

EXECUTIVE ORDER NO. 24

WHEREAS, all members of this administration must adhere to the highest ethical standards and conduct themselves in a manner that enhances public trust in government; and

WHEREAS, all public officials must avoid conduct that violates the public trust or creates an appearance of impropriety; and

WHEREAS, to further these goals persons serving in government should have the benefit of specific standards to guide their conduct; and

WHEREAS, ethical standards should be applied consistently to similarly situated officials in order to promote respect for those standards and provide for their enforcement; and

WHEREAS, public disclosure of personal financial interests of public officials serves to maintain the public's faith and confidence in its governmental representatives and guards against conduct violative of the public trust; and

WHEREAS, the current financial disclosure process must be reinforced and strengthened to ensure that financial disclosure requirements are applied to members of all State government boards, commissions, and other bodies that perform important governmental functions in areas such as regulation, policy-making, and the expenditure of public funds; and

WHEREAS, prior executive orders regarding ethics have been codified into statutory law; and

WHEREAS, the State Ethics Commission ("Ethics Commission"), has previously recognized that to alleviate a potential conflict of interest, a blind trust may be utilized in certain circumstances to erect a barrier between State officers and employees and their investments, so that such officers might be shielded from potential conflicts; and

WHEREAS, a public official's interest in any closely-held corporation that does business with governmental entities can raise the appearance of a potential conflict of interest; and

WHEREAS, the positions of Governor and Lieutenant Governor exist to serve the people of New Jersey in a manner that fosters public respect, trust, and confidence, and the adoption of a Code of Conduct for the Governor and the Lieutenant Governor, which provides a clear standard of conduct, will promote public trust and confidence; and

WHEREAS, it is important that the Ethics Commission be given clear and direct authority to enforce the provisions of this Order;

NOW, THEREFORE, I, CHRIS CHRISTIE, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

**I. PERSONAL FINANCIAL DISCLOSURE**

1. Every public employee and public officer, as such terms are defined in paragraph 6 of this section, shall file a sworn and duly notarized Financial Disclosure statement, or other such authentication as the Ethics Commission may require to facilitate electronic filing, which is current as of five days prior to the date of filing. Each statement shall include the following information:

a. The name and position of the public employee or public officer;

b. Any occupation, trade, business, profession or employment engaged in by the public employee or public officer, his or her spouse or domestic partner, partner in a civil union and dependent children;

c. (1) A list of all assets having a value of more than \$1,000, both tangible and intangible, in which a direct or indirect interest is held (as of the statement date) by the public employee or public officer, his or her spouse or domestic partner, partner in a civil union and dependent children. Where stocks and bonds are involved, there shall be included the name of the company, mutual fund, holding company or government agency issuing them (whenever such

interest exists through ownership in a mutual fund or holding company, the individual stocks held by such mutual fund or holding company need not be listed; whenever such interest exists through a beneficial interest in a trust, the stocks and bonds held in such trust shall be listed only if the public employee or public officer has knowledge of what stocks and bonds are held). Where more than 10 percent of the stock of the corporation is held, the percentage of ownership shall be stated. The list shall include any direct or indirect interest, whether vested or contingent, in any contract made or executed by a government instrumentality. In the case of real estate interests, there shall be given the location, general nature and acquisition date of any real property in New Jersey in which any direct, indirect, vested or contingent interest is held, together with the names of all individuals or entities who share a direct or indirect interest therein and the name of any government instrumentality that is a tenant of such property or that has before it an application, complaint or proceeding directly affecting such property.

(2) The value of assets of a public employee and his or her spouse, domestic partner, or partner in a civil union shall be listed according to the following value categories:

- (a) greater than \$1,000 but not more than \$5,000;
- (b) greater than \$5,000 but not more than \$25,000;
- (c) greater than \$25,000 but not more than \$50,000;
- (d) greater than \$50,000 but not more than \$100,000;
- (e) greater than \$100,000 but not more than \$250,000;
- (f) greater than \$250,000 but not more than \$500,000;
- (g) greater than \$500,000.

These assets shall be valued as of the statement date; provided, however, that when the value cannot be determined as of that date, a separate valuation date shall be specified for the particular asset.

(3) The value of assets of (a) the dependent children of a public employee or (b) a public officer, his or her spouse, domestic partner or partner in a civil union and dependent children need not be disclosed unless specifically requested by the Governor or the Ethics Commission.

d. (1) A list of all liabilities of the public employee or public officer, his or her spouse, domestic partner, or partner in a civil union and dependent children, except liabilities which are:

(a) less than \$10,000 and owed to a relative as defined in paragraph 6 of this section;

(b) less than \$1,000 and owed to any other person;

(c) loans secured by a personal motor vehicle, household furniture or appliances where the loan did not exceed the purchase price of the item and the outstanding balance did not exceed \$10,000 as of the close of the preceding calendar year; and

(d) revolving charge accounts where the outstanding liability does not exceed \$10,000 as of the close of the preceding calendar year.

