



General Assembly

**Amendment**

January Session, 2003

LCO No. 7325

\*HB0659207325SD0\*

Offered by:

SEN. LOONEY, 11<sup>th</sup> Dist.

SEN. DEFRONZO, 6<sup>th</sup> Dist.

To: Subst. House Bill No. 6592

File No. 795

Cal. No. 531

**"AN ACT CONCERNING IMPLEMENTATION AND  
ADMINISTRATION OF THE "HELP AMERICA VOTE ACT"."**

1 After the last section, add the following and renumber sections and  
2 internal references accordingly:

3 "Sec. 501. (NEW) (*Effective January 1, 2004*) As used in sections 501 to  
4 516, inclusive, of this act, unless the context otherwise requires:

5 (1) "Administrative action" means any action or nonaction of any  
6 agency of a municipality with respect to the proposal, drafting,  
7 development, consideration, amendment, adoption or repeal of any  
8 rule, regulation, ordinance, referendum, budget or utility rate, and any  
9 action or nonaction of any agency, regarding a contract, grant, award,  
10 purchasing agreement, loan, bond, certificate, license, permit or any  
11 other matter which is within the official jurisdiction or cognizance of  
12 such an agency.

13 (2) "Business organization" means a sole proprietorship,

14 corporation, limited liability company, association, firm or partnership,  
15 other than a client lobbyist, which is owned by, or employs one or  
16 more individual lobbyists.

17 (3) "Candidate for municipal office" means any person who has filed  
18 a declaration of candidacy or a petition to appear on the ballot for  
19 election as a municipal official, or who has raised or expended money  
20 in furtherance of such candidacy, or who has been nominated for  
21 appointment to serve as a municipal official.

22 (4) "Client lobbyist" means a lobbyist on behalf of whom lobbying  
23 takes place and who makes expenditures for lobbying and in  
24 furtherance of lobbying.

25 (5) "Commission" means the State Ethics Commission established  
26 under section 1-80 of the general statutes.

27 (6) "Communicator lobbyist" means a lobbyist who communicates  
28 directly or solicits others to communicate with an official or such  
29 official's staff in a municipality for the purpose of influencing  
30 legislative or administrative action.

31 (7) "Compensation" means any value received or to be received by a  
32 person acting as a lobbyist, whether in the form of a fee, salary or  
33 forbearance.

34 (8) "Expenditure" means any advance, conveyance, deposit,  
35 distribution, transfer of funds, loan, payment, unless expressly  
36 excluded; any payments for telephone, mailing, postage, printing and  
37 other clerical or office services and materials; any paid  
38 communications, costing fifty dollars or more in any calendar year,  
39 disseminated by means of any printing, broadcasting or other  
40 medium, provided such communications refer to pending  
41 administrative or legislative action; any contract, agreement, promise  
42 or other obligation; any solicitation or solicitations, costing fifty dollars  
43 or more in the aggregate for any calendar year, of other persons to  
44 communicate with a municipal official or municipal employee for the

45 purpose of influencing any legislative or administrative act and any  
46 pledge, subscription of money or anything of value. "Expenditure"  
47 shall not include the payment of a registrant's fee pursuant to section  
48 506 of this act, any expenditure made by any club, committee,  
49 partnership, organization, business, union, association or corporation  
50 for the purpose of publishing a newsletter or other release to its  
51 members, shareholders or employees, or contributions, membership  
52 dues or other fees paid to associations, nonstock corporations or tax-  
53 exempt organizations under Section 501(c) of the Internal Revenue  
54 Code of 1986, or any subsequent corresponding internal revenue code  
55 of the United States, as from time to time amended.

