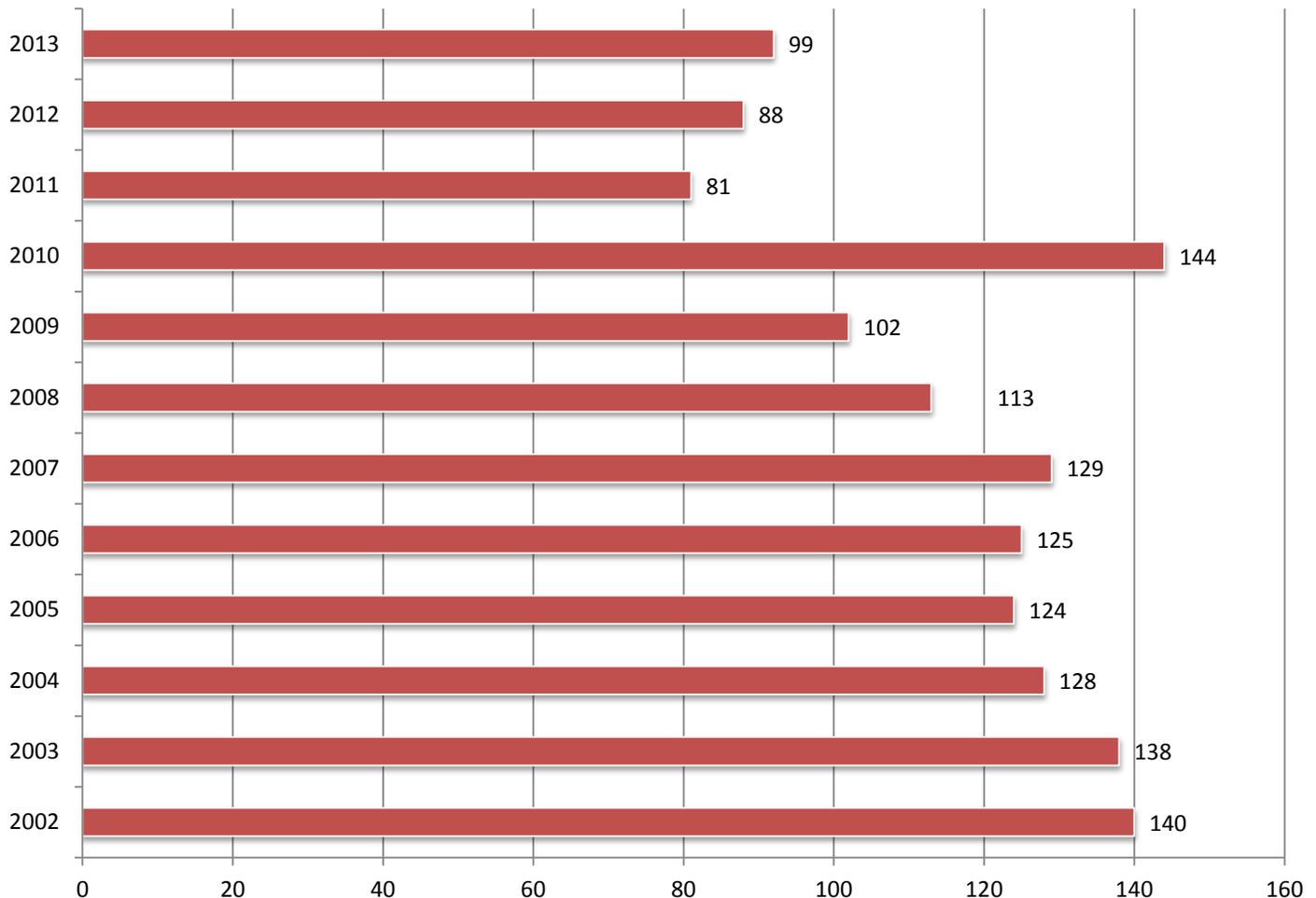
## OPINIONS AND ADVICES

From January 1, 2013, through December 31, 2013, the State Ethics Commission issued a total of 99 advisories under the Public Official and Employee Ethics Act, consisting of 7 Opinions and 92 Advices of Counsel.

Opinions and Advices are public records. However, a requester may require that the Opinion or Advice contain such deletions and changes as shall be necessary to protect the identity of the person involved. Pursuant to the Ethics Act, the Commission is required to provide specified libraries throughout the Commonwealth with copies of Advices of Counsel, Opinions, and Orders that are a matter of public record. Copies of Opinions and Advices are available online in the eLibrary free of charge at [www.ethicsrulings.state.pa.us](http://www.ethicsrulings.state.pa.us).

