

Town of Lyme, New Hampshire**Ethics and Conflicts of Interest Ordinance****1. PURPOSE**

This Ordinance sets forth standards of ethical conduct to assist elected and appointed officials of the Town of Lyme (the “Town”), including all members of Town Boards and Commissions and committees established by those bodies, when they are performing their duties, so as to maintain and enhance a tradition of responsible and effective public service. To that end, the Town expects and requires all such persons (“Town Officials”) to:

- Act in the best interests of the Town and not for any private or personal gain or benefit.
- Promptly disclose any potential conflicts of interest – personal or pecuniary – in Town matters that come before them and/or the Town bodies on which they serve.
- Recuse themselves from decision-making if they have a conflict of interest.
- Be honest, independent, impartial, and responsible in their official actions.
- Make decisions and policies through the proper channels and procedures of government.
- Openly conduct the public’s business, unless legally confidential under New Hampshire statute (e.g., New Hampshire Statutes section 91-A:3), in a respectful and civil atmosphere with due care, competence, and diligence, while maintaining confidentiality when necessary.

2. SCOPE AND AUTHORITY

This Ordinance applies to all Town Officials elected by the voters or appointed by the Select Board or other Board or Commission that has established a committee or group in which such Town Official serves. This Ordinance is adopted under the authority of New Hampshire Revised Statutes section 31:39-a entitled “Conflict of Interest Ordinances”.

3. DEFINITIONS

Town Officials – All elected and appointed officials of the Town of Lyme, including members of Town Boards and Commissions and committees established by those bodies, when acting in an official capacity and not as a member of the general public.

Conflict of Interest – A situation or circumstance in which one's personal or pecuniary interest is potentially at odds with or interferes with the proper exercise of one's public duty, particularly when deliberating or voting as a member of a public body or acting on behalf of the Town. Any such interest must be "immediate, definite and capable of demonstration; not remote, uncertain, contingent or speculative." (*Atherton v. Concord*, 109 N.H. 164 (1968)).

Pecuniary Interest – Any private financial advantage (whether in the form of money, property, services, or commercial or other interests), the primary significance of which is economic gain or other benefit from the outcome of one's official actions. A financial advantage applicable to the public at large, such as reduced taxes or increased general prosperity, does not constitute a pecuniary interest for the purpose of this Policy.

Personal Interest – Any direct benefit or non-financial interest in the outcome of a matter when such benefit or interest may be at odds with or influence one's official actions. Examples of direct personal benefit include, but are not limited to, those experienced by way of family (by blood or marriage), employment, and/or business relationships that could bias one's official decision-making against the public interest. Examples of non-financial interests include, but are not limited to, the receipt of services, benefits, or other consideration not authorized by the Town or the Town Board, Commission, committee or other body on which the Town Official serves.

Recuse – To remove or excuse oneself from participating in an official debate or action due to an actual or potential conflict of interest. Recusal means removing oneself completely from all further participation as a public official in the matter in question. Town Officials who are recused shall immediately leave the table of deliberation and sit in the audience with the other members of the general public. Recused officials shall not participate in further discussions unless they clearly indicate that they are doing so only as a member of the general public.

4. FOUNDATION OF THE POLICY

The proper operation of democratic government requires that Town Officials be independent, impartial, and responsible to the people; that government decisions and public policy be made through the proper channels of governmental structure; that public office not be used for private or personal gain or benefit; and that the public have confidence in the integrity of its government officials to perform their duties free from private influence upon the public

interest. In this respect, the Select Board and Town bodies shall consider compliance with this Policy during the appointment and reappointment process for members of all Town bodies.

5. PROCEDURES

5.1 Town Officials shall avoid all Conflicts of Interest and shall strive to recognize them promptly and vigilantly.

5.2 When a Town Official recognizes that an actual or potential Conflict of Interest may exist regarding his or her participation in official activities, or that there is or might be a reasonable perception that such a conflict exists, the Town Official, at the earliest reasonable opportunity, will publicly disclose the reason(s) and/or the bases therefor.

5.3 In the event that the Town Official concludes that a Conflict of Interest exists, then he/she shall immediately Recuse him/herself from any and all official activity relating to the matter or matters to which the conflict pertains. This conclusion will take into account an analysis of any actual conflict, the likely potential for a conflict to arise in the future relative to the matter, and any reasonable public perception of the existence of a conflict.

5.4 Either after a Town Official's disclosures are made, or at any other time that in good faith an actual or potential Conflict of Interest for a Town Official is discerned by another member of the body at issue, that other member, or the Town Official to whom the potential Conflict of Interest relates, may request that the Town body at issue vote on the question of whether such Conflict of Interest exists. Such vote shall be advisory and non-binding. Any member of the public may voice an objection to a Town Official's participation in a Town matter on the basis of a perceived Conflict of Interest. In such event, the member of the public may request that the body vote on the question of whether such Conflict of Interest exists; however, such request shall be non-binding and the outcome of such a vote shall also be advisory and non-binding. Any such vote described in this section shall be sought and undertaken as soon as reasonably possible after the discovery of any grounds or basis for the vote. The Chair or presiding officer of the meeting wherein recusal is sought by a member of the body or by a member of the public shall ensure that the reason(s) for such recusal are clearly stated by such person and are recorded in the minutes of the meeting.

