

# FISHERY MANAGEMENT COUNCILS

2015

## RULES OF CONDUCT FOR MEMBERS

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Ethics



# **RULES OF CONDUCT FOR MEMBERS OF REGIONAL FISHERY MANAGEMENT COUNCILS**



As a member of a Regional Fishery Management Council, you serve on behalf of the Government and are held to a high standard of conduct to ensure public confidence in the actions of the Council. The Fishery Management Councils were created by statute to provide a means for cooperation among the Federal Government, state governments, and members of the public with expertise in commercial and recreational fishing and conservation in the creation of fishing policy. Although all members are expected to honestly and conscientiously work toward the fishing policy that is best for the nation, your role on the Council may vary depending on whether you are a voting or non-voting member and whether you are a regular Federal employee, a state official, or a public member who was nominated by a governor and appointed by the Secretary of Commerce. In recognition of these varying types of service, the applicable conduct rules also vary.

Conduct rules cover financial conflicts of interest; misuse of Council resources; bribes and similar payments; and, for some members, limits on representing others before the Federal Government, both during Council service and after termination of such service. The specific rules that apply to each type of member—public member, Federal official and state government official—are summarized below.

## **AVAILABLE LEGAL GUIDANCE**

**If you have a question about conduct rules or their application to a specific situation, you should seek guidance from the Regional Attorney of the National Oceanic and Atmospheric Administration assigned to provide advice to your Council.**

**You may also seek advice from an attorney in the Ethics Law and Programs Division, Office of the Assistant General Counsel for Administration, U.S. Department of Commerce, at 202-482-5384 or [ethicsdivision@doc.gov](mailto:ethicsdivision@doc.gov) or, if you are a Federal official, an ethics official from your agency.**

**If you are a state government official, you should seek advice from the state government office that administers your state's ethics rules.**

# RULES OF CONDUCT FOR PUBLIC MEMBERS



If you serve as a public member of a Regional Fishery Management Council, you are considered a Federal employee for purposes of criminal conflict of interest statutes applicable to other United States Government employees. However, because of the unique nature of the Councils, which are composed of members of the public who have special expertise in fishing matters and who, in many cases, are from the commercial or recreational fishing industries, special ethics rules apply. For regular Federal employees, disqualification is usually the preferred method for avoiding a conflict of interest; however, for Fishery Management Councils, in order to allow full participation by members of the public with knowledge of and experience in fishing matters, the method chosen by Congress to deal with conflicts of interest is full public disclosure of fishing interests and a system of appointment that encourages a diversity of views. Nevertheless, as noted below, disqualification is required with regard to matters that will have a particular effect or a disproportionate effect on your financial interests relative to those of others in the fishing industry.

## DISCLOSING FINANCIAL INTERESTS



**Public Financial Disclosure Report of Fishing Interests.** You are required to report any interest in a “harvesting, processing, lobbying, advocacy, or marketing activity” on a Financial Interest Form—NOAA Form 88-195, “Statement of Financial Interests for Use by Voting Members and Nominees of Regional Fishery Management Councils.” List on the report any financial or employment interest in a “harvesting, processing, lobbying, advocacy, or marketing activity” that is being or will be undertaken within any fishery over which the Council has jurisdiction; include the financial interests held by your spouse, minor child, partner, or any organization (other than the Council) in which you serve as an officer, director, trustee, partner, or employee.

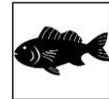
**The Importance of Filing a Complete and Timely Form.** The financial interest forms are an integral part of the system for exempting you from certain provisions of a criminal conflict of interest statute, as explained below. If you do not file a complete, accurate, and up-to-date form in a timely manner, you may be required to refrain from participating in Council actions. If you participate in matters affecting a harvesting, processing, or marketing activity that was not properly disclosed, you may be subject to criminal penalties.

**Financial Interests to Report.** Report stock, equity, and ownership interests in any

- company or business engaged in a harvesting, processing, or marketing activity;
- fishing vessel engaged in a harvesting, processing, or marketing activity; or
- equipment company or company that provides other services to a harvesting, processing, or marketing activity

in any fishery under the jurisdiction of your Council.

