



**NUMBER:** Directive 0620

**SUBJECT:** Ethics Program

**DIRECTIVE OWNER:** Office of the General Counsel, General Law Division

**EFFECTIVE DATE:** March 30, 2023

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1. **PURPOSE.** To provide the framework for the agency's Ethics Program. The Ethics Program works to ensure that public servants make impartial decisions based on the interests of the public when carrying out the governmental responsibilities entrusted to them, serve as good stewards of public resources, and loyally adhere to the Constitution and laws of the United States. Consistent with the fundamental principle that public service is a public trust, every employee at CPSC plays a critical role in building and sustaining an ethical culture at CPSC.
2. **AUTHORITIES.**
  - a. 5 U.S.C. § 13103, *et seq.* (Ethics in Government Act of 1978, as amended)
  - b. 5 C.F.R. Chapter XVI, Subpart B (Government Ethics)
  - c. 18 U.S.C. §§ 201–209 (Criminal conflict of interest laws)
  - d. Executive Order 13989 (Ethics Commitments by Executive Branch Personnel) (Jan. 25, 2021)
  - e. Pub. L. No. 112-105, as amended (Stop Trading on Congressional Knowledge Act of 2012, or STOCK Act).
3. **SCOPE.** The primary components of CPSC's Ethics Program are:
  - a. **Public and Confidential Financial Disclosure.** The public and confidential financial disclosure programs are designed to identify potential conflicts of interest through a systematic review of the financial interests of employees and thus prevent conflicts of interest on the part of Commission employees.
  - b. **Ethics Education (Annual, Initial Ethics Training, Ad-Hoc).** All employees new to CPSC are required to receive initial ethics training. This training is typically provided as



part of employees' first day onboarding at CPSC. Annual ethics training is offered to all employees, with confidential and public financial disclosure filers required to attend. Attendance is tracked by ethics officials. Further training is provided throughout the year regarding changes in laws, rules, and regulations or as otherwise needed or requested.

- c. **Ethics Advice and Counsel.** CPSC ethics officials are available to counsel all CPSC employees regarding their potential conflicts of interest or other matters of concern under ethics regulations and laws. Such advice may be given informally or in a formal memorandum.
- d. **Coordination with U.S. Office of Government Ethics (OGE).** CPSC ethics officials annually provide information to OGE regarding ethics activities conducted by CPSC. CPSC ethics officials work closely with OGE on the financial disclosure materials and Ethics Pledge for all Commissioners and nominees. CPSC ethics officials inform OGE any time referrals are made to the Department of Justice regarding potential violations of the conflict of interest laws or regulations.

#### 4. DEFINITIONS.

- a. **Alternate Designated Agency Ethics Official (ADAEO).** The ADAEO serves as the primary deputy to the Designated Agency Ethics Official (DAEO). Traditionally at CPSC, the ADAEO is the Assistant General Counsel for General Law.
- b. **Confidential filer.** A confidential filer, fully defined at 5 C.F.R. § 2634.904, is an employee of CPSC whose position is classified at GS-15 or below and whose duties require the employee to personally make decisions or exercise significant judgment in taking a government action.
- c. **Designated Agency Ethics Official (DAEO).** The DAEO is the senior officer or employee who administers the provisions of the Ethics in Government Act at CPSC. The Chair is responsible for designating the DAEO. Traditionally at CPSC, the DAEO is the General Counsel.
- d. **Employee.** For the purposes of this directive and other ethics directives, CPSC has adopted the definition used by OGE: "Employee means any officer or employee of an agency ... Status as an employee is unaffected by pay or leave status or, in the case of a special Government employee, by the fact that the individual does not perform official duties on a given day." 5 C.F.R. § 2635.102(h).
- e. **Ethics Pledge.** The Ethics Pledge serves to prevent potential ethical conflicts for non-career Presidential appointees and those individuals excepted from the competitive service who serve in a confidential or policy-making position. The Ethics Pledge is a binding and enforceable agreement between the United States Government and



designated officers and employees of the Commission. It is common for the President to issue an Executive Order requiring an Ethics Pledge.

- f. **Nominee.** Once the President or President-elect has announced the intention to nominate an individual to an executive branch position that requires the advice and consent of the Senate, that individual is considered a nominee and is required to file a public financial disclosure report.
- g. **Public filer.** A public filer, fully defined at 5 C.F.R. § 2634.202, is any officer or employee whose position is classified above GS-15 or whose position is excepted from the competitive service “by reason of being of a confidential or policy-making character.” *Id.* § 2634.202(e). The DAEO is also a public filer.
- h. **Standards of Ethical Conduct for Employees of the Executive Branch (Standards of Conduct).** Enumerated at 5 C.F.R. Part 2635, the Standards of Conduct lay out the general principles for ethical conduct for employees of the executive branch.