Sections 1107(10)-(11) of the Ethics Act direct the Commission to provide an Opinion or Advice to any person about his or her duties under the Act. An Opinion or Advice may also be provided to the employer or appointing authority of such person. Opinions and Advices provide a complete defense against enforcement action initiated by the Commission. An Advice of Counsel is evidence of good faith conduct in any other civil or criminal proceeding if the requester truthfully disclosed all material facts and acted in reliance on the Advice. An Opinion is an absolute defense to any criminal or civil penalty provided all material facts are truthfully disclosed and the requester acts in good faith on the Opinion.

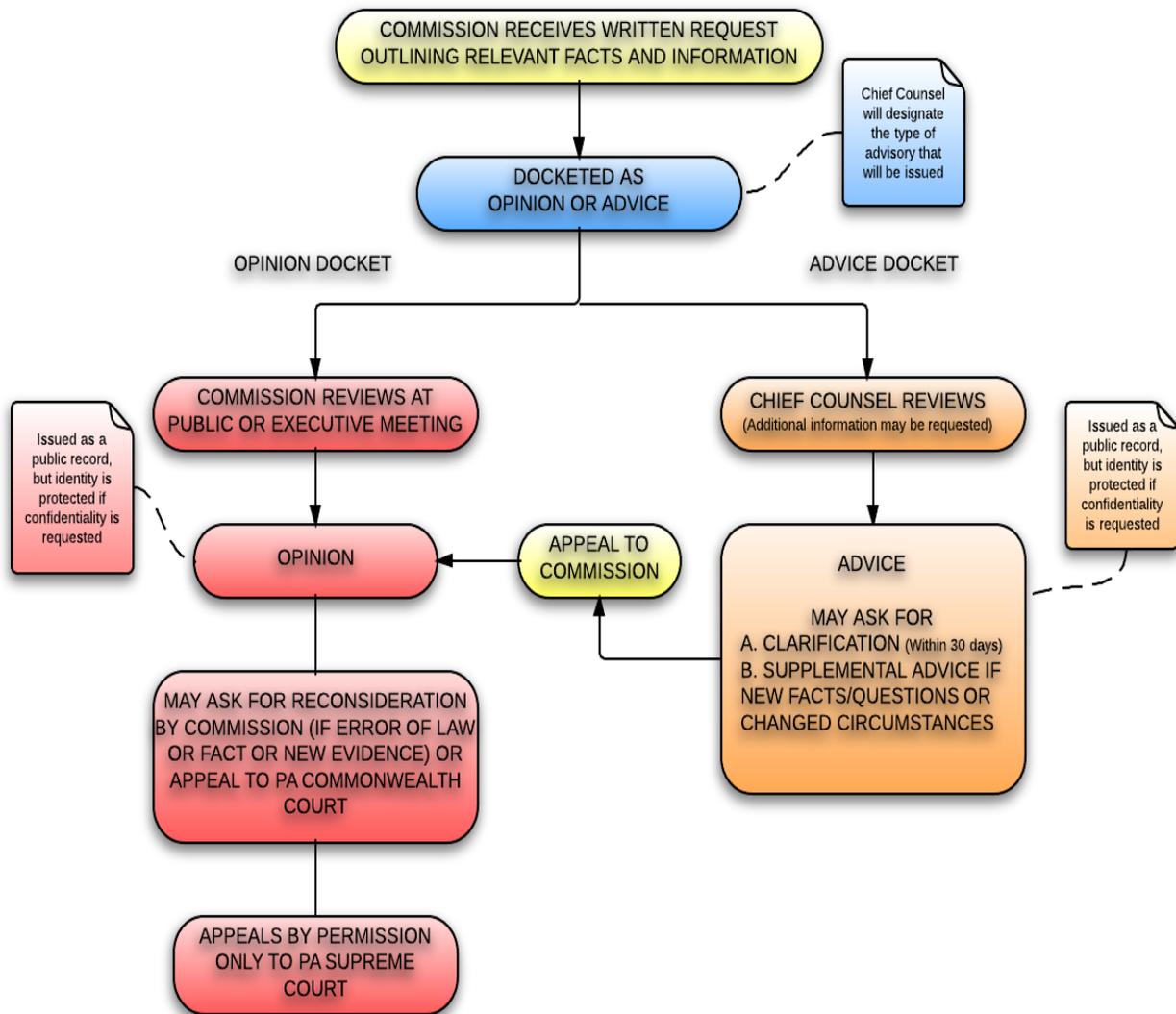
### Opinion/Advice Statistics 2002-2013 (Opinions/Advices issued by the Ethics Commission under the Ethics Act)





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# OPINIONS AND ADVICES FLOWCHART





## COMPLAINTS/INVESTIGATIONS

The State Ethics Commission is mandated to investigate sworn complaints and to initiate investigations on its own motion. A sworn complaint must include full names and addresses of the complainant and respondent, contain allegations related to specific individuals, be signed by the complainant, and be properly notarized.

