January 12, 2026

Chairman Phil Mendelson
Committee of the Whole
Council of the District of Columbia
1350 Pennsylvania Avenue, NW
Washington, DC 20004

Dear Chairman Mendelson and Committee of the Whole Members:

Campaign Legal Center ("CLC") respectfully submits this testimony to the Committee of the Whole for the Council for the District of Columbia ("Committee") in opposition to Bill 26-325. The proposed bill effectively bans the Board of Ethics and Government Accountability ("BEGA") from determining whether certain government employees involved in contracting, procurement, grants, and similar financial decisions must file public financial disclosure statements. As described in detail below, Bill 26-325 undermines the District's ethics laws and conceals potential conflicts of interest from the public.

District residents have a right to know whether government employees have financial interests that conflict with their obligations to serve the public. Such conflicts of interest are particularly harmful when government employees influence substantial financial decisions involving taxpayer funds. Although very limited exceptions may be needed for financial disclosure requirements, Bill 26-325 acts as an axe where a scalpel is needed. Ethics laws should carefully provide effective ways for ethics enforcement bodies to review the financial interests of new filers and identify potential conflicts of interests, not ban the designation of new financial disclosure filers altogether.

CLC is a nonpartisan non-profit organization located in the District and dedicated to supporting ethics laws across the country that adequately protect the public's confidence in the integrity of government institutions. Based on our expertise of the national ethics landscape, BEGA is a model agency that embodies

best practices for ethics commissions.[1] CLC is concerned that this particular effort to weaken the office appears unprecedented nationwide. As a result, the purpose of this testimony is to inform the Committee of the bill's negative consequences and to urge the Committee to preserve BEGA's ability to fulfill its critical mission.

I. The Government Ethics Act Authorizes BEGA to Enforce Conflict of Interest Rules by Administering Financial Disclosure Requirements

Proposed Bill 26-325 would eliminate BEGA's authority to designate public financial disclosure filers, removing an essential function BEGA needs to fulfill its mission. The Government Ethics Act of 2011 (the "Government Ethics Act"), established BEGA to, *inter alia*, "[a]dminster and enforce the Code of Conduct."[2] The Code of Conduct prohibits government employees from using their official positions in a manner that has an "effect on the employee's financial interests or financial interests of a person closely affiliated with the employee."[3] Therefore, in order to perform its role, administering and enforcing the Code of Conduct, BEGA must be able to identify potential conflicts of interests that may arise from an employee's financial interests.

BEGA was intended to have full authority to rely on its expertise to identify government officials with a higher risk of conflicts of interest based on their position. The D.C. Code states that a government employee required to file public financial disclosures includes "any additional employees designated by rule by the Board of Ethics and Government Accountability who make decisions or participate substantially in areas of contracting, procurement, administration of grants or subsidies, developing policies, land use planning, inspecting, licensing, regulating, or auditing, or act in areas of responsibility that may create a conflict of interest or appearance of a conflict of interest."[4]

This provision enables BEGA to serve its purpose of administering and enforcing the conflict of interest provision of the Code of Conduct by requiring certain individuals to publicly reveal financial interests that could possibly conflict with their official duties. Any restriction on that authority also restricts BEGA's ability to perform its intended purpose.

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[1] BEGA has been featured in a CLC report designed to inform ethics commissions across the country about best practices. *See* Campaign Legal Center, *Top Ten Training Upgrades for Ethics Commissions*, https://campaignlegal.org/sites/default/files/2023-11/CLC_2023_EthicsReport_Final.pdf.

[2] Code of the District of Columbia § 1–1162.02(a)(1).

[3] Code of the District of Columbia § 1–1162.23(a).

[4] Code of the District of Columbia § 1–1161.01(47)(I).

II. Bill 26-325 Undermines the Government Ethics Act and Creates a Transparency Gap with Undisclosed Conflicts of Interests

On its face, Bill 26-325 simply strikes one clause of the Government Ethics Act, but in fact it eviscerates a vital function of BEGA. By removing BEGA's ability to use the rulemaking process to designate new public filers, the proposed bill creates a transparency vacuum: individuals can enter government with undisclosed conflicts of interest. This overbroad approach harms the public interest in at least two ways.

First, it harms the public's reliance on financial disclosures for awareness of potential conflicts of interest. Part of BEGA's core mission is to mitigate conflicts of interests that impede government officials from faithfully serving the public interest. The initial step to mitigate conflicts of interest is to expose potential conflicts through financial disclosure requirements. As a result, the designation of who is required to file such public reports determines the degree of visibility that the public and BEGA have into potential ethics violations.