## 5. RESPONSIBILITIES.

- a. **Chair.** As agency head, the Chair is responsible for, and will exercise personal leadership in, establishing and maintaining an effective agency ethics program and fostering an ethical culture in the agency. The Chair is also responsible for designating the DAEO and ADAEO.
- b. **Employees.** As provided in the Standards of Conduct, employees must endeavor to act at all times in the public’s interest, avoid losing impartiality or appearing to lose impartiality in carrying out official duties, or misusing their offices for private gain, serve as good stewards of public resources, and comply with the requirements of government ethics laws and regulations, including any applicable financial disclosure requirements. Employees must refrain from participating in particular matters in which they have financial interests and should notify their supervisors or ethics officials when their official duties create a substantial likelihood of such conflicts of interest. Collectively, the charge of employees is to make ethical conduct the hallmark of government service.
- c. **Supervisors. In addition to their responsibilities as employees,** every supervisor at CPSC has a heightened personal responsibility for advancing government ethics. Supervisors should serve as models of ethical behavior for subordinates and help to ensure that subordinates are aware of their ethical obligations under the Standards of Conduct. Supervisors are also responsible for working with agency ethics officials to help resolve conflicts of interest and enforce government ethics laws and regulations. In addition, supervisors are responsible, when requested, for assisting agency ethics officials in evaluating potential conflicts of interest and identifying positions subject to financial disclosure requirements.



- d. **Ethics Officials.** The DAEO oversees the ethics program along with the ADAEO and ethics officials. Together, they are responsible for:
- (1) Serving as the liaison to OGE;
  - (2) Maintaining records of agency ethics program activities;
  - (3) Promptly and timely furnishing OGE with all required documents and information;
  - (4) Providing advice and counsel to prospective and current employees regarding government ethics laws and regulations;
  - (5) Providing current and former employees with advice and counsel regarding post-employment restrictions applicable to them;
  - (6) Carrying out an effective government ethics education program for the agency;
  - (7) Taking appropriate action to resolve conflicts of interest and the appearance of conflicts of interest, through recusals, directed divestitures, waivers, authorizations, reassignments, and other appropriate means;
  - (8) Consulting with OGE regarding the issuance of waivers pursuant to 18 U.S.C. § 208(b);
  - (9) Carrying out an effective financial disclosure program;
  - (10) Assisting the agency in its enforcement of ethics laws and regulations;
  - (11) Assisting the Office of Inspector General, if requested, with regard to the interpretation and application of government ethics laws and regulations, as well as the procedural requirements of the ethics program;
  - (12) Notifying OGE when the agency makes a referral, pursuant to 28 U.S.C. § 535, to the Department of Justice regarding a potential violation of a conflict of interest law, unless such notification would be prohibited by law;
  - (13) Overseeing the ethics requirements for nominees and ensuring timely compliance with ethics agreements; and
  - (14) Overseeing ethics training, including initial ethics training for all employees, annual ethics training required for employees, and additional briefings for agency leaders as needed or requested.



e. **Office of Human Resources Management (EXRM).** The Director, acting directly or through other EXRM staff members, is responsible for:

- (1) Notifying the DAEO of all appointments to positions that require public or confidential financial disclosure reports within 15 days of appointment;
- (2) Notifying the DAEO of departures of employees in positions that require incumbents to file public financial disclosure reports within 15 days after termination;
- (3) Notifying ethics officials when new employee orientations will take place so that ethics officials can timely conduct initial ethics training;
- (4) Ensuring that written offers of employment contain the required government ethics notices;
- (5) Ensuring that supervisors receive written notification of their ethics responsibilities; and
- (6) Ensuring that all employees required to do so sign the Ethics Pledge.

f. **Inspector General.** The Inspector General has authority to conduct investigations of suspected violations of conflict of interest laws and other government ethics laws and regulations. Inspectors General provide OGE notification of certain referrals to the Department of Justice, pursuant to 5 C.F.R. § 2638.206.

6. **CANCELLATION.** This Directive supersedes and cancels D311, *Ethics Program* (Aug. 26, 2019).

Alexander Hoehn-Saric  
Chair

3/30/2023

Date