(2) The value of liabilities shall be listed by category in the same manner as required by paragraph 1(c)(2) above. However, the value of the liability of a dependent child of a public employee or public officer need not be disclosed unless specifically requested by the Governor or the Ethics Commission.

e. A list of all liabilities otherwise subject to disclosure pursuant to paragraph (d) above of the public employee or public officer, his or her spouse or domestic partner, partner in a civil union and dependent children which have been forgiven by the creditor within 12 months of the statement date. For each such

forgiven liability so listed, the name of the creditor to whom such a liability was owed shall be stated;

f. A list of all sources of income of the public employee or public officer, his or her spouse or domestic partner, partner in a civil union and dependent children, including all compensated employment of whatever nature, all directorships or other fiduciary positions for which compensation has or will be claimed, all capital gains including a description of the individual sources of such gains, all contractual arrangements producing or expected to produce income, and all honoraria, lecture fees, gifts and other gratuities (cash or non-cash), and other miscellaneous sources of income including, but not limited to, interest, dividends, royalties and rents. Statements filed before July 1 of any year shall disclose sources of income for the preceding calendar year. Statements filed after July 1 of any year shall provide this information for the twelve-month period immediately preceding the filing date. The amount of such income received shall be listed and valued by category in the same manner of assets as set forth in paragraph c(1) through c(3) above. However, the amount of income of (1) the dependent children of a public employee, or (2) a public officer, his or her spouse, domestic partner or partner in a civil union and dependent children need not be disclosed unless specifically requested by the Governor or the Ethics Commission. Sources of income that are not required to be reported are:

(1) cash gifts in an aggregated amount of less than \$100 received during the preceding twelve months from a person;

(2) non-cash gifts with an aggregated fair market value of less than \$200 received during the preceding twelve months from a person; and

(3) gifts with an aggregated cash or fair market value of less than \$3,000 received during the preceding twelve months from a relative as defined in paragraph 6 of this section.

g. A list of any offices, trusteeships, directorships or positions of any nature, whether compensated or uncompensated, held by

the public employee or public officer, his or her spouse or domestic partner, partner in a civil union and dependent children with any firm, corporation, association, partnership or business. If any firm, corporation, association, partnership or business does business with or is licensed, regulated or inspected by a State agency or does business with a casino license holder or applicant, the State agency, casino or applicant must be identified.

2. Each statement shall contain a certification by the public employee or public officer that he or she has read the statement, that to the best of his or her knowledge and belief it is true, correct and complete and that he or she has not transferred and will not transfer any asset, interest or property for the purpose of concealing it from disclosure while retaining an equitable interest therein.

3. a. Within 120 days from the effective date of this Order, each public employee and public officer who has not already done so shall file the signed and notarized statement required herein or other such authentication as the Ethics Commission may require to facilitate electronic filing with the Ethics Commission. In furtherance of its duties under the Conflicts of Interest Law, N.J.S.A. 52:13D-12 et seq., and pursuant to this Executive Order, the Ethics Commission shall review each statement to determine its conformity with the provisions of this Order and other applicable provisions of the law. Upon approving such a statement for filing, the Commission shall file and maintain a copy of it for public inspection and copying in accordance with the procedures set forth in N.J.S.A. 47:1A-1 et seq. and shall post the statement on its website pursuant to N.J.S.A. 52:13D-21(n);

b. Each person who becomes a public employee or public officer after the effective date of this Order shall satisfy the filing requirements of this Order within 120 days of assuming office or commencing employment, unless the Ethics Commission or its staff grants to such public employee or public officer an extension from the

filing deadline. Such an extension shall not be granted more than twice and shall not be for more than 30 days each;

c. Updated statements shall be filed on the May 15 next succeeding the submission of the original statement and each May 15 thereafter provided, however that public employees and public officers who file statements on or after January 19, 2010 but prior to May 15, 2010 need not file an updated statement on May 15, 2010.

4. The Ethics Commission shall keep the approved statements on file for so long as the person submitting such statements is a public employee or public officer of this State, and for five years thereafter.

5. The Ethics Commission shall have the primary responsibility for assuring the proper administration and implementation of this Order and shall have the power to perform acts necessary and convenient to this end, including, but not limited to, preparing and distributing forms and instructions to be utilized by public employees and public officers in complying with this Order.