The Commission's Investigative Division will initially acknowledge receipt of a complaint. If the matter is not within the Commission's jurisdiction or if the complaint lacks sufficient information, it will not be processed and the complainant so notified. The Commission's Investigative Division may initiate either a preliminary or full investigation. A preliminary investigation must be completed within 60 days and either terminated or opened as a full investigation. The complainant will be notified within 72 hours of the commencement of a full investigation and both the complainant and subject of the investigation will be notified every 90 days thereafter of the status of the matter. The subject of an investigation must be notified prior to the initiation of such investigation of the allegations against

said person. If after a preliminary investigation the matter is terminated, both the complainant and subject of the inquiry will be notified. If a complaint is frivolous, the Commission must so state.

If a full investigation has been conducted, upon the conclusion of the field investigation the subject of the complaint will be issued a findings report containing the relevant findings of fact. Such reports must be issued within 360 days of the initiation of the full investigation. The subject of the investigation must respond to said report within 30 days after the issuance thereof. Upon completion of the field investigation and the issuance of and response to the findings report, the subject will be afforded a full and fair opportunity to challenge the findings and allegations. Such may include evidentiary hearings and arguments of law. Upon the conclusion of the investigation and all other proceedings, the Commission will issue a final order containing findings of fact and conclusions of law. Final orders issued by the Commission may be appealed to the Commonwealth Court of Pennsylvania.

### 2013 INVESTIGATIVE COMPLIANCE STATISTICAL SUMMARY

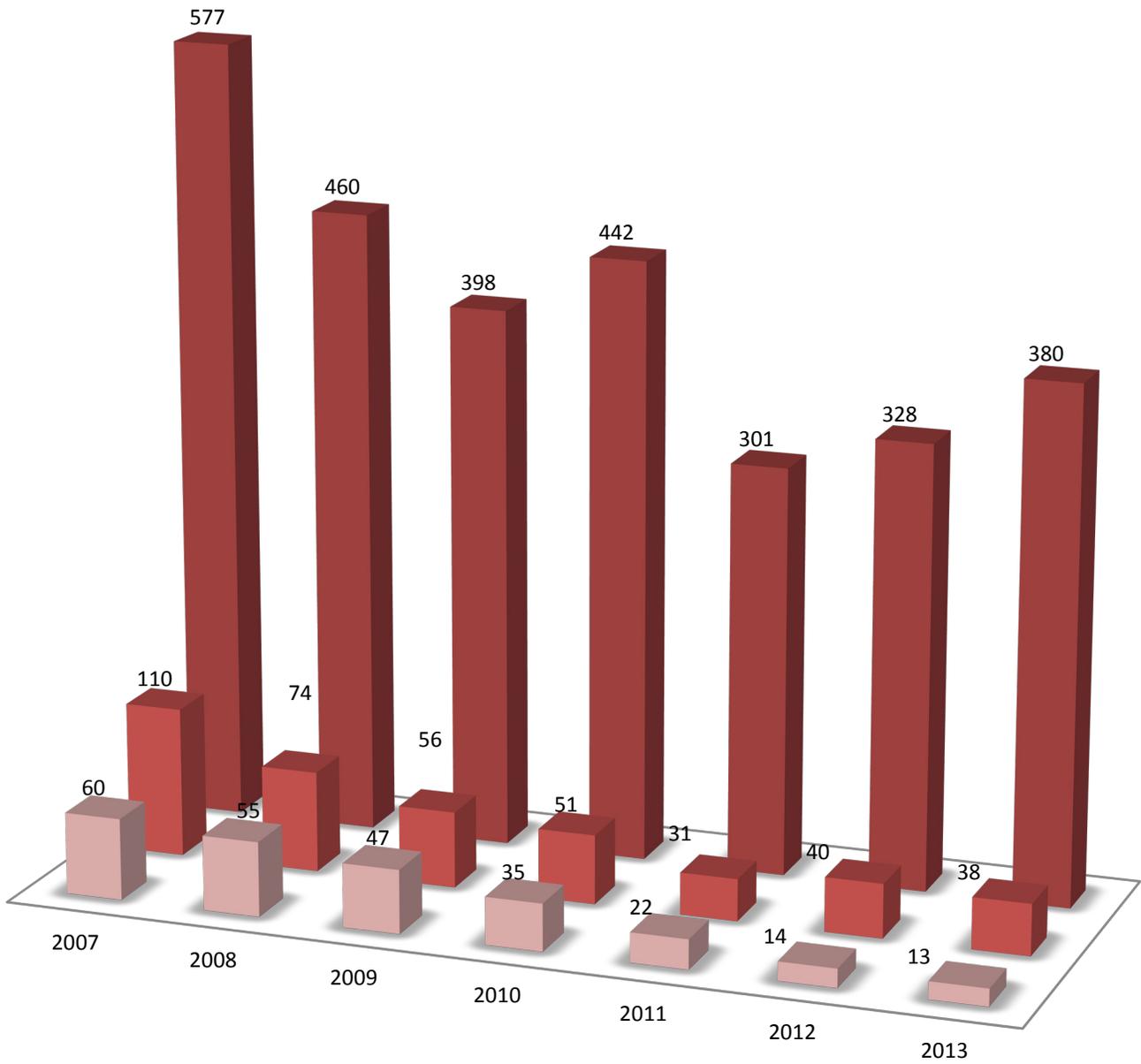
Complaints received: .....	380
Investigations opened: .....	38
Ethics Orders issued:.....	13
Lobbying Orders issued: .....	21
Civil Penalty Orders issued: .....	8
Investigatory Orders issued: .....	13
Restitution/Penalties ordered:	
Ethics: .....	\$35,737.99
Lobbying: .....	\$58,125.00
Civil (see page 15, infra): .....	\$1,400.00
Total:.....	\$95,262.99