- Employment Interests and Positions to Report.** Report employment with any
- company or business engaged in a harvesting, processing, or marketing activity;
  - fishing vessel engaged in a harvesting, processing, or marketing activity;
  - equipment company or company that provides other services to a harvesting, processing, or marketing activity; or
  - firm providing consulting, legal, or representational services to an entity engaged in, or providing equipment or services essential to, a harvesting, processing, or marketing activity, including a firm engaging in lobbying or advocacy services in any fishery under the jurisdiction of your Council; and
- employment with, or service as an officer, director, or trustee of, any
- association whose members include companies, vessels, or other entities engaged in harvesting, processing, lobbying, advocacy, or marketing activities in;
  - company providing services to harvesting, processing, or marketing activities in; or
  - organization engaged in lobbying or advocacy with regard to
    - any fishery under the jurisdiction of your Council.



## FINANCIAL CONFLICTS OF INTERESTS

**Basic Rule.** Generally, you are barred from participating personally and substantially in any matter as a Council member that will have a direct and predictable effect on your financial interests, or on the financial interests of your spouse, minor children, or general partners; or on an organization in which you serve as an officer, director, trustee, general partner, or employee; or on a person or entity with which you have an arrangement regarding future employment or are negotiating for future employment.

**Exemptions.** Because of regulatory exemptions, you are allowed to participate in a matter affecting your financial interests (or those of persons whose interests are attributed to you, as indicated above) if the interest is in the form of a security (stock or bond) publicly-traded on a United States exchange and:

- the value of your interests in all affected parties is \$15,000 or less; or
- the value of your interests in a non-party regarding a particular matter involving specific parties that will affect the non-party is \$25,000 or less; or
- the value of your interests in each affected company is \$25,000 or less and your interests in all affected companies is \$50,000 or less and the matter at issue is a broad policy matter (rather than a matter involving specific parties); or
- the interest is held through a broadly-diversified mutual fund; or
- the interest is held through a mutual fund that focuses its investments in a specific industry sector or geographic sector and your interests in the fund (and in other sector-specific funds that focus investments in the same sector) is \$50,000 or less.

**Special Rules for Interests in Harvesting, Processing, Lobbying, Advocacy, and Marketing Activities.** Public disclosure, rather than disqualification, is the statutory method for a public member of a Fishery Management Council to resolve a potential conflict with regard to most interests in a fishery harvesting, processing, lobbying, advocacy, or marketing activity. Disqualification is not required, except with regard to two specific situations, as identified in the third point listed below.

**Participation Permitted – No Disqualification** – You can participate fully as a Council member in a matter affecting your financial interests provided that:

- (1) the interest in question is in a harvesting, processing, lobbying, advocacy, or marketing activity;
- (2) the interest has been reported on a Financial Interest Form (NOAA Form 88-195); and
- (3) the matter at issue:
  - will not have an **expected and substantially disproportionate benefit** (see below) to your financial interest (or the financial interest of your spouse, minor children, or general partners; or any organization in which you serve as an officer, director, trustee, general partner, or employee) relative to the financial interest of other participants in the same gear type or sector of the affected fishery; and
  - is not a matter **primarily of individual concern** (see below).

**Participation Prohibited – Disqualification Required** – You cannot participate fully as a Council member on a matter:

- (1) that will affect your financial interests (or those whose interests are imputed to you) for which no exemption applies (see above);
- (2) in a harvesting, processing, lobbying, advocacy, or marketing financial or employment interest or activity that you have not reported;
- (3) in a harvesting, processing, lobbying, advocacy, or marketing activity that will have an **expected and substantially disproportionate benefit** (see below) that will affect your interest (or those whose *interests are imputed to you* (see below)); or
- (4) is a **matter of primarily individual concern** (see below) that will affect your interests (or those whose *interests are imputed to you* (see below)).

**Scope of Disqualification – Voting or Participating in Deliberations** – You cannot vote on a Council decision that would have an expected and substantially disproportionate benefit to a harvesting, processing, lobbying, advocacy, or marketing interest you have reported. However, you can participate in deliberations of your Council and its committee regarding such a matter if you first notify the Council that you will not be voting on the matter and identify the financial interest that would be affected. You cannot vote or participate in deliberations regarding a matter of primarily individual concern that will affect your interests (or those whose interests are imputed to you).

**“Expected and Substantially Disproportionate Benefit”** – A Council action will have an “expected and substantially disproportionate benefit” to you if you (or those whose interests are imputed to you) have:

- a greater than 10% interest in the total harvest of the fishery (or the sector of the fishery that is under consideration by the Council);
- a greater than 10% interest in the marketing or processing of the total harvest of the fishery (or sector of the fishery); or
- full or partial ownership of more than 10% of the vessels using the same gear type within the fishery (or sector of the fishery).