56 (9) "Gift" means anything of value, which is directly and personally  
57 received, unless consideration of equal or greater value is given in  
58 return. "Gift" shall not include:

59 (A) A political contribution otherwise reported as required by law  
60 or a donation or payment described in subdivision (9) or (10) of  
61 subsection (b) of section 9-333b of the general statutes;

62 (B) Services provided by persons volunteering their time;

63 (C) A commercially reasonable loan made on terms not more  
64 favorable than loans made in the ordinary course of business;

65 (D) A gift received from (i) the individual's spouse, fiance or fiancée,  
66 (ii) the parent, brother or sister of such spouse or such individual, or  
67 (iii) the child of such individual or the spouse of such child;

68 (E) Goods or services (i) which are provided to a municipality (I) for  
69 use on municipal property, or (II) to support an event or the  
70 participation by a municipal official or municipal employee at an  
71 event, and (ii) which facilitate municipal action or functions. As used  
72 in this subdivision, "municipal property" means property owned or  
73 leased by the municipality;

74 (F) A certificate, plaque or other ceremonial award costing less than

75 one hundred dollars;

76 (G) A rebate, discount or promotional item available to the general  
77 public;

78 (H) Printed or recorded informational material germane to  
79 municipal action or functions;

80 (I) Food or beverage or both, costing less than fifty dollars in the  
81 aggregate per recipient in a calendar year, and consumed on an  
82 occasion or occasions at which the person paying, directly or  
83 indirectly, for the food or beverage, or the person's representative, is in  
84 attendance;

85 (J) A gift, including but not limited to, food or beverage or both,  
86 provided by an individual for the celebration of a major life event;

87 (K) Gifts costing less than one hundred dollars in the aggregate or  
88 food or beverage provided at a hospitality suite at a meeting or  
89 conference of an interstate municipal association, by a person who is  
90 not a registrant or is not doing business with the state of Connecticut;

91 (L) Admission to a charitable or civic event, including food and  
92 beverage provided at such event, but excluding lodging or travel  
93 expenses, at which a municipal official or municipal employee  
94 participates in such official's or employee's official capacity, provided  
95 such admission is provided by the primary sponsoring entity;

96 (M) Anything of value provided by an employer of (i) a municipal  
97 official, (ii) a municipal employee, or (iii) a spouse of a municipal  
98 official or municipal employee, to such official, employee or spouse,  
99 provided such benefits are customarily and ordinarily provided to  
100 others in similar circumstances; or

101 (N) Anything having a value of not more than ten dollars, provided  
102 the aggregate value of all things provided by a donor to a recipient  
103 under this subdivision in any calendar year shall not exceed fifty  
104 dollars.

105 (10) "Immediate family" means any spouse, dependent children or  
106 dependent relatives who reside in the individual's household.

107 (11) "Individual" means a natural person.

108 (12) "Legislative action" means introduction, sponsorship,  
109 consideration, debate, amendment, passage, defeat, approval, veto,  
110 overriding of a veto or any other official action or nonaction with  
111 regard to any rule, regulation, ordinance, referendum, budget,  
112 measure, resolution, amendment, nomination, appointment, report, or  
113 any other matter pending or proposed in a legislative body of a  
114 municipality, or any matter which is within the official jurisdiction or  
115 cognizance of such legislative body.

116 (13) "Lobbying" means communicating directly or soliciting others  
117 to communicate with any official or such official's staff in a  
118 municipality, for the purpose of influencing any legislative or  
119 administrative action except that the term "lobbying" does not include  
120 (A) communications by or on behalf of a party to, or an intervenor in, a  
121 contested case, as defined in regulations adopted by the commission in  
122 accordance with the provisions of chapter 54 of the general statutes,  
123 before a municipality, (B) communications by a representative of a  
124 vendor or by an employee of the client lobbyist which representative  
125 or employee acts as a salesperson and does not otherwise engage in  
126 lobbying regarding any administrative action, (C) communications by  
127 an attorney made while engaging in the practice of law and regarding  
128 any matter other than legislative action or the proposal, drafting,  
129 development, consideration, amendment, adoption or repeal of any  
130 rule, regulation, ordinance, referendum or budget, or (D) other  
131 communications exempted by regulations adopted by the commission  
132 in accordance with the provisions of chapter 54 of the general statutes.