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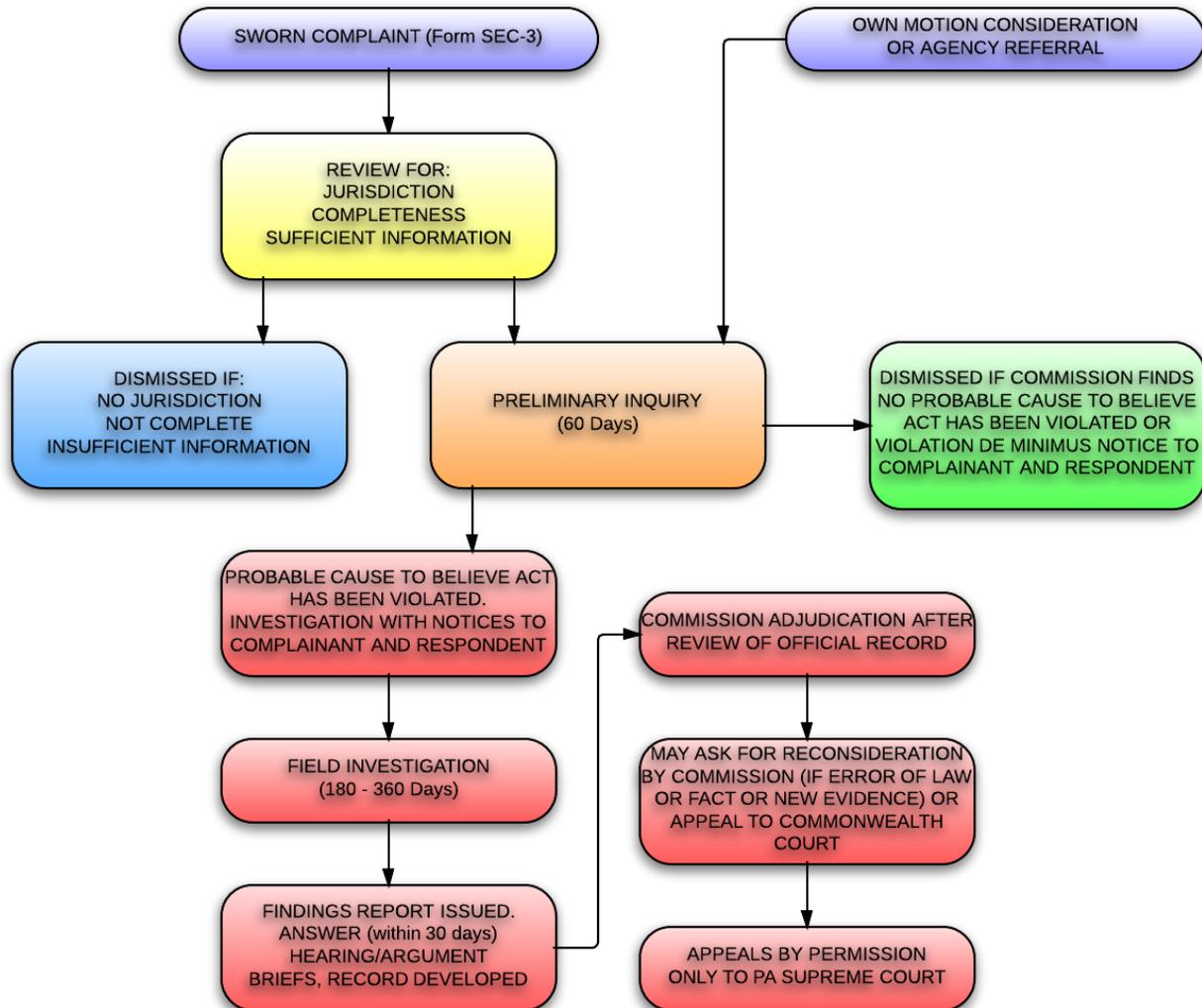
# INVESTIGATIVE STATISTICS

■ Orders Issued   ■ Investigations Opened   ■ Complaints Received





## INVESTIGATIVE FLOW CHART





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## PENNSYLVANIA LOBBYING DISCLOSURE LAW

### OVERVIEW

Under the Lobbying Disclosure Law, 65 Pa.C.S. §13A01 *et seq.*, the State Ethics Commission's responsibilities include enforcement, issuing advisories, and participating on the Lobbying Disclosure Regulatory Committee through the Commission Chair or his designee. Responsibility for the administration of the registration and reporting requirements is vested in the Pennsylvania Department of State.