6. Except as otherwise herein provided, for purposes of this section:

a. "Public employee" shall mean any person holding any of the following offices in the Executive Branch of the State Government, together with any equivalent offices added to such a list by subsequent written determination of the Governor with notice to the persons affected:

- (1) The Governor;
- (2) The Lieutenant Governor;
- (3) The head of each principal department;
- (4) The chiefs of staff and assistant or deputy heads of each principal department to include all assistant and deputy commissioners of such departments;
- (5) The head and the assistant heads of a division of each principal department, or any person exercising substantially

similar authority for any board or commission which is organized as in but not of a principal department or any independent authority;

(6) The executive or administrative head and assistant heads of:

(i) any board or commission which is organized in but not of a principal department or

(ii) any independent authority;

(7) The following members of the staff of the Office of the Governor:

(i) Chief of Staff;

(ii) Chief Counsel to the Governor;

(iii) Director of Communications;

(iv) Deputy Chiefs of Staff;

(v) Deputy Chief Counsel;

(vi) Director of the Authorities Unit;

(vii) Appointments Counsel;

(viii) Director of Operations; and

(ix) Any deputy or principal administrative assistant to any of the foregoing members of the staff of the Office of the Governor;

(8) Chief Executive Officers and Deputy Chief Executive Officers of the psychiatric hospitals and developmental centers administered by the Department of Human Services;

(9) Members of the State Board of Agriculture;

(10) Members of the State Board of Education;

(11) Members of the State Board of Public Utilities;

(12) Members of the State Parole Board;

(13) Presidents of the State Colleges and Universities;

and

(14) the State Comptroller

b. "Public officer" shall mean:



(1) the members of the following boards, commissions, independent authorities and public corporations, together with any other equivalent offices or bodies and such other offices or bodies added to such list by subsequent determination of the Governor:

- (i) Agricultural Development Committee;
- (ii) Atlantic City Convention Center Authority;
- (iii) Capital City Redevelopment Corporation;
- (iv) Casino Reinvestment Development Authority;
- (v) Catastrophic Illness in Children Relief Fund;
- (vi) Civil Service Commission;
- (vii) Commission on Higher Education;
- (viii) Commission on Spinal Cord Research;
- (ix) Council on Affordable Housing;
- (x) Development Authority for Small Business, Minorities and Women Enterprises;
- (xi) Educational Facilities Authority;
- (xii) Election Law Enforcement Commission;
- (xiii) Garden State Preservation Trust;
- (xiv) Government Records Council;
- (xv) Governor's Council on Alcoholism and Drug Abuse;
- (xvi) Health Care Administration Board;
- (xvii) Health Care Facilities Financing Authority;
- (xviii) Higher Education Student Assistance Authority;
- (xix) Highlands Water Protection and Planning Council;
- (xx) Individual Health Coverage Board;
- (xxi) Local Finance Board;
- (xxii) Motor Vehicle Commission;
- (xxiii) New Jersey Building Authority;

- (xxiv) New Jersey Commission on Brain Injury Research;
- (xxv) New Jersey Commission on Science and Technology;
- (xxvi) New Jersey Council on Developmental Disabilities;
- (xxvii) New Jersey Cultural Trust;
- (xxviii) New Jersey Economic Development Authority;
- (xxix) New Jersey Historic Trust Commission;
- (xxx) New Jersey Housing and Mortgage Financing Agency;
- (xxxi) New Jersey Marine Science Consortium;
- (xxxii) New Jersey Meadowlands Commission;
- (xxxiii) New Jersey Public Broadcasting Authority;
- (xxxiv) New Jersey Racing Commission;
- (xxxv) New Jersey Real Estate Commission;
- (xxxvi) New Jersey Redevelopment Authority;
- (xxxvii) New Jersey Sports and Exposition Authority;
- (xxxviii) New Jersey State Council on the Arts;
- (xxxix) New Jersey Technology Governing Board;
- (xl) New Jersey Transit Corporation;
- (xli) New Jersey Transportation Trust Fund Authority;
- (xlii) New Jersey Turnpike Authority;
- (xliii) New Jersey Urban Enterprise Zone Authority;
- (xliv) North Jersey District Water Supply Commission;
- (xlv) Office of Information Technology Governing Board;
- (xlvi) Passaic Valley Sewerage Commission;
- (xlvii) Passaic Valley Water Commission;
- (xlviii) Pinelands Commission;
- (xlix) Public Employment Relations Commission;

- (1) School Ethics Commission;
- (li) Schools Construction Corporation;
- (lii) Shell Fisheries Council;
- (liii) Small Employer Health Benefits Program;
- (liv) South Jersey Port Corporation;
- (lv) South Jersey Transportation Authority;
- (lvi) State Athletic Control Board;
- (lvii) State Board of Mediation;
- (lviii) State Economic Recovery Board for Camden;
- (lix) State Ethics Commission;
- (lx) State Investment Council
- (lxi) State Lottery Commission;
- (lxii) State Planning Commission;
- (lxiii) Tidelands Resource Council;
- (lxiv) Urban Development Corporation;
- (lv) Wastewater Treatment Trust; and
- (lvi) Water Supply Authority.