133 (14) "Lobbyist" means a person who in lobbying and in furtherance  
134 of lobbying, with regard to a single municipality, makes or agrees to  
135 make expenditures, or receives or agrees to receive compensation,  
136 reimbursement, or both, and such compensation, reimbursement or

137 expenditures for a single municipality are two thousand dollars or  
138 more in any calendar year or the combined amount thereof for a single  
139 municipality is two thousand dollars or more in any such calendar  
140 year. Lobbyist shall not include:

141 (A) A municipal official or municipal employee, or such official's or  
142 employee's designee other than an independent contractor, who is  
143 acting within the scope of such official's, employee's or designee's  
144 authority or employment;

145 (B) A publisher, owner or an employee of the press, radio or  
146 television while disseminating news or editorial comment to the  
147 general public in the ordinary course of business;

148 (C) An individual representing such individual or another person  
149 before the municipality other than for the purpose of influencing  
150 legislative or administrative action;

151 (D) Any individual or employee who receives no compensation or  
152 reimbursement specifically for lobbying and who limits such  
153 individual's or employee's activities solely to formal appearances to  
154 give testimony before public sessions of the legislative body of a  
155 municipality and who, if such individual or employee testifies,  
156 registers such individual's or employee's appearance in the records of  
157 the legislative body;

158 (E) A member of an advisory board acting within the scope of such  
159 member's appointment;

160 (F) Any person who receives no compensation or reimbursement  
161 specifically for lobbying and who spends no more than five hours  
162 lobbying or in furtherance of lobbying, unless such person, exclusive  
163 of salary, receives compensation or makes expenditures, or both, of  
164 two thousand dollars or more in any calendar year for lobbying or the  
165 combined amount thereof is two thousand dollars or more in any such  
166 calendar year;

167 (G) A communicator lobbyist who receives or agrees to receive  
168 compensation, reimbursement, or both, the aggregate amount of which  
169 is less than two thousand dollars from each client in any calendar year;

170 (H) A public official or state employee, as defined in section 1-79 of  
171 the general statutes, other than an independent contractor, who is  
172 acting within the scope of his or her authority or employment; or

173 (I) A senator or representative in Congress acting within the scope  
174 of such senator's or representative's office.

175 (15) "Member of an advisory board" means any person appointed by  
176 a municipal official as an advisor or consultant or member of a  
177 committee, commission or council established to advise, recommend  
178 or consult with a municipal official or a branch of municipal  
179 government or a committee thereof and who receives no public funds  
180 other than per diem payments or reimbursement for such person's  
181 actual and necessary expenses incurred in the performance of such  
182 person's official duties and who has no authority to expend any public  
183 funds or to exercise the power of a municipality.

184 (16) "Municipal official" means any elected municipal officer or any  
185 person appointed to any office of a municipality.

186 (17) "Municipal employee" means any employee of a municipality,  
187 whether in the classified or unclassified service and whether full or  
188 part-time.

189 (18) "Municipality" means any city, town, borough, municipal  
190 corporation, municipal authority, school district, regional district,  
191 metropolitan district or other district, having a population of twenty-  
192 five thousand or more persons.

193 (19) "Person" means an individual, a business, corporation, limited  
194 liability company, union, association, firm, partnership, committee,  
195 club or other organization or group of persons.

196 (20) "Political contribution" has the same meaning as in section 9-

197 333b of the general statutes except that for purposes of sections 501 to  
198 516, inclusive, of this act, the provisions of subsection (b) of section 9-  
199 333b of the general statutes shall not apply.

200 (21) "Registrant" means a person who is required to register  
201 pursuant to section 505 of this act.

202 (22) "Reimbursement" means any money or thing of value received  
203 or to be received in the form of payment for expenses as a lobbyist, not  
204 including compensation.

205 Sec. 502. (NEW) (*Effective January 1, 2004*) The State Ethics  
206 Commission shall:

207 (1) Adopt regulations in accordance with chapter 54 of the general  
208 statutes to carry out the purposes of sections 501 to 516, inclusive, of  
209 this act. The commission shall adopt regulations which further clarify  
210 the meaning of the terms "directly and personally received" and "major  
211 life event", as used in section 501 of this act;

212 (2) Compile and maintain an index of all reports and statements  
213 filed with the commission under the provisions of sections 501 to 516,  
214 inclusive, of this act and advisory opinions issued by the commission  
215 with regard to the requirements of said sections, to facilitate public  
216 access to such reports, statements and advisory opinions promptly  
217 upon the filing or issuance thereof;

218 (3) Prepare quarterly and annual summaries of statements and  
219 reports filed with the commission and advisory opinions issued by the  
220 commission;

