

PRE-COMPLAINT DISPOSITION AGREEMENT

This Agreement, made this 20th day of April, 2022, by and between Michael W. Burns, Executive Director, Maryland Uninsured Employers' Fund, and Katherine P. Thompson, Staff Counsel to the State Ethics Commission (hereinafter "Staff Counsel").

The State Ethics Commission ("the Commission") is the executive agency of the State of Maryland established by Chapter 513, Acts 1979 for the purpose of enforcing the Maryland Public Ethics Law (General Provisions Article, Title 5, Annotated Code of Maryland), (hereinafter "the Ethics Law") including the provisions of Subtitle 5, Conflicts of Interest.

AGREED STATEMENT OF FACTS

1. Michael W. Burns was, at all times relevant to this matter, employed as the Executive Director of the Maryland Uninsured Employers' Fund ("UEF"), an independent agency of the State of Maryland, and is a public official of the State subject to the financial disclosure and conflicts of interest provisions of the Ethics Law.
2. CorVel Corporation ("CorVel") is a national third-party provider of risk management solutions and an entity that has a contractual business relationship with UEF to investigate, process, and manage workers' compensation claims since September 2017.
3. From October 9-12, 2019, Mr. Burns attended CorVel's annual National Workers Compensation and Disability Conference in Nashville, Tennessee.
4. Mr. Burns was offered and accepted CorVel's payment of his meal, lodging, and event related expenses to attend the conference. Mr. Burns was provided with three nights of accommodation at the Thompson Nashville hotel at the rate of \$329.00 per night, and tickets to dinner events such as the Grand Ole Opry show for \$360.00 and the Country Music Hall of Fame for \$200.00. These expenses totaled \$1,547.00.
5. On March 2, 2020, Mr. Burns reported CorVel's payment of his expenses as gifts on his 2019 Financial Disclosure Statement.
6. On September 21, 2021, the Commission received a referral from the Office of Legislative Audits ("OLA"), concerning a potential gift violation of the Ethics Law reported by Mr. Burns on his 2019 Financial Disclosure Statement during its fiscal compliance audit of UEF for the period of November 28, 2016 through November 30, 2020. In response to the information provided by OLA, the Commission placed this

matter on the docket at its meeting on January 6, 2022, and directed Staff Counsel to conduct a preliminary inquiry.

7. On November 11, 2021, and prior to a written query from Staff Counsel concerning his gift disclosures, Mr. Burns wrote CorVel a letter and enclosed a reimbursement check in the amount of \$1,547.00 as payment for the expenses related to his attendance at the conference.

8. Section 5-505 of the Public Ethics Law prohibits an official or employee from knowingly soliciting or accepting a gift, directly or indirectly, from an entity that the official or employee knows or has reason to know does or seeks to do any business of any kind, regardless of amount, with the official's or employee's government unit.

9. Section 5-505(c)(2)(vi) of the Public Ethics Law allows for the acceptance of reasonable expenses for food, travel, lodging, and scheduled entertainment by an official or employee in return for participation on a panel or a speaking engagement at a meeting. However, Mr. Burns did not meet this exception.

10. Mr. Burns has been forthright in his cooperation of Staff Counsel's review of this matter.

11. Mr. Burns is voluntarily entering into this Agreement to admit certain violations of the Ethics Law, to accept certain sanctions, and to resolve the matter now pending against him without the issuance of a complaint and a hearing before the Commission.

12. Mr. Burns has been represented throughout these proceedings by counsel, Timothy F. Maloney, Esquire, Joseph, Greenwald & Laake, P.A., as indicated by his signature on this Agreement.

NOW THEREFORE, in consideration of the agreed facts contained herein, and effective on the date of the Commission's acceptance of the terms of this Agreement, Michael W. Burns and Katherine P. Thompson, Staff Counsel, agree as follows:

- A. That Mr. Burns admits that by accepting CorVel's payment of his expenses he violated the Ethics Law, specifically Section 5-505 which prohibits gifts from entities doing business with an official's or employee's government unit.
- B. That Mr. Burns reported the expenses paid for by CorVel as gifts on his Financial Disclosure Statement and reimbursed CorVel the full cost of the expenses in the amount of \$1,547.00.
- C. That the Commission will transmit a copy of this Agreement to the Governor and to the UBF Board.

- D. That Mr. Burns waives any formal proceedings and hearing in this matter (if the Commission accepts the Agreement) and agrees that acceptance of this Agreement by the Commission constitutes a final action and finding of violation by the Commission.
- E. That Mr. Burns further agrees that this Agreement and materials related to this matter are not subject to the confidentiality provisions of the Ethics Law and will be public information unless otherwise protected.
- F. That upon execution of this Agreement by Mr. Burns, Staff Counsel will recommend that the Commission suspend any further proceedings against Mr. Burns. Should Mr. Burns fail to comply with the terms of this Agreement, and after written notice is issued to him, the Commission reserves the right to open an investigation and issue a complaint for violation of Sections 5-505 of the Ethics Law.
- G. That in the event that the Commission declines to accept this Agreement, both Mr. Burns and Staff Counsel are relieved of their respective obligations hereunder, and neither this Agreement, nor any admission it may contain, shall be admissible in any subsequent proceeding by the Commission.
- II. That Mr. Burns and Staff Counsel are entering into this Agreement for the sole purpose of resolving the matters involved in the Commission's preliminary inquiry matter and for no other purpose.

IN WITNESS WHEREOF, Michael W. Burns and Katherine P. Thompson, Staff Counsel, State Ethics Commission, have hereunto set their hands.

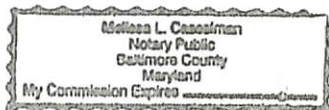
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[Redacted]
Michael W. Burns
UEF

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Joseph, Greenwald & Laake, P.A.
6404 Ivy Lane, Suite 400
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State of Maryland
County of Baltimore, to wit:

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared Michael W. Burns, who made oath in due form of law on this 6th day of April, 2022, that the matters and facts hereinabove set forth in this Agreement are true to the best of his knowledge, information and belief, that it is his voluntary act and that he executed this document for the purposes set forth herein.



[Redacted Signature]
Notary Public

My Commission Expires: 10/8/25

(Notary Seal)



State of Maryland,
County of Anne Arundel, to wit:

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared Katherine P. Thompson, Staff Counsel to the State Ethics Commission, who made oath on this 20th day of April, 2022, in due form of law that she executed this Agreement for the purposes therein contained.

[Redacted Signature]
Notary Public

My Commission Expires: June 20, 2025

(Notary Seal)



Accepted by the Commission

[Redacted Signature]
Janet E. McHugh, Chair
for the Commission

Date: April 20, 2022