(2) The members of the governing boards of State Colleges and Universities.

(3) Individuals appointed as a New Jersey member to the following agencies:

- (i) Atlantic Interstate Low-Level Radioactive Waste Management Compact;
- (ii) Atlantic States Marine Fisheries Commission;
- (iii) Clean Ocean and Shore Trust Committee;
- (iv) The Delaware River and Bay Authority;
- (v) Delaware River Basin Commission;
- (vi) Delaware River Joint Toll Bridge Commission;
- (vii) Delaware River Port Authority;
- (viii) Delaware Valley Regional Planning Commission;

- (ix) Interstate Environmental Commission;
- (x) Palisades Interstate Park Commission;
- (xi) Port Authority of New York and New Jersey;
- (xii) Waterfront and Airport Commission of New York and New Jersey.

c. "Government instrumentality" shall mean the Legislative, Judicial, and Executive Branches of State government including any office, department, division, bureau, board, commission, council, authority or agency therein and any county, municipality, district, public authority, public agency or other political subdivision or public body in the State;

d. "State agency" shall mean any of the principal departments in the Executive Branch of State Government, and any division, board, bureau, office, commission, or other instrumentality within or created by such department, and any independent State authority, commission, instrumentality or agency;

e. "Relative" shall mean a spouse, domestic partner, partner in a civil union, son, daughter, grandson, granddaughter, father, mother, grandfather, grandmother, great-grandfather, great-grandmother, brother, sister, nephew, niece, uncle or aunt. Relatives by adoption, half-blood, marriage or remarriage shall be treated as relatives of the whole kinship.

f. "Domestic partner" shall mean "domestic partner" as defined in P.L. 2003, c. 246 (N.J.S.A. 26:8A-3).

g. "Partner in a civil union" shall mean partner in a "civil union" as defined in P.L. 2006 c.103 (N.J.S.A. 37:1-29).

7. The Governor may from time to time direct that the prohibition on outside earned income applicable to the Governor, Cabinet members and Cabinet-level appointees defined as a "designated State officer" pursuant to N.J.S.A. 52:13D-24(d) also be applied to additional positions in the Office of the Governor.

**II. BLIND TRUSTS**

1. For those situations where a blind trust may be utilized by a public employee or public officer, his or her spouse or domestic partner, partner in a civil union or dependent children, and approved by the Ethics Commission, such trust shall contain the following characteristics:

a. The trust shall not contain investments or assets in which the holder's ownership right or interest is required to be recorded in a public office or those assets whose permanency makes transfer by the trustee improbable or impractical; these investments or assets would include, but not be limited to, businesses, real estate, security interests in personal property and mortgages;

b. The trust shall contain a clear statement of its purpose, namely, to remove from the grantor control and knowledge of investment of trust assets so that conflicts between grantor's responsibilities and duties as a public employee or public officer and his or her private business or financial interests will be eliminated;

c. The trust shall be irrevocable, and shall be terminated only upon the death of the public employee or public officer or upon termination of his or her status as a public employee or public officer whichever shall first occur;

d. The trustee shall be directed not to disclose to the grantor any information about any of the assets in the trust;

e. The trustee shall be required either to:

(1) prepare and file the grantor's personal income tax returns, withholding from distribution of the trust's net income amounts sufficient to pay the grantor's tax; and further to participate in the audit of the grantor's returns during the period of the trust with authority to compromise the grantor's tax liability; or

(2) submit to the grantor, for income tax purposes, a certification of income paid without identifying the assets producing such income;

f. Among its other powers, the trustee shall have authority to determine whether any of the assets originally transferred to the trustee are to be sold and, if so, when;

g. A provision shall be included in the trust agreement prohibiting the trustee from investing the trust property in corporations or businesses which do a significant amount of business with the State of New Jersey or from knowingly making any investment in a corporation, business or venture over which the grantor has regulatory or supervisory authority by virtue of his or her official position;

h. The grantor shall retain no control over the trustee nor shall he or she be permitted to make any recommendations or suggestions as to the trust property;

i. The trustee may be a commercial trustee or a natural person;

j. The principal benefit to be retained by the grantor shall be the right to receive income from the assets transferred to the trust;

k. The trust shall not become effective until submitted and approved by the Ethics Commission; and

l. The trust agreement shall provide the trustee will give the Ethics Commission access to any records or information related to the trust which is necessary for the performance of the Commission's duties.