(For purposes of this definition, interests of your spouse, minor children, general partners, non-Federal employers, and entities with which you are seeking employment and any organization in which you serve as an officer, director, or trustee are imputed to you.)

The percentage of interest will be determined with reference to the most recent fishing year for which information is available, except that for fisheries in which Individual Fishing Quotas (IFQs) are assigned, the percentage of IFQs assigned will be determinative.

If you believe that these provisions require your disqualification from a matter, you may announce your disqualification at any time before the vote on the matter. If you have any question regarding the application of the rules to your situation, you may seek advice from the NOAA Regional Attorney who advises your Council (or an attorney in the Ethics Law and Programs Division of the U.S. Department of Commerce). If you would like a determination as to whether an interest requires your disqualification, you may seek such a determination from the NOAA Regional Attorney who advises your Council using the procedures set forth below. (See below for procedures for determining when this definition applies.)

**“Imputed Interest”** – An interest imputed to you is a financial interest of your spouse, minor child, or general partner; a non-Federal employer; an organization in which you serve as officer or director or trustee; or anyone with whom you have an employment agreement or are negotiating for employment.

**“Matters of Primarily Individual Concern”** – “Matters primarily of individual concern” are those matters that affect a small number of identified, or easily identifiable, parties, rather than broad policy matters affecting many entities. For example, a contract between your Council and a company would be a matter primarily of individual concern; thus, you would be disqualified from participating in any Council action regarding the contract if you had stock in the contractor or were employed by the contractor, even if the company was listed on a Financial Interest Form. A Fishery Management Plan would usually be considered a broad policy matter, rather than a matter primarily of individual concern. However, if a fishery had only a few active vessels, a Fishery Management Plan regarding that fishery would be a matter primarily of individual concern and you would be required to disqualify yourself from participating in matters concerning the Plan if you owned one of the vessels.

**Procedures for Determinations Regarding an “Expected and Substantially Disproportionate Benefit.”** You may ask for a determination as to whether a matter will have an “expected and substantially disproportionate benefit” to you (or those whose interests are imputed to you) from the NOAA Regional Attorney assigned to advise your Council (or another attorney designated by NOAA). The NOAA Regional Attorney may also make such a determination on his or her own initiative. Neither you, nor another Council member, nor a member of the public may initiate a procedure regarding another Council member. However, you may provide written and signed

information to the NOAA Regional Attorney indicating that initiation of such a procedure may be appropriate.

You should make a request for a determination:

- within a reasonable time before the Council meeting at which the matter at issue will be addressed or
- during the Council meeting before the vote on the matter at issue.

You should make a request for a determination as far in advance of the Council meeting as possible in order to provide the NOAA Regional Attorney sufficient time to thoroughly examine and consider available information.

A NOAA Regional Attorney who receives reliable and probative written and signed information prior to a Council meeting relating to a disqualification determination will announce at the beginning of the meeting the receipt of such information, the nature of the information, and the identity of the person providing the information (or during a Council meeting if the issue could not reasonably have been anticipated prior to the meeting). This announcement will be made during the meeting if reliable and probative information is received after the beginning of the meeting.

If the Regional Attorney determines that you may not vote on a matter because it will have an expected and substantially disproportionate benefit to you (or anyone whose interests are imputed to you), you may not vote on the matter, but you may state for the record how you would have voted. You may also fully participate in deliberations and discussions regarding the matter (after notifying the Council of your disqualification and after identifying the financial interest that would be affected).

If you disagree with a determination by a Regional Attorney regarding yourself or any other Council member, you may file a written request with the NOAA General Counsel for review of the determination. Such a request must be received within ten days of the determination. A reversal of the determination will not affect any Council vote that has already been taken. However, the decision by the NOAA General Counsel may provide useful guidance regarding future Council actions.

## **BRIBES AND SIMILAR PAYMENTS**



You cannot accept anything of monetary value in exchange for taking an action as a Council member or failing to take an action as a Council member, other than payments from the United States Government in connection with your Council service. This restriction is based on the Federal criminal statute against bribery, 18 U.S.C. § 201.