221 (4) Preserve advisory opinions permanently and preserve  
222 memoranda filed under subsection (f) of section 504 of this act,  
223 statements and reports filed by and with the commission for a period  
224 of five years from the date of receipt;

225 (5) Upon the concurring vote of four of its members, issue advisory  
226 opinions with regard to the requirements of this part, upon the request

227 of any person, subject to the provisions of sections 501 to 516,  
228 inclusive, of this act, and publish such advisory opinions in the  
229 Connecticut Law Journal. Advisory opinions rendered by the  
230 commission, until amended or revoked, shall be binding on the  
231 commission and shall be deemed to be final decisions of the  
232 commission for purposes of section 514 of this act. Any advisory  
233 opinion concerning any person subject to the provisions of sections 501  
234 to 516, inclusive, of this act who requested the opinion and who acted  
235 in reliance thereon, in good faith, shall be binding upon the  
236 commission, and it shall be an absolute defense in any criminal action  
237 brought under the provisions of said sections that the accused acted in  
238 reliance upon such advisory opinion;

239 (6) Report annually, prior to February fifteenth, to the Governor  
240 summarizing the activities of the commission concerning sections 501  
241 to 516, inclusive, of this act;

242 (7) Employ necessary staff within available appropriations to carry  
243 out the purposes of sections 501 to 516, inclusive, of this act.

244 Sec. 503. (NEW) (*Effective January 1, 2004*) (a) (1) Upon the complaint  
245 of any person on a form prescribed by the State Ethics Commission,  
246 signed under penalty of false statement, or upon its own complaint,  
247 the commission shall investigate any alleged violation of sections 501  
248 to 516, inclusive, of this act. Not later than five days after the receipt or  
249 issuance of such complaint, the commission shall provide notice of  
250 such receipt or issuance and a copy of the complaint by registered or  
251 certified mail to any respondent against whom such complaint is filed  
252 and shall provide notice of the receipt of such complaint to the  
253 complainant. When the commission undertakes an evaluation of a  
254 possible violation of sections 501 to 516, inclusive, of this act prior to  
255 the filing of a complaint by the commission, the subject of the  
256 evaluation shall be notified within five business days after a  
257 commission staff member's first contact with a third party concerning  
258 the matter.

259 (2) In the conduct of its investigation of an alleged violation of  
260 sections 501 to 516, inclusive, of this act, the commission shall have the  
261 power to hold hearings, administer oaths, examine witnesses, receive  
262 oral and documentary evidence, subpoena witnesses under procedural  
263 rules adopted by the commission as regulations in accordance with the  
264 provisions of chapter 54 of the general statutes to compel attendance  
265 before the commission and to require the production for examination  
266 by the commission of any document or physical evidence that the  
267 commission deems relevant in any matter under investigation or in  
268 question. In the exercise of such powers, the commission may use the  
269 services of the state police, who shall provide the same upon the  
270 commission's request. The commission shall make a record of all  
271 proceedings conducted pursuant to this subsection. Any witness  
272 summoned before the commission shall receive the witness fee paid to  
273 witnesses in the courts of this state. The respondent shall have the  
274 right to appear and be heard and to offer any information which may  
275 tend to clear the respondent of probable cause to believe that the  
276 respondent has violated any provision of sections 501 to 516, inclusive,  
277 of this act. The respondent shall also have the right to be represented  
278 by legal counsel and to examine and cross-examine witnesses. Not  
279 later than ten days prior to the commencement of any hearing  
280 conducted pursuant to this subsection, the commission shall provide  
281 the respondent with a list of its intended witnesses. The commission  
282 shall make no finding that there is probable cause to believe the  
283 respondent is in violation of sections 501 to 516, inclusive, of this act,  
284 except upon the concurring vote of four of its members.