2. A copy of the executed blind trust agreement shall be filed with the Ethics Commission and with the head of the department in which the regular State employee holds his or her position. Attached to such copy shall be a brief statement outlining the business or financial interests from which the regular State employee seeks to remove himself or herself and the actual or potential conflicts of interest, or appearance of such conflicts, which he or she seeks to avoid by use of the trust agreement.

**III. INTERESTS IN CLOSELY-HELD CORPORATIONS OR SIMILAR ENTITIES**

1. a. No regular State employee who is required by law or Executive Order to submit a Financial Disclosure Statement to the Ethics Commission shall be permitted to retain any interest in any closely-held corporation, partnership, sole proprietorship, or similar business entity doing business with any New Jersey State, interstate or local government entity, except as provided in subparagraphs (b) and (c) below.

b. A person who, after this Order takes effect, becomes a regular State employee required by law or executive order to submit a Financial Disclosure Statement to the Ethics Commission and who retains any interest in any closely-held corporation, partnership, sole proprietorship, or similar business entity doing business with any New Jersey State, interstate or local government entity, shall disclose such interest in the employee's Financial Disclosure Statement. The Ethics Commission shall review this disclosure statement to determine whether the business entities in which the employee has an interest are engaged in government-related business within the meaning of this Executive Order, and whether the holdings are in compliance with the Conflicts of Interest Law, N.J.S.A. 52:13D-12 et seq. and this Executive Order. No later than 120 days from the Ethics Commission's receipt of the Financial Disclosure Statement, the Ethics Commission shall notify the employee of its findings. The employee shall be afforded 120 days after the date of notification to effectuate the orderly disposition of any asset, except as may be further extended by the Ethics Commission or to demonstrate to the Ethics Commission that the business entity has ceased to do business with a government entity in a manner prohibited by this Executive Order.

c. The provisions of subparagraphs (a) and (b) above shall not apply to any purchase, sale, contract or agreement with any government entity other than a State agency, which is made or awarded after public notice and competitive bidding as provided by the Local

Government Contracts Law, N.J.S.A. 40A:11-1 et. seq., or such similar provisions contained in other applicable public bidding laws or regulations, provided that any such purchase, sale, contract or agreement, including a change in orders and amendments thereto, shall receive the prior approval of the Ethics Commission. The provisions of subparagraphs (a) and (b) do apply where the purchase, sale, contract or agreement is authorized by any of the exceptions (e.g., professional or technical services, emergent matters, and unique compatibility) provided by the Local Government Contracts Law, N.J.S.A. 40A:11-1 et seq., or such similar provisions contained in other applicable public bidding laws or regulations.

2. a. No regular State employee or special State officer who is required by law or Executive Order to submit Financial Disclosure Statements to the Ethics Commission shall be permitted to retain any interest in any closely-held corporation, partnership, sole proprietorship, or similar business entity unless the Ethics Commission shall have first determined that the employee or officer may retain such an interest in such business entity.

b. A person who, after this Order takes effect, becomes a regular State employee or special State officer required by law or executive order to submit a Financial Disclosure Statement to the Ethics Commission and who retains any interest in any closely-held corporation, partnership, sole proprietorship, or similar business entity shall disclose such interest in the employee's or officer's Financial Disclosure Statement. The Ethics Commission shall review the disclosure statement and shall determine whether the employee or officer may retain such interest in the business entity consistent with the standards set forth in the Conflicts of Interest Law, N.J.S.A. 52:13D-12 et seq., and this Executive Order. The Ethics Commission shall notify the State employee or officer of its findings no later than 120 days from the Ethics Commission's receipt of the Financial Disclosure Statement. The employee or officer shall be afforded 120 days after the date of notification to effectuate the



orderly disposition of any asset or to demonstrate that the business entity has ceased the business activity in question.

3. The Ethics Commission shall review all financial disclosure statements as they may from time to time be submitted by regular State employees and special State officers to determine whether the covered persons have obtained ownership or interest in any assets that give rise to a present or potential conflict of interest, or present or potential appearance of conflict of interest, within the meaning of this Executive Order.

4. Each regular State employee or special State officer shall amend his or her financial disclosure statement within 30 days of gaining knowledge of (a) his or her, or his or her spouse's acquisition of any interest in any closely-held corporation, partnership, sole proprietorship or similar business entity; or (b) the commencement of any business activity covered by the provisions of this Executive Order and as determined by the Ethics Commission, including, for example, a change in business plan authorizing business activity with a New Jersey State, interstate or local government entity, by a business in which the officer or employee or the employee's or officer's spouse has an interest covered by this Executive Order.