In addition, Council rules specify that you cannot pay, offer, promise, solicit, or receive from any person, firm, or corporation a contribution of money or anything of value in consideration of support or the use of influence in obtaining for any person any appointive office, place, or employment under the Council.

## CONTACTING THE FEDERAL GOVERNMENT ON BEHALF OF OTHERS



You are subject to some restrictions on representing others before the United States Government and from receiving payments based on the representational activities of others. “Representing” others includes serving as an agent or attorney or, if paid, making any communication to influence Government action, on behalf of someone other than yourself to a Federal agency or a Federal court. The restrictions apply only to matters involving specific parties—matters in which there are named parties, such as contracts, grants, law suits, and license applications. The restrictions do not apply to broad policy matters or Government actions in which parties are not specifically named, such as regulations, legislation, and, in most cases, fishery management plans.

**Council Members Who Serve for 60 Days or Fewer in a 1-Year Period** – If you serve for 60 or fewer during a 365-day period, you cannot:

- represent anyone before a Federal agency or Federal court concerning a particular matter involving specific parties on which you participated as a Council member or
- receive compensation (such as through a partnership distribution) for the representational activities of others regarding such matters.

**Council Member Who Serve for More than 60 Days in a 1-Year Period** – If you serve for 61 to 130 days during a 365-day period, you cannot:

- represent anyone before a Federal agency or Federal court concerning a particular matter involving specific parties that was pending before your Fishery Management Council, even if you did not personally participate in the matter or
- receive compensation (such as through a partnership distribution) for the representational activities of others regarding such matters.

If you serve for more than 130 days in a 365-day period, you are subject to additional restrictions. Contact a Commerce ethics official for guidance on the applicable rules.

## MISUSE OF COUNCIL RESOURCES, INFORMATION, AND INFLUENCE

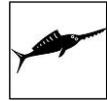


Council resources, like all Government resources, may only be used for official Government activities. This applies to use of supplies, equipment, staff time, and services, including long-distance telephone and fax services. You also have an affirmative duty to protect and preserve Council property.

You also must be careful not to disclose or use any nonpublic information that you learn in the course of your service to the Council, until such time as the Council or the Department of Commerce has authorized release of the information.

Furthermore, you cannot use your position as a Council member or any authority you have as a Council member for personal purposes. You cannot refer to your Council position in furtherance of private activities or use your Council title on personal stationery or on business cards used for non-Council activities.

## **RULES THAT WILL APPLY AFTER LEAVING COUNCIL SERVICE**

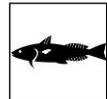


There are a few restrictions that will apply to you even after you terminate your service with a Fishery Management Council; these concern contacting the United States Government on behalf of others and using nonpublic information.

**Restrictions on Contacting the Federal Government** – After you leave Council service, you will be barred from communicating with any Federal agency or Federal court on behalf of someone else concerning a particular matter involving specific parties with the intent to influence Government action if you participated personally and substantially in the matter as a Council member. Note that this is similar to the restriction described above that applies while you serve on the Council. You will also be barred for two years after leaving Council service from representing anyone before any Federal agency or Federal court concerning a particular matter involving specific parties in which you did not personally participate, but which was under your “official responsibility,” during your last year of your term of service, which would include any specific-party matter pending before the Council during that period.

**Disclosure and Use of Nonpublic Information** – You will continue to be restricted after leaving Council service from disclosing or using nonpublic information you obtained through your Council service that is protected by statute, until its release has been authorized by the Council or the Department of Commerce.

## **GENERAL CONDUCT RULES**



In addition to the above rules, Council conduct regulations provide that you cannot engage in criminal, infamous, dishonest, notoriously immoral, or disgraceful conduct.

# RULES OF CONDUCT FOR FEDERAL OFFICIALS



If you serve on a Fishery Management Council as a regular Federal Government employee or officer, your service is considered part of your Government duties and you are subject to all of the same conflict of interest statutes and ethics regulations that apply regarding performance of any of your other Government tasks.

**Conflict of Interest Statutes.** Although you are subject to all the conflict of interest statutes, of particular relevance to service on a Fishery Management Council is the statute, 28 U.S.C. § 208, barring you from participating in a particular matter that will have a direct and predictable interest on your financial interests (or the interests of your spouse, minor children, or general partners; or of an entity for which you serve as an officer, director, trustee, or employee; or of a person or entity with which you have an arrangement regarding future employment or are negotiating for future employment), unless a regulatory exemption applies or you receive a conflict of interest waiver. Other statutes prohibit the acceptance of bribes or supplementation of your salary from a source other than the Government (18 U.S.C. §§ 201 and 209) and restrict your representational activities before Federal agencies and courts, both during Federal service and after leaving the Government (18 U.S.C. §§ 203, 205, and 207).