285 (b) If a preliminary investigation indicates that probable cause exists  
286 for the violation of a provision of sections 501 to 516, inclusive, of this  
287 act, the commission shall initiate hearings to determine whether there  
288 has been a violation of said sections. A judge trial referee, who shall be  
289 assigned by the Chief Court Administrator and who shall be  
290 compensated in accordance with section 52-434 of the general statutes  
291 out of funds available to the commission, shall preside over such  
292 hearing and shall rule on all matters concerning the application of the

293 rules of evidence, which shall be the same as in judicial proceedings.  
294 The trial referee shall have no vote in any decision of the commission.  
295 All hearings of the commission held pursuant to this subsection shall  
296 be open. At such hearing the commission shall have the same powers  
297 as under subsection (a) of this section and the respondent shall have  
298 the right to be represented by legal counsel, the right to compel  
299 attendance of witnesses and the production of books, documents,  
300 records and papers and to examine and cross-examine witnesses. Not  
301 later than ten days prior to the commencement of any hearing  
302 conducted pursuant to this subsection, the commission shall provide  
303 the respondent with a list of its intended witnesses. The judge trial  
304 referee shall, while engaged in the discharge of the judge trial referee's  
305 duties as provided in this subsection, have the same authority as is  
306 provided in section 51-35 of the general statutes over witnesses who  
307 refuse to obey a subpoena or to testify with respect to any matter upon  
308 which such witness may be lawfully interrogated, and may commit  
309 any such witness for contempt for a period no longer than thirty days.  
310 The commission shall make a record of all proceedings pursuant to  
311 this subsection. The commission shall find no person in violation of  
312 any provision of sections 501 to 516, inclusive, of this act except upon  
313 the concurring vote of five of its members. Not later than fifteen days  
314 after the public hearing conducted in accordance with this subsection,  
315 the commission shall publish its finding and a memorandum of the  
316 reasons for such finding. Such finding and memorandum shall be  
317 deemed to be the final decision of the commission on the matter for the  
318 purposes of chapter 54 of the general statutes. The respondent, if  
319 aggrieved by the finding and memorandum, may appeal therefrom to  
320 the Superior Court in accordance with the provisions of section 4-183  
321 of the general statutes.

322 (c) If any complaint brought under the provisions of sections 501 to  
323 516, inclusive, of this act is made with the knowledge that it is made  
324 without foundation in fact, the respondent shall have a cause of action  
325 against the complainant for double the amount of damage caused  
326 thereby and if the respondent prevails in such action, the respondent

327 may be awarded by the court the costs of such action together with  
328 reasonable attorneys' fees.

329 (d) No complaint may be made under this section except within  
330 three years next after the violation alleged in the complaint has been  
331 committed.

332 (e) No person shall take or threaten to take official action against an  
333 individual for such individual's disclosure of information to the  
334 commission under the provisions of sections 501 to 516, inclusive, of  
335 this act. After receipt of information from an individual under the  
336 provisions of sections 501 to 516, inclusive, of this act, the commission  
337 shall not disclose the identity of such individual without the  
338 individual's consent unless the commission determines that such  
339 disclosure is unavoidable during the course of an investigation.

340 Sec. 504. (NEW) (*Effective January 1, 2004*) (a) Unless the State Ethics  
341 Commission makes a finding of probable cause, a complaint alleging a  
342 violation of sections 501 to 516, inclusive, of this act shall be  
343 confidential except upon the request of the respondent. A commission  
344 evaluation of a possible violation of said sections undertaken prior to a  
345 complaint being filed by the commission shall be confidential except  
346 upon the request of the subject of the evaluation. If the evaluation is  
347 confidential, no information supplied to or received from the  
348 commission shall be disclosed to any third party by a subject of the  
349 evaluation, a person contacted for the purpose of obtaining  
350 information or by a commission or staff member. No provision of this  
351 subsection shall prevent the commission from reporting the possible  
352 commission of a crime to the Chief State's Attorney or other  
353 prosecutorial authority.

354 (b) An investigation conducted prior to a probable cause finding  
355 shall be confidential except upon the request of the respondent. If the  
356 investigation is confidential, the allegations in the complaint and any  
357 information supplied to or received from the commission shall not be  
358 disclosed during the investigation to any third party by a complainant,

359 respondent, witness, designated party, or commission or staff member.

360 (c) Not later than three business days after the termination of the  
361 investigation, the commission shall inform the complainant and the  
362 respondent of its finding and provide them a summary of its reasons  
363 for making that finding. The commission shall publish its finding upon  
364 the respondent's request and may also publish a summary of its  
365 reasons for making such finding.

