

RECEIVED

PRE-COMPLAINT DISPOSITION AGREEMENT

FEB 21 2013

This Agreement, made this 21 day of February, 2013, by and between Joseph E. Seitz and William J. Colquhoun, Esq., 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 (State of Government Article, Title 15, Annotated Code of Maryland) including the provisions of Subtitle 5, Conflicts of Interest.

AGREED STATEMENT OF FACTS

1. Joseph E. Seitz was an employee of the Maryland Transit Administration ("MTA"), an executive agency of the State of Maryland, prior to his termination on December 1, 2012, and was subject to the conflict of interest provisions of the Public Ethics Law. At all times relevant to this matter, Mr. Seitz was employed as the Director of the Office of Training and Development.¹
2. Mr. Seitz' spouse has a financial interest in a publishing business based in his home. Mr. Seitz has disclosed his spouse's interest in the business since its inception in 2003 on his annual financial disclosure statements.
3. In his capacity as Director of the Office of Training and Development, Mr. Seitz' duties included responsibility for training programs which ensure the safety of all contracted rail workers and municipal fire and police agencies that may be required to access MTA facilities and rails. As such, in May 2011, MTA entered into a contract with Towson University to create a training program for first responders. Mr. Seitz participated in the contract on behalf of the MTA with full knowledge that his wife's business was a third-tier contractor involved in producing the training program.
4. The Commission has not previously issued a complaint against Mr. Seitz.
5. Section 15-501(a)(2)(ii)(2) of the Public Ethics Law prohibits a State employee or official from participating in a matter which involves the employer of a qualifying relative. Section 15-102(gg) of the Public Ethics Law defines "qualifying relative" as a spouse, parent, child, brother or sister.
6. Section 15-502(b)(1)(ii) of the Public Ethics Law prohibits a State employee from holding a financial interest in an entity that subcontracts on a contract with the employee's governmental unit. "Financial interest" is defined in § 15-102(n) as ownership of more than 3% of a business entity by an official, employee or the

¹ On May 31, 2012, Mr. Seitz assumed the position of Customer Services Manager, MARC Commuter Train.

spouse of an official or employee. Mr. Seitz' spouse owns more than 3% of the publishing business.

7. The Commission, through its published opinions, has defined "participate" as participating as a State officer or employee in any proceeding, disapproval, decision, recommendation, the rendering of advice, investigation or otherwise and "matter" as "any proceeding, application, submission, request for ruling or other determination, contract, claim, case or other such particular matter" (Opinion No. 80-17). Section 15-102(t) of the Public Ethics Law defines an "interest" as "a legal or equitable economic interest that is owned or held wholly or partly, jointly or severally, or directly or indirectly, whether or not the economic interest is subject to an encumbrance or condition."
8. Mr. Seitz is voluntarily entering into this agreement to admit certain violations of the Public 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.

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, Joseph E. Seitz and William J. Colquhoun, Staff Counsel, agree as follows:

A. That Mr. Seitz' participation in matters relating to his wife's business between May 2011 and May 2012 violated § 15-501(a)(2)(ii)(2) of the Public Ethics Law.

B. That Mr. Seitz violated § 15-502(b)(1)(ii) of the Public Ethics Law by holding an attributable financial interest in an entity that subcontracted on a contract with his governmental unit.

C. That Mr. Seitz understands that violations of the conflict of interest provisions of the Public Ethics Law may result in civil fines pursuant to § 15-902 of the Public Ethics Law.

D. Mr. Seitz agrees to pay, in lieu of potential fines, the sum of \$1,000.00 for the above admitted violations of the law, and that said sum will be paid by check or money order made payable to the State of Maryland in care of the State Ethics Commission on or before March 14, 2013. In the event that Respondent fails to pay the amount agreed to by March 14, 2013, Respondent agrees that the matter will be transferred to the Maryland State Central Collection unit for the purposes of collecting the monies owed.

E. That the Commission will issue a reprimand to Mr. Seitz effective the date of the Commission's acceptance of the Agreement.

F. That the Commission will transmit a copy of the Agreement to the Governor and the Administrator of the MTA.

G. That Mr. Seitz will continue to cooperate in this and other related matters being reviewed by the Commission.

H. That Mr. Seitz 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.

I. That Mr. Seitz further agrees that the Agreement and materials related to this matter are not subject to the confidentiality provisions of the Public Ethics Law and will be public information unless otherwise protected.

J. That upon execution of this Agreement by Mr. Seitz, Staff Counsel will recommend that the Commission suspend any further proceedings against Mr. Seitz. Should Mr. Seitz fail to comply with the terms of the 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 § 15-501(a)(2)(ii)(2) and § 15-502(b)(1)(ii) of the Public Ethics Law.

K. That in the event the Commission declines to accept the Agreement, both Mr. Seitz 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.

L. That Mr. Seitz 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, Joseph E. Seitz and William J. Colquhoun, Staff Counsel, State Ethics Commission, have hereunto set their hands.

SIGNATURE APPEARS ON ORIGINAL AGREEMENT

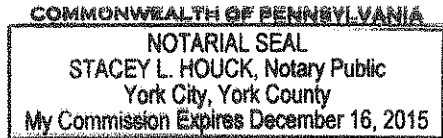
William J. Colquhoun, Staff Counsel
State Ethics Commission
45 Calvert Street, 3rd Floor
Annapolis, Maryland 21401
(410) 260-7770

SIGNATURE APPEARS ON ORIGINAL AGREEMENT

Joseph E. Seitz

Commonwealth of Pennsylvania
~~State of Maryland~~
County of: York, to wit:

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared Joseph E. Seitz, who made oath in due form of law on this day of February 15, 2013 that the matters and facts hereinabove set forth in the Pre-Complaint Disposition Agreement are true to the best of his knowledge, information and belief, it is his voluntary act and that he executed this document for the purpose set forth herein.



SIGNATURE APPEARS ON ORIGINAL AGREEMENT

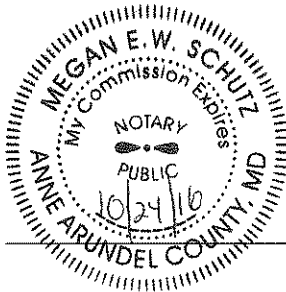
Notary Public

My Commission Expires: _____

(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 William J. Colquhoun, Staff Counsel to the State Ethics Commission, who made oath on this 25 day of February, 2013 in due form of law that he executed this agreement for the purposes therein contained.



SIGNATURE APPEARS ON ORIGINAL AGREEMENT

Notary Public

My Commission Expires: _____

(Notary Seal)

Accepted by the Commission
SIGNATURE APPEARS ON ORIGINAL AGREEMENT

Paul M. Vettori, Chair
for the Commission

Date: 3/14/13, 2013