There are exemptions to the general disqualification requirement of Section 208 so that you may participate in a matter before the Council if:

- your interests (and those whose interests are imputed to you) that will be affected by the matter are limited to:
  - holdings in a broadly-diversified mutual fund;
  - holdings of \$50,000 or less in sector-specific funds;
  - securities traded on a U.S. exchange the value of which is:
    - \$15,000 or less,
    - \$25,000 or less regarding a company that is not a party in a matter before the Council but which will be affected by a specific-party matter before the Council,
    - \$25,000 or less with regard to any individual company and totals \$50,000 or less in all affected companies regarding a matter of general applicability; or
- you have received a conflict of interest waiver.

The exception for FMC public members that applies to interests in “harvesting, processing, and marketing activities” disclosed on a NOAA Form 88-195 Financial Interest Form does not apply to you. You cannot participate in such matters, even if you have listed the interest on a financial disclosure report, unless one of the exemptions listed above applies or you have received a conflict of interest waiver.

**Ethics Regulations.** You are also subject to the Standards of Ethical Conduct for Employees of the Executive Branch or similar rules for members of the armed services.

Of particular relevance for service on the Council. if you are a civilian employee, are regulations in the Standards of Conduct which provide that you cannot:

- accept gifts from persons who are regulated by the Council with which you serve or who have interests in Council actions, or accept gifts that are offered because of your Council position;
- participate in matters involving specific parties that would affect the financial interests of a member of your household;
- participate in matters involving specific parties if one of the parties is, or is represented by, a person with whom you have a "covered relationship," including a person with whom you have or are seeking business relations; a close relative or household member; the employer (or prospective employer) of your spouse, parent, or dependent child; a recent former employer; or an organization in which you are an active participant;
- engage in non-Federal activities that would conflict with your Council duties; or
- use Government resources, including Council resources, for unauthorized purposes.

There are a number of exceptions to these basic restrictions. Furthermore, some departments and agencies, although not the U.S. Department of Commerce, have supplemental ethics regulations. You are subject to the supplemental ethics regulations issued by your agency. You should seek advice from an ethics official of your Federal agency if you have a question about any conduct rule or its application to a particular situation.

Both civilian employees and uniformed service officers are also subject to restrictions on engaging in some political activities, although the restrictions vary. All Federal officials serving on a Council, both civilian and uniformed service, are barred from engage in political activities while on duty, including periods you are engaging in Council activities; using Government resources for political purposes, including Council resources; and using the authority of your position to affect an election, including your authority as a member of a Council.

In addition to these Federal rules, under Council-specific regulations, like other Council members, you cannot participate in matters primarily of individual concern and you cannot engage in criminal, infamous, dishonest, notoriously immoral, or disgraceful conduct.

## RULES OF CONDUCT FOR STATE GOVERNMENT OFFICIALS



If you serve on a Fishery Management Council as an employee or officer of a state government, you are not subject to the Federal conflict of interest statutes or conduct regulations that apply to Federal Government officials. However, you are subject to any state statutes or regulations that apply to your conduct as a state official.

**Council Regulations.** In addition to any restrictions that apply under state ethics laws, Fishery Management Council regulations provide that you cannot:

- pay, offer, promise, solicit, or receive from any person, firm, or corporation a contribution of money or anything of value in consideration of either support or the use of influence or the promise of support or influence in obtaining for any person any appointive office, place, or employment under the Council;
- use or allow the use, for other than official purposes, of information obtained through or in connection with your Council service that has not been made available to the general public;
- engage in criminal, infamous, dishonest, notoriously immoral, or disgraceful conduct;
- use Council property for other than official business;
- participate personally and substantially in a matter primarily of individual concern; or
- participate in any matter of general public concern that is likely to have a direct and predictable effect on your financial interests.

*Prepared by the Ethics Law and Programs Division, Office of the Assistant General Counsel for Administration, United States Department of Commerce – 202-482-5384 – [ethicsdivision@doc.gov](mailto:ethicsdivision@doc.gov) – January 2, 2015*