### ADVISORIES

The Commission issues advisories under the Lobbying Disclosure Law to persons with standing (legal authority) to submit such requests. The process for issuing advisories under the Lobbying Disclosure Law is similar to the process under the Ethics Act. Advisories are issued as to prospective conduct only.

### ENFORCEMENT

The Commission has authority to enforce the registration and reporting requirements (Sections 13A04 and 13A05) and to some extent, the "prohibited activities" section (Section 13A07) of the Lobbying Disclosure Law.

With regard to enforcement of the registration and reporting requirements, the Lobbying Disclosure Law provides a process (see, Section 13A09) whereby the Commission is to issue a "Notice of Alleged Noncompliance" to a person (hereinafter referred to as the "non-filer") who has failed to register or report as required. The non-filer is given an opportunity to appeal to the Commission and have a hearing. Intentional violations are referred to the Office of Attorney General and in some instances to the Disciplinary Board of the Supreme Court of Pennsylvania ("Disciplinary Board") as discussed below. For negligent violations, the Commission may impose an administrative penalty up to \$50.00 for each late day. The Commission may also prohibit a non-filer from lobbying for economic consideration for up to five years if the non-filer fails to comply after notice of noncompliance and a hearing, if requested.

With regard to enforcement of the "prohibited ac-

tivities" section of the Lobbying Disclosure Law, Section 13A07, the Commission has authority to receive complaints, conduct investigations, hold hearings, and impose administrative penalties as to: (1) lobbying "conflicts of interest" as described in subsection (d); and (2) 10 categories of "unlawful acts" listed in subsection (f). For violations as to these particular types of "prohibited activities," the Commission has authority to impose financial penalties of up to \$2,000.00 per violation and to prohibit a lobbyist from lobbying for economic consideration for up to five years.

For all other prohibited activities detailed in Section 13A07 of the Lobbying Disclosure Law, the Commission may initiate investigations through the Executive Director and hold hearings pursuant to the Commission's general authority under Section 13A08(g).

However, the only penalty the Commission may impose for these types of violations is a prohibition against lobbying for economic consideration for up to five years in the event of an intentional violation. 65 Pa.C.S. § 13A09(e)(4).

For all of the above types of matters, if the Commission has reason to believe that an intentional violation of the Lobbying Disclosure Law has been committed, the Commission must refer all relevant information to the Office of Attorney General and, if the lobbyist or principal is an attorney, to the Disciplinary Board. 65 Pa.C.S. § 13A09(h). Referrals to the Attorney General and Disciplinary Board would generally not preclude the Commission from conducting its own proceedings. However, matters involving alleged conflicts of interest on the part of attorneys would be handled exclusively by the Disciplinary Board. 65 Pa.C.S. § 13A07(d)(8).

An alleged violation of the "unlawful acts" provision by an attorney would be referred to the Disciplinary Board. 65 Pa.C.S. § 13A07(f)(3)(ii). Matters involving an attorney's failure to register or report would be heard by the Commission with the Commission referring cases involving intentional conduct to the Disciplinary Board as well as the Attorney General. In the event of an attorney's negligent failure to register/report, the Commission could impose an administrative/civil penalty but would be required to inform the Disciplinary Board of such action. 65 Pa.C.S. §§13A09(b)(2)-(3), (c)(3).



## LOBBYING COMPLIANCE ACTIVITIES

The State Ethics Commission continues to engage in compliance efforts regarding lobbying activities undertaken in calendar year 2013. The Commission, through the Investigative Division, monitors and enforces the Lobbying Disclosure Law (65 Pa.C.S. §13A01 et seq.) through compliance reviews of Registration Statements, as well as Quarterly Expense Reports, filed by Principals, Lobbyists and/or Lobbying Firms, with the Pennsylvania Department of State.

During calendar year 2013, the Pennsylvania Department of State did not identify any Lobbyists, Principals, or Lobbying Firms, which had filed deficient Registration Statements, and as such, the Commission did not pursue any penalties against same. During the reporting period for calendar year 2013, the Commission did

issue a total of two-hundred forty-six (246) Warning Notice letters to Principals, regarding their failure to file Quarterly Expense Reports as required by the Lobbying Disclosure Law. Of those two-hundred forty-six (246) Warning Notices sent, twenty-one (21) Principals did not file their Quarterly Expense Reports and/or otherwise comply with the Warning Notice within the cure period. Those twenty-one (21) Principals were the subject of Notices of Non-Compliance, an action undertaken by the Investigative Division of the Commission, seeking the assessment of a monetary penalty against non-complying Principals; in all, the Commission directed a total of \$58,125.00 in penalties be paid to the Commonwealth. The twenty-one Orders issued by the Commission were all the result of negotiated agreements.