5.5 Notwithstanding anything herein to the contrary, Town Officials, including without limitation, members of the Planning Board, Zoning Board, Historic District Commission, and others subject thereto are also bound by the provisions of New Hampshire Revised Statutes section 673:14 and by any other applicable laws and regulations.

6. MISCELLANEOUS RULES

6.1 Town Officials shall not directly or indirectly solicit gifts, nor accept or receive any gift (whether money, services, loans, travel, entertainment, hospitality, equipment, promises, or otherwise having value) under circumstances in which it could be reasonably inferred that the gift was intended to influence them in the performance of their duties or was intended as a reward for any recommendation, action, or decision on their part.

6.2 Town Officials shall maintain the confidentiality of and not disclose nor improperly use confidential information obtained in the course of their official duties, except as may be required by a court of competent jurisdiction.

6.3 Town Officials shall not use Town letterhead or stationery for any purpose other than official Town business. Members of any Town body may use Town letterhead only for purposes approved by their respective Board, Commission, or committee or for such purposes as were delegated to them for their action by such bodies. Town Officials shall not use or seek to use their membership in or position on any Town body to obtain any compensation, property, service or other benefit not related to and authorized by the Town body on which they sit.

6.4 Town Officials shall not speak or write on behalf of their respective Boards, Commissions, or committees unless authorized to do so by their respective bodies. Town Officials speaking or writing in their individual capacities and not on behalf of the Town, on matters of public interest to the Town or otherwise, shall clearly state in which capacity they are speaking or writing in this regard.

6.5 No Town Official shall appear and act or speak before his or her own public body on behalf of the private interests of third parties, if such Town Official has any pecuniary or personal interest in doing so.

6.6 No Town Official, or his/her family member shall accept or use Town property, services, or labor personally, or make the same available to others unless such use is available to other residents upon request on equal terms or unless such use is necessary to carry out his or her assigned duties.

6.7 No Town Official shall use Town property or labor to influence any political cause or the campaign of any candidate for public office or any political party.

7. DISTRIBUTION

The Town Clerk shall be responsible for providing a copy of this Ordinance to all Town Officials, as defined in this Ordinance, upon its issuance and at such times in the future when Town Officials are appointed or elected to their roles. The Town Clerk shall have each Town Official sign a statement that he/she has read this Ordinance and agrees to comply in full with all

requirements set forth in the Ordinance. Pursuant to New Hampshire Revised Statutes section 31:39-a, this Ordinance shall not apply to Town Officials in office at the time it is adopted for a period of sixty (60) days following its adoption.

8. COMPLAINTS

Complaints shall be addressed by the Lyme Select Board in a manner to be determined by that body in accordance with State law and regulation and with Select Board procedures. However, Town Boards, Commissions, and committees are expected to govern themselves. If a complaint cannot be resolved at that level following rules and procedures set forth in this Policy and pursuant to governing law and regulation, then it may be brought to the Lyme Select Board for review and/or resolution.

9. ENFORCEMENT

This ordinance shall be enforced by the Select Board. Upon investigation and review, the Select Board having decided there is cause for a hearing, the Select Board shall give notice to the Town Official subject of a complaint of the same and an opportunity for hearing, and shall thereon decide appropriate action of (a) a notice of finding of no concern, (b) a private notice of censure, (c) a public notice of censure, or (d) the instituting of removal proceedings before the Superior Court, as provided in New Hampshire Revised Statutes section 31:39-a. With respect to members of the Select Board, the complaint shall be referred to Town counsel for the appointment of an independent counsel. Said independent counsel shall, upon investigation and review, give notice to the member of the subject of a complaint and an opportunity for hearing, and shall thereon recommend an appropriate level of action and complete the preparation of a report which, upon submission to the Select Board, may not be modified in any manner but must be accepted or rejected in its entirety.

Hearings hereunder shall be conducted in non-public session, in accordance with New Hampshire Revised Statutes section 91-A:3 II (c). If the Town Official who is the subject of the hearing requests that proceedings be conducted in public session, that request will be honored to the extent permitted by law.

10. APPROVAL

This Policy was proffered by the Lyme Select Board and was approved at the Lyme Town Meeting on March ___, 2026. Except as expressly stated above, the Policy will take effect immediately upon execution by Town Officials with respect to each such person, and it replaces any prior Town conflict of interest policies or descriptions.

11. TOWN OFFICIAL ACKNOWLEDGEMENT AND EXECUTION

I hereby acknowledge, understand, and agree to abide by the above Policy:

Signature Printed Name Date: _____

Name

Date

Voted at Town meeting March _____