Second, it harms the public's expectation that government employees will comply with ethics laws. Sufficient ethics compliance, including proper recusals, is less likely without robust financial disclosure from government employees. Financial disclosures support compliance because transparency promotes accountability: government officials are less likely to compromise the public's trust when they know the public is aware of their potential conflicts with certain third parties. The public transparency provided by financial disclosures also serves as a deterrent to those potential employees whose conflicts would make impartial public service an impossibility.

Overall, Bill 26-325 unnecessarily hides information from the public, building distrust in government without any significant benefit to the public. Not only could this transparency gap attract individuals to public service who will not prioritize the public interest, but it could also allow them to remain in government with significant undetected ethics violations.

III. The Committee Should Consider Alternatives to Bill 26-325

CLC strongly encourages the Committee to consider alternative ways of addressing any perceived problems with BEGA's authority to designate public financial disclosure filers. Often, opponents of expanded financial disclosure requirements fear a possible chilling effect on the government's ability to attract and appoint qualified individuals, who may believe financial disclosure reporting is burdensome and a threat to their privacy. If supporters of Bill 26-235 are concerned that filing financial disclosure forms creates an undue burden on volunteer board and commission members and complicates recruitment efforts, there are other

options that address these issues while keeping BEGA's essential financial disclosure functions intact.

While alternatives to the current system could certainly alleviate the concerns raised by expanded disclosure requirements, it is important to step back and assess the validity of those concerns. Most significantly, it should not be considered an undue burden for any volunteer to complete the same financial disclosure statements that other public officials are required to file, because the volunteers are subject to the exact same conflict of interest laws as paid public officials.[5] A person who has financial interests that are so voluminous that it is burdensome to reveal them is also a person at a higher risk of having conflicts of interest with public service. Moreover, if a person opposes disclosure because it is their private information, one may draw the reasonable conclusion that their personal privacy concerns do not align with public service. In these cases, the financial disclosure requirement may serve as a deterrent for someone who is not well suited for public service, or who seeks to enter public service for their personal gain.

A. Limited Exemptions and Confidential Filers

One alternative is to allow more confidential disclosure filers. Any designated public filer with good cause can disclose information confidentially to BEGA by seeking an exemption.[6] Instead of the overbroad Bill 26-325, the Committee can seek an expansion of good cause confidentiality for filers, particularly if there is evidence of harm caused by certain volunteer board and commission member public disclosure that outweighs the public interest.

For example, volunteers with needed expertise in the private sector routinely serve in the federal government, occasionally for a limited period of time. Similar concerns arise that it may be overburdensome to require financial disclosures from these volunteers, but it has been established that this concern is outweighed by the public interest in public service free from conflicts of interest. As a result, federal law provides that these volunteers (*i.e.*, special government employees) disclose their financial interests confidentially to the Office of Government Ethics, which then advises the official on how to avoid conflicts of interest.[7] Multiple high-profile examples of this occurred in 2025, when the world's richest person and other volunteers with extensive financial interests entered public service.

[5] Code of the District of Columbia § 1–319.03(a).
[6] Code of the District of Columbia § 1-1162.24(a)(2).
[7] 18 U.S.C. § 202(a); 5 C.F.R. § 2634.904(a)(2).

B. Revised Filer Designation Process

Another option is to create an alternative process for designating financial disclosure filers. Even if the Committee believes that BEGA's rulemaking process is not the best method for determining new public financial disclosure filers or does not provide sufficient rationale for its decision-making, the Committee can refine the process instead of leaving the government without any mechanism for designating new filers. Other jurisdictions have varying methods of determining who are filers of public financial disclosures, and those processes could be instructive for the District's government. At this juncture, however, cutting the jurisdiction's independent ethics agency out of the process entirely would be a blow to transparency and accountability.

No matter which method is used, the objective is to enable the addition or deletion of public filers, recognizing that flexibility is needed. Bill 26-325 seems to abruptly remove the authority of BEGA to designate filers without anticipating that this authority must reside somewhere within the government. The logical entity to designate financial disclosure filers is the agency responsible for administering the Code of Conduct and promoting open and transparent District government - BEGA.

IV. Conclusion

For the foregoing reasons, CLC respectfully recommends that the Committee reject Bill 26-325 because it is overbroad and has significant negative consequences regarding transparency, ethics compliance, accountability, and public trust. Removing BEGA's rulemaking authority to designate new public financial disclosure filers will undermine the Government Ethics Act by creating a transparency gap and enabling undisclosed conflicts of interest.

Respectfully submitted,

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