366 (d) If the commission makes a finding of no probable cause, the  
367 complaint and the record of its investigation shall remain confidential,  
368 except upon the request of the respondent and except that some or all  
369 of the record may be used in subsequent proceedings. No complainant,  
370 respondent, witness, designated party, or commission or staff member  
371 shall disclose to any third party any information learned from the  
372 investigation, including knowledge of the existence of a complaint,  
373 which the disclosing party would not otherwise have known. If such a  
374 disclosure is made, the commission may, after consultation with the  
375 respondent if the respondent is not the source of the disclosure,  
376 publish its finding and a summary of its reasons therefor.

377 (e) The commission shall make public a finding of probable cause  
378 not later than five business days after the termination of the  
379 investigation. At such time the entire record of the investigation shall  
380 become public, except that the commission may postpone examination  
381 or release of such public records for a period not to exceed fourteen  
382 days for the purpose of reaching a stipulation agreement pursuant to  
383 subsection (c) of section 4-177 of the general statutes.

384 Sec. 505. (NEW) (*Effective January 1, 2004*) (a) A lobbyist shall  
385 register with the State Ethics Commission pursuant to section 506 of  
386 this act for lobbying a municipality if the lobbyist:

387 (1) Receives or agrees to receive compensation or reimbursement for  
388 actual expenses, or both, in a combined amount of two thousand  
389 dollars or more in a calendar year for lobbying said municipality,  
390 whether that receipt of compensation or reimbursement or agreement

391 to receive such compensation or reimbursement is solely for lobbying  
392 or the lobbying is incidental to that person's regular employment; or

393 (2) Makes or incurs an obligation to make expenditures of two  
394 thousand dollars or more in a calendar year for lobbying said  
395 municipality.

396 (b) A lobbyist shall register separately with the commission for each  
397 municipality for which the lobbyist meets the threshold requirement  
398 for registering under subsection (a) of this section.

399 (c) A person who is a lobbyist pursuant to part II of chapter 10 of the  
400 general statutes and is required to register with the commission  
401 pursuant to section 1-94 of the general statutes shall register separately  
402 with the commission for each municipality for which the lobbyist  
403 meets the threshold requirement for registering under subsection (a) of  
404 this section.

405 Sec. 506. (NEW) (*Effective January 1, 2004*) (a) Each registrant shall  
406 file annually with the State Ethics Commission on a separate  
407 registration form for each municipality for which the registrant meets  
408 the threshold requirement for registering under subsection (a) of  
409 section 505 of this act. The registrant shall sign each such form under  
410 penalty of false statement and file such forms with the commission on  
411 or before January fifteenth or prior to the commencement of lobbying,  
412 whichever is later. If the registrant is not an individual, an authorized  
413 officer or agent of the registrant shall sign each form. Such registration  
414 or registrations shall be on a form prescribed by the commission and  
415 shall include:

416 (1) If the registrant is an individual, the registrant's name,  
417 permanent address and temporary address while lobbying and the  
418 name, address and nature of business of any person who compensates  
419 or reimburses, or agrees to compensate or reimburse the registrant and  
420 the terms of the compensation, reimbursement or agreement, but shall  
421 not include the compensation paid to an employee for the employee's  
422 involvement in activities other than lobbying;

423 (2) If the registrant is a corporation, the name, address, place of  
424 incorporation and the principal place of business of the corporation;

425 (3) If the registrant is an association, group of persons or an  
426 organization, the name and address of the principal officers and  
427 directors of such association, group of persons or organization. If the  
428 registrant is formed primarily for the purpose of lobbying, it shall  
429 disclose the name and address of any person contributing two  
430 thousand dollars or more to the registrant's lobbying activities in any  
431 calendar year;

432 (4) If the registrant is not an individual, the name and address of  
433 each individual who will lobby on the registrant's behalf; and

434 (5) The name of the municipality that the registrant is lobbying and  
435 the identification, with reasonable particularity, of areas of legislative  
436 action or administrative action on which the registrant expects to  
437 lobby.

438 (b) Each registrant shall pay a reasonable fee not in excess of the cost  
439 of administering each registration form provided for in subsection (a)  
440 of this section plus the cost of collecting, filing, copying and  
441 distributing the information filed by registrants under section 507 of  
442 this act, but not less than twenty-five dollars.