## PENNSYLVANIA RACE HORSE DEVELOPMENT AND GAMING ACT

Pursuant to the Pennsylvania Race Horse Development and Gaming Act (“Gaming Act”), 4 Pa.C.S. § 1101 et seq., the Commission has responsibilities for:

(1) Biennially publishing a list of all state, county, municipal, and other government positions meeting the definitions of the terms “public official” set forth in Section 1512(b) of the Gaming Act or “executive-level public employee” set forth in Section 1103 of the Gaming Act, for the purpose of enabling the identification of persons who would be subject to certain prohibitions of Section 1512 of the Gaming Act;

(2) Biennially publishing a list of all positions of employment with the Gaming Control Board or with independent contractors to the Board that are subject to the “revolving door/post termination” restrictions of Sections 1201(h)(13) and (13.1) of the Gaming Act;

(3) Biennially publishing a list of all positions within the Pennsylvania State Police, the Office of Attorney General, and the Pennsylvania Department of Revenue that are subject to the “revolving door/post-termination” restrictions of Section 1512.1(a) of the Gaming Act;

(4) Making a determination, upon request, as to whether a particular individual/person would be subject to various prohibitions or “revolving door/post-termination” restrictions within the Gaming Act (see, 4 Pa.C.S. §§ 1201(h)(14), 1512 (a.5)(1), 1512.1(e)(1)); and

(5) Determining whether to extend deadlines by

which executive level public employees, public officials, party officers, or their immediate family members would be required to divest themselves of financial interests that they would be prohibited from holding under Section 1512 of the Gaming Act.

## GAMING ACT DETERMINATIONS

From January 1, 2013, through December 31, 2013, no Determinations under Sections 1201 (h)(13)-(14) of the Gaming Act, 4 Pa.C.S. §§ 1201 (h)(13)-(14) were issued by the Commission. Determinations under Sections 1201 (h)(13)-(14) of the Gaming Act are public records.

Paper copies of Commission Determinations are available at cost from the Commission or free of charge via the Commission’s “e-Library,” which may be accessed via the Commission’s website at [www.ethics.state.pa.us](http://www.ethics.state.pa.us).



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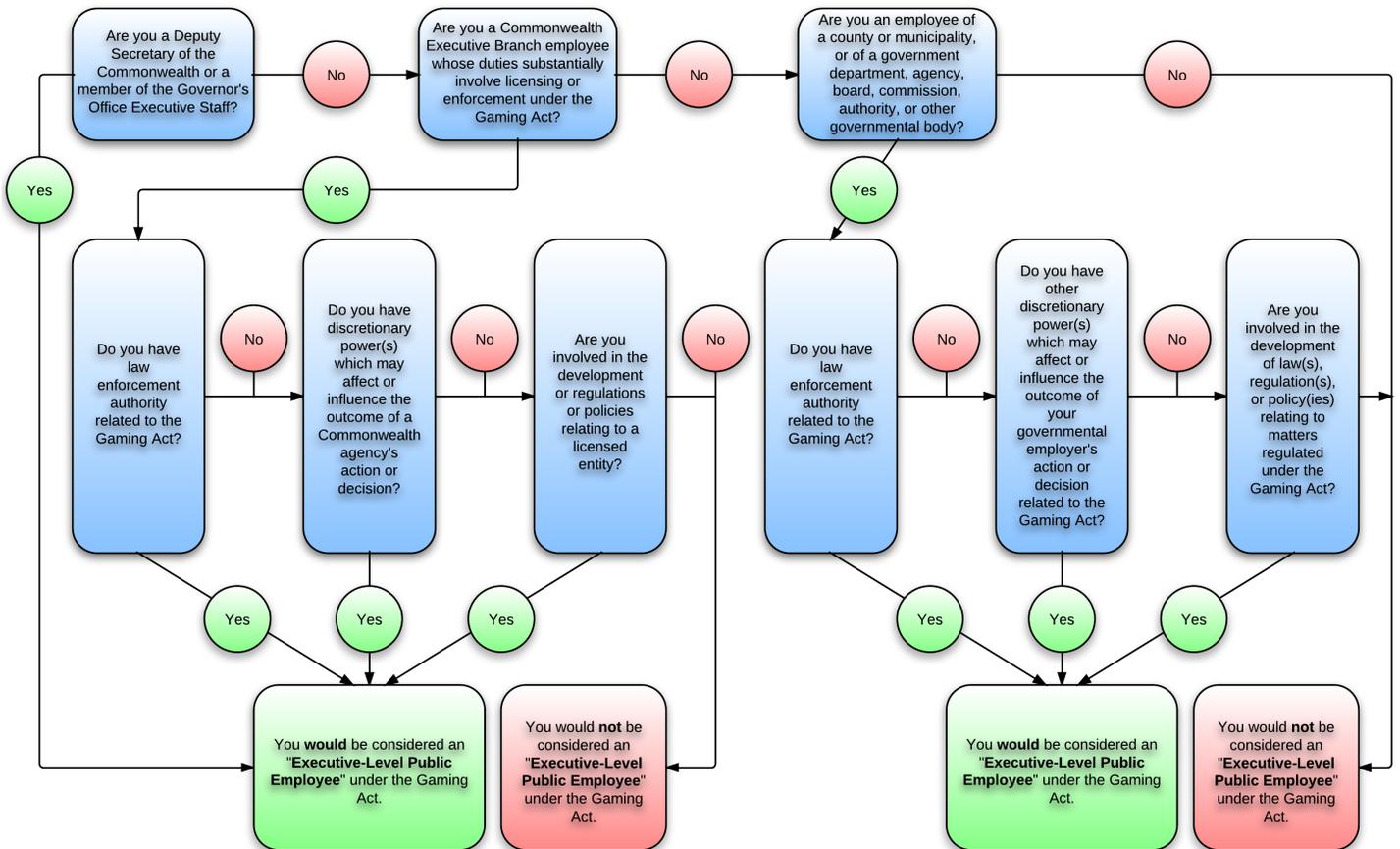
## GAMING LISTS