5. Any regular State employee or special State officer subject to this Executive Order who acquires an interest prohibited under this Executive Order by way of inheritance, bequest or similar circumstances beyond his or her control shall follow the procedures for disclosure and disposition set forth in paragraphs 1 and 2 of section III of this Executive Order.

6. All required divestitures shall be subject to the following conditions:

a. Divestiture must occur within the time periods prescribed above, unless otherwise extended by the Ethics Commission.

b. Ownership or control of the asset may not be transferred to a member of the regular State employee's or special State officer's immediate family.

c. The terms and conditions of any conveyance of ownership and control of the asset shall not contain any provision regarding the return of the asset to the regular State employee or special State officer subsequent to his or her State service.

7. For the purpose of section II and section III of this Order:

a. "Member of the immediate family" shall mean a spouse, domestic partner, partner in a civil union, child, parent or sibling residing in the same household.

b. "Asset" shall mean property of any kind, real and personal, tangible and intangible, having a value greater than \$1,000.

c. "Interest" in a closely-held corporation, partnership, sole proprietorship or similar business entity shall mean any ownership or control of any profits or assets of such a business entity.

d. "Doing business" with any New Jersey State, interstate or local government entity shall mean business or commercial transactions involving the sale, conveyance or rental of any goods or services, and shall not include such activities as compliance with regulatory procedures.

e. "Regular State employee" shall have the same meaning as "State officer or employee" as set forth at N.J.S.A. 52:13D-13b, and "special State officer" shall have the same meaning as "Special State officer or employee" as set forth at N.J.S.A. 52:13D-13e.

f. "State agency" shall mean any of the principal departments of State government and any entity allocated therein in conformance with N.J. Const. (1947), Art. V, Sec. IV, par. 1.

g. "Domestic partner" shall mean "domestic partner" as defined in P.L. 2003, c. 246 (N.J.S.A. 26:8A-3).

**IV. CODE OF CONDUCT FOR THE GOVERNOR**

1. The Code of Conduct for the Governor recommended by the Advisory Panel, as established by prior executive orders, is hereby continued and shall be applied to the position of Governor and Lieutenant Governor. The Code of Conduct is set forth in Appendix A and incorporated herein.

2. There is hereby created an Advisory Ethics Panel composed of two public members appointed by the Governor, in consultation with the Chair of the Ethics Commission. In order to be appointed as a public member, an individual shall have served as either Chief Counsel to the Governor, as Attorney General, or as a Justice of the Supreme Court or a Judge of the Superior Court. The two public members shall be appointed for a term of three years, and shall hold office until their successors are appointed and have qualified. No more than one of the public members shall be from the same political party as the Governor.

3. The Advisory Ethics Panel shall be available to advise the Governor and the Lieutenant Governor regarding conflicts issues, application of the Governor's Code of Conduct, and any other related matters for which the Governor and the Lieutenant Governor requests advice.

4. The Governor and the Lieutenant Governor, the Governor's Chief Counsel or the Ethics Liaison Officer shall seek the advice of the Advisory Ethics Panel when there are questions concerning the propriety of the Governor's conduct under the Code. When requested by the Chief Counsel or Ethics Liaison Officer, the Advisory Ethics Panel shall issue a written determination, which shall be made publicly available.

5. The Governor and the Lieutenant Governor shall abide by the judgment of the Advisory Ethics Panel as to the propriety of his actions. In the event the Panel members cannot agree on the proper resolution of a particular issue presented to it, the Governor shall not engage in the proposed activity.

6. If a question is raised with regard to the propriety of the conduct of the Governor and the Lieutenant Governor, and the Advisory Ethics Panel was not consulted by the Chief Counsel or the Ethics Liaison Officer prior to the Governor or Lieutenant Governor engaging in such conduct, the Advisory Ethics Panel shall have the discretion to review the question and to issue a public determination. In such circumstances, if the Panel finds that the Governor's or the Lieutenant Governor's actions were in violation of the Code of Conduct for the Governor and the Lieutenant Governor, the Panel shall have the power to impose penalties, including monetary sanctions.

#### **V. ENFORCEMENT AND SANCTIONS**

1. The failure of any regular or special State employee or officer covered by this Executive Order to comply with the provisions of this Executive Order shall constitute good cause for his or her removal from employment or office.

2. The State Ethics Commission shall have the authority to enforce the terms of this Executive Order.

3. Every State department, board, commission, authority, agency and instrumentality shall appoint an individual to serve as an Ethics Liaison Officer. The Ethics Commission staff shall hold quarterly meetings with all ethics liaison officers to ensure that the requirements of the Conflict of Interest Law and this Executive Order are being understood and followed.