Lists developed by the Commission pursuant to the Gaming Act are published biennially in the Pennsylvania Bulletin, and they are also accessible via the Commission’s website within its e-Library at [www.ethics.state.pa.us](http://www.ethics.state.pa.us) and via the Pennsylvania Gaming Control Board’s website at [www.pgcb.state.pa.us](http://www.pgcb.state.pa.us), which features a link to the Commission’s e-Library.

## STATUS AS AN EXECUTIVE-LEVEL PUBLIC EMPLOYEE OR PUBLIC OFFICIAL

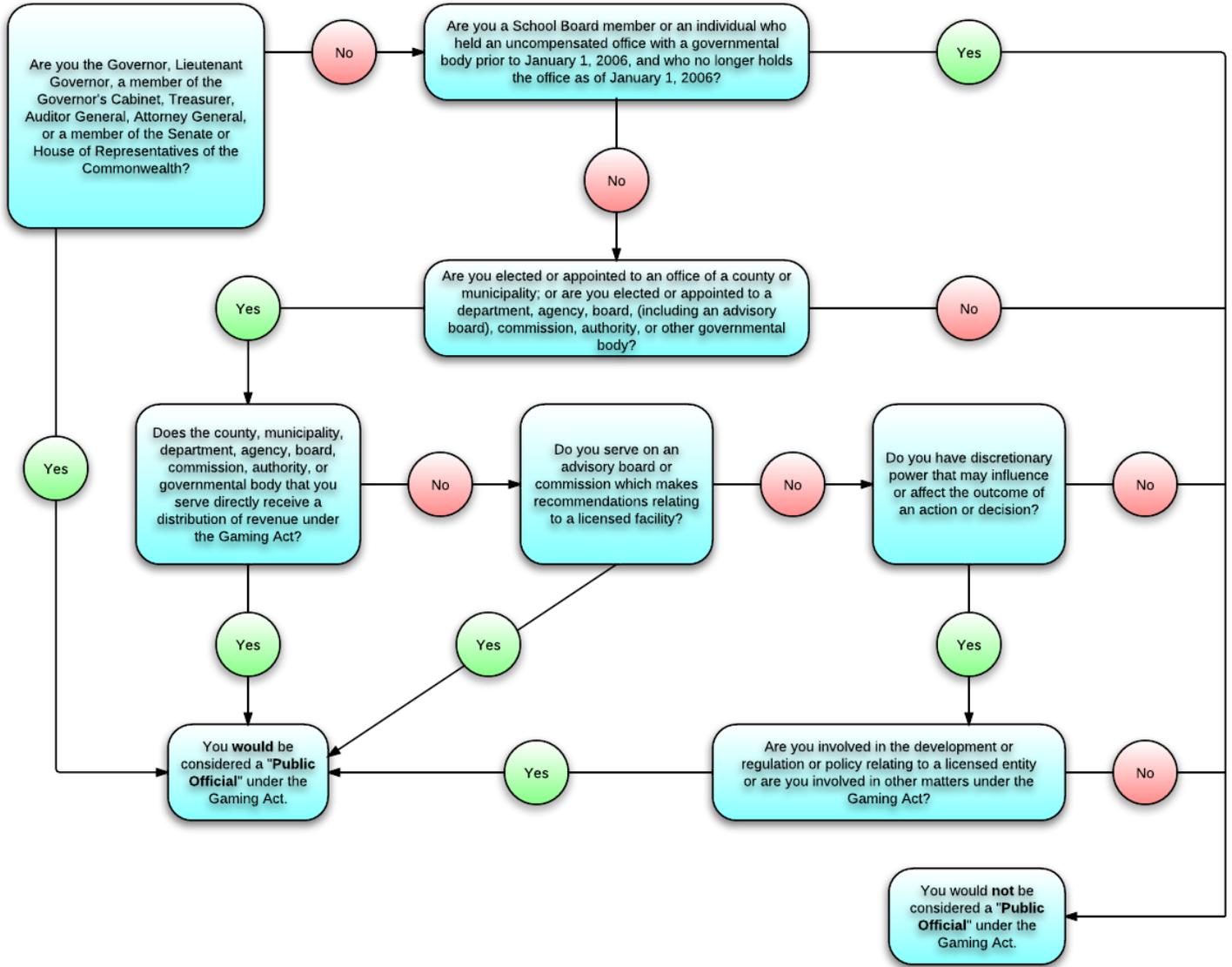
The term “executive-level public employee” is defined in Section 1103 of the Gaming Act. The term “public official” is defined in Section 1512(b) of the Gaming Act.