#### **VI. RESCISSION**

1. The following Executive Order is hereby superseded and rescinded and any regulations adopted and promulgated thereunder are hereby declared null and void: Executive Order No. 1 (2006).

**VII. EFFECTIVE DATE**

1. This Executive Order shall take effect immediately.

GIVEN, under my hand and seal this  
27th day of April,  
Two Thousand and Ten, and of the  
Independence of the United  
States, the Two Hundred and  
Thirty-Fourth.

[seal]

/s/ Chris Christie

Governor

Attest:

/s/ Jeffrey S. Chiesa

Chief Counsel to the Governor

## APPENDIX A

### CODE OF CONDUCT FOR THE GOVERNOR

#### I. PURPOSE

The Governor hereby adopts this Code to ensure public trust and confidence by providing a clear standard of conduct for the Governor.

#### II. STATEMENT OF POLICY

The position of Governor exists to serve the public in a manner that fosters the respect, trust, and confidence of the public.

This Code of Conduct prohibits conflicts that are substantial and material or that may bring the Governor into disrepute. This Code is not intended to be applied in a vacuum. To that end, it attempts to balance public perception with the practical realities of the position of Governor. This Code attempts to set a high standard of ethical behavior and provide clear-cut guidelines that accommodate the unique role of Governor as the head of State government, State's leading advocate, and head of a political party.

In any instance in which the Governor is not certain what the standard of conduct should be, he should consult the Advisory Ethics Panel, as established hereunder, as well as such members of his staff as he deems appropriate.

#### III. CODE OF CONDUCT

##### A. SOLICITATION AND RECEIPT OF GIFTS AND OTHER ITEMS

1. Except as otherwise provided herein or unless offered to the general public, the Governor shall not solicit, receive, or agree to receive, directly or indirectly, any compensation, reward, gift, favor, service, outside employment, offer of outside employment, preferential loans, services at preferential rates, discounts, gratuities, meals, lodging, travel expenses or anything of monetary value intended to influence him in the conduct of his public duties.
2. The Governor may accept gifts, favors, services, gratuities, meals, lodging or travel expenses from relatives or personal friends that are paid for with personal funds.
3. The Governor may accept gifts, favors, services, gratuities, meals, lodging or travel expenses that are paid for by a State Committee of a political party or similar entity.
4. The Governor may accept and personally retain a gift of minimal value tendered and received as a souvenir or mark of courtesy.
5. A tangible gift of greater than minimal value is deemed to have been accepted on behalf of the State of New Jersey and, on acceptance, shall become the property of the State of New Jersey.

The Governor may retain such gifts during the period of his incumbency. At the conclusion of the Governor's final term, such gifts shall be delivered to the State Museum, for appropriate disposition. Alternatively, the Governor may purchase any or all such gifts at fair market value.

6. For the purposes of this section, minimal value is deemed to be \$285, to be adjusted in accordance with the Federal Gift and Decorations Act.

#### B. ATTENDANCE AT EVENTS AND FUNCTIONS

1. The Governor may attend any function and accept food and beverages and related privileges if his attendance at the event furthers a public purpose.

2. The Governor may attend any event or function as official business if the Governor's attendance is paid for by the State.

3. The Governor may attend an event or function paid for by a State Committee or other similar entity.

4. The Governor may attend events or functions other than events or functions open to the general public. Examples of such events or functions include a conference, ground-breaking, ribbon-cutting, meal, open house, cocktail party, fundraiser, holiday party, social or business function.

5. The Governor may attend any event or function paid for with personal funds.

#### C. ADVOCACY / ENDORSEMENTS

The Governor is permitted to advocate the interests of public and private groups other than the State if doing so promotes a legitimate public purpose.

#### D. TRAVEL AND LODGING

1. State payment of travel, including actual transportation and related lodging and subsistence, that is reasonably related to a governmental purpose is permissible. Any private reimbursement of such expenses, unless otherwise exempted herein, shall be made to the State.

2. With the approval of the Ethics Liaison Officer, the Governor may accept reimbursement of actual expenses for travel, lodging and meals in connection with private speeches or published works on matters within the scope of the Governor's official duties, for which reimbursement is not sought or received from the State.

3. The Governor may accept travel and related expenses provided by a government, a governmental agency, a foreign government, a governmental authority, a bona fide public or private educational institution, a nonprofit organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, or by a person outside the United States which

substantially satisfies the requirements for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

4. For purposes of this section, a gift of travel does not include travel that is paid from campaign funds, or that is an in-kind political contribution.

#### E. DE FACTO HEAD OF POLITICAL PARTY

The Governor's status as de facto head of his political party is intertwined with his public responsibilities as Head of the State government. The Governor may act in a partisan political role, identify himself as Governor in that capacity, endorse political candidates, attend political events and raise and accept political contributions in accordance with governing campaign contribution laws.

#### F. CONFLICTS AND APPEARANCES OF CONFLICTS

1. The Governor shall not engage in conduct that constitutes a conflict of interest. A conflict of interest is defined as use by the Governor of the authority of his office or of any confidential information received through his holding public office for the private pecuniary benefit of himself, a member of his immediate family, or a business in which he or a member of his immediate family has a financial interest. For purposes of this section, a "financial interest" means (a) the ownership or control of more than 10% of the profits or assets of a firm, association, or partnership, or more than 10% of the stock in a corporation for profit other than a professional service corporation organized under the "Professional Service Corporation Act," P.L. 1969, c. 232 (C. 14A:17-1 et seq.); or (b) the ownership or control of more than 1% of the profits of a firm, association, or partnership, or more than 1% of the stock in any corporation, which is the holder of, or an applicant for, a casino license or in any holding or intermediary company with respect thereto, as defined by the "Casino Control Act," P.L. 1977, c. 110 (C. 5:12-1 et seq.). "Conflict" does not include:

- a. an action having a de minimis economic impact, or
- b. an action that affects to the same degree the Governor and members of the general public, or
- c. a circumstance where the Governor's action may impact the Governor or members of his immediate family in a manner different in degree than members of the general public where the action reasonably cannot be avoided under the doctrine of necessity, and where the action is preceded by public disclosure of the interrelationship of the proposed action and the personal interest of the Governor or his immediate family. Examples of such actions include instances where by operation of state or federal law, only the Governor can act, such as approval or disapproval of legislative enactments, nominations or appointments of State officers, or declaration of emergencies.

2. The Governor shall not solicit or accept anything of monetary value, including a gift, loan, political contribution, reward, or promise of future employment based on any understanding of



the Governor that the vote, official action, or judgment of the Governor would be influenced thereby.

3. The Governor shall not have any direct or indirect interest, financial or otherwise, or engage in any business or transaction or professional activity that is in substantial conflict with the proper discharge of the Governor's duties in the public interest.

4. The Governor shall not act in his official capacity in any matter wherein he has a direct or indirect personal financial interest that might reasonably be expected to impair his objectivity or independence of judgment except as herein provided.

5. The Governor shall not either personally or through any person or entity undertake or execute any contract, agreement, sale or purchase valued at \$25.00 or more with any State agency, except as otherwise provided in the Conflicts of Interest Law and approved by the Advisory Ethics Panel.

6. The Governor shall not undertake any outside employment; or any service, whether compensated or not, which might reasonably be expected to impair his objectivity and independence of judgment in the exercise of his official duties.

7. The Governor shall not accept any personal gift, favor, service or other thing of value under circumstances from which the Governor knows or has reason to believe that such personal gift, favor, service or other thing of value is offered with the intent to unduly influence him in the performance of his public duties or under circumstances from which it might be reasonably inferred that such gift, service or other thing of value was given or offered for the purpose of influencing the employee in the discharge of the employee's official duties.

8. The Governor shall not knowingly act in any way that might reasonably be expected to create an impression or suspicion among the public having knowledge of his official duties that he may be engaged in conduct inconsistent with this Code.

#### G. USE OF STATE INFORMATION, PROPERTY AND FUNDS, AND TITLE

1. Consistent with the other provisions of this Code, the Governor shall use the information, property and funds under his or her official control in accordance with prescribed procedures and not for personal gain or benefit.

2. Consistent with the other provisions of this Code, the Governor shall not use or disclose information not generally available to members of the public, which information he obtains during the course of his official duties, other than such use or disclosure connected with the Governor's official duties.

3. In recognition of the nature of the Office of Governor, the Governor generally shall not be restricted in the use of his official title, except that the Governor shall not use his official title for personal financial gain.

## H. SPECIAL CASINO, FINANCIAL DISCLOSURE AND RELATED CONSIDERATIONS

1. The Governor is subject to the statutory provisions concerning contemporaneous and post-State employment restrictions regarding casinos. The proscription is contained in N.J.S.A. 52:13D-17.2.
2. If the Legislature repeals or suspends N.J.S.A. 52:13D-17.2, in whole or in part, the companion sections of this Code shall, to the same extent, be deemed repealed or suspended and of no effect.
3. The Governor shall be subject to the Financial Disclosure requirements established by Executive Order.