## GAMING ACT: EXECUTIVE LEVEL PUBLIC EMPLOYEE FLOWCHART





# GAMING ACT: PUBLIC OFFICIAL FLOWCHART





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## COGEL: COUNCIL ON GOVERNMENTAL ETHICS LAWS

The Commission has continued to be active in the activities of the Council on Governmental Ethics Laws (COGEL). COGEL is an international professional association of agencies, organizations, and individuals with duties and responsibilities relating to governmental ethics, lobbying registration and reporting, campaign finance reporting and administration, election, and freedom of information laws. More information on the Council on Government Ethics Laws may be found at [www.COGEL.org](http://www.COGEL.org).

The 2013 Annual COGEL Conference was held

## PUBLIC OUTREACH AND TRAINING

The Commission considers its duty to educate public officials/employees, as well as members of the public in general, a key factor to fulfilling its duties under the Ethics Act. Through the Commission's public outreach efforts, thousands of Pennsylvanians who might otherwise receive no education or training regarding the Ethics Act have been provided guidance in a seminar/classroom-type setting to encourage discussion. In addition, Commission staff have attended numerous state-wide conferences where attendees have the opportunity to view Commission informational booths and informally meet with staff.

Due to staff shortages and fiscal constraints, the efforts of the Commission to conduct public outreach and training were curtailed severely in calendar year 2011 and to a lesser extent in calendar year 2012. In 2013 the Commission placed an increased emphasis on training and outreach to public officials. The Commission is pleased to report that for calendar year 2014, training and outreach efforts will continue to increase. The intent is for the Commission to continue to provide quality, audience focused outreach opportunities throughout the state, for the foreseeable future.

During calendar year 2013, the Commission, through its staff, participated in no less than twelve (12) separate training and/or outreach events which were held at various locations throughout the Commonwealth of Pennsylvania, and one international event. Commission staff attended and participated in the annual Council on Governmental Ethics Laws (COGEL) Conference held in Quebec City, Canada, where it made a presentation regarding trial preparation techniques utilized by the

from December 8-11, 2013, in Quebec City, Canada.

The 2014 Annual COGEL Conference will be held from December 7-10, 2014, in Pittsburgh, Pennsylvania. The Commission is one of the host agencies for the Conference. Two Commission staff members are participating on the COGEL Program Committee, which plans the program sessions. Additionally, the Commission's Deputy Executive Director/Director of Investigations will serve as a moderator and speaker for some of the sessions.

Commission in Pennsylvania. This session was very well received and was presented to the audience in both English and French.

The in-state training and outreach programs consisted of various levels of presentations geared towards local, as well as state public officials and employees. Training/presentations occurred at the statewide conference of the Pennsylvania Association of Township Supervisors; Regional Chapters of Pennsylvania State Boroughs Association; numerous trainings for the Pennsylvania Municipal Authorities Association; Local Association of Municipal and School Solicitors for Western Pennsylvania; trainings for the Pennsylvania Bar Institute; the Pennsylvania Turnpike Commission; Office of General Counsel for the Commonwealth of Pennsylvania; as well as local training efforts held in York, Cambria and Greene Counties.

All of these presentations were well received and were attended by hundreds of individuals in total. With training efforts increasing for calendar year 2014, it is believed that anywhere between 1,000 and 5,000 individuals will have the opportunity to attend and participate in various educational/training programs of the Commission. Individuals seeking training by the Commission can do so by submitting a written request to the Commission.





**STATE ETHICS COMMISSION  
ROOM 309 FINANCE BUILDING  
P.O. BOX 11470  
HARRISBURG, PA 17108-1470**

**WEB: [WWW.ETHICS.STATE.PA.US](http://WWW.ETHICS.STATE.PA.US)  
FAX: (717) 787-0806  
PHONE: (717) 783-1610  
1-800-932-0936**