443 (c) Each registrant shall file a notice of termination within thirty  
444 days after the registrant ceases the activity that required registration,  
445 provided the registrant does not intend to resume the activity during  
446 the annual period for which the registrant is registered. The  
447 termination of a registration shall not relieve the registrant of the  
448 reporting requirements of section 507 of this act for the period  
449 preceding the date that the registrant's notice of termination is received  
450 by the commission or for the period commencing on such date and  
451 ending on December thirty-first of the year in which termination  
452 occurs.

453 Sec. 507. (NEW) (*Effective January 1, 2004*) (a) Each client lobbyist

454 registrant shall file with the State Ethics Commission between the first  
455 and tenth day of April, July, October and January a financial report,  
456 signed under penalty of false statement. Each report shall cover its  
457 lobbying activities during the previous calendar quarter. If the client  
458 lobbyist registrant is not an individual, an authorized officer or agent  
459 of the client lobbyist registrant shall sign the form.

460 (b) Each individual communicator lobbyist registrant and each  
461 business organization communicator lobbyist registrant shall file with  
462 the commission between the first and tenth day of January a report or  
463 reports, signed under penalty of false statement, reporting the  
464 amounts of compensation and reimbursement received from each of  
465 the registrant's clients during the previous year. In addition, each  
466 individual communicator lobbyist registrant and each business  
467 organization communicator lobbyist registrant shall: (1) Report the  
468 fundamental terms of contracts, agreements or promises to pay or  
469 receive compensation or reimbursement or to make expenditures in  
470 furtherance of lobbying, including the categories of work to be  
471 performed and the dollar value or compensation rate of the contract, at  
472 the time of registration; (2) report, in accordance with the schedule set  
473 forth in subsection (a) of this section, any amendments to these  
474 fundamental terms, including any agreements to subcontract lobbying  
475 work; and (3) report, in accordance with the schedule set forth in  
476 subsection (a) of this section, any expenditures for the benefit of a  
477 municipal official or a member of the staff or immediate family of the  
478 municipal official that are unreimbursed and required to be itemized.  
479 Such report shall not include the disclosure of food and beverage  
480 provided by a communicator lobbyist registrant to a municipal official  
481 or a member of the municipal official's staff or immediate family at a  
482 major life event, as defined by the commission, of the registrant. All  
483 such information shall be reported under penalty of false statement.

484 (c) An individual communicator lobbyist registrant shall file a  
485 separate report for each person from whom the registrant received  
486 compensation or reimbursement. Notwithstanding any provision of  
487 this subsection to the contrary, a business organization to which one or

488 more individual communicator lobbyist registrants belongs may file a  
489 single report for each client lobbyist in lieu of any separate reports that  
490 individual registrants are required to file pursuant to this subsection.

491 (d) Each registrant who files a notice of termination under  
492 subsection (c) of section 506 of this act shall file with the commission a  
493 financial report, under penalty of false statement, between the first and  
494 tenth day of January of the year following termination.

495 (e) Each client lobbyist registrant financial report shall be on a form  
496 prescribed by the commission and shall state expenditures made and  
497 the fundamental terms of contracts, agreements or promises to pay  
498 compensation or reimbursement or to make expenditures in  
499 furtherance of lobbying. Any such fundamental terms shall be  
500 reported once in the quarterly or post-termination report next  
501 following the entering into of such contract. Such financial report shall  
502 include an itemized statement of each expenditure of ten dollars or  
503 more per person for each occasion made by the reporting registrant or  
504 a group of registrants that includes the reporting registrant for the  
505 benefit of a municipal official or a member of the municipal official's  
506 staff or immediate family, itemized by date, beneficiary, amount and  
507 circumstances of the transaction. The requirement of an itemized  
508 statement shall not apply to an expenditure made by a reporting  
509 registrant or a group of registrants which includes the reporting  
510 registrant for benefits personally and directly received by a municipal  
511 official or municipal employee at a charitable or civic event at which  
512 the municipal official or municipal employee participates in such  
513 official's or employee's official capacity, unless the expenditure is thirty  
514 dollars or more per person, per event. If the compensation is required  
515 to be reported for an individual whose lobbying is incidental to such  
516 individual's regular employment, it shall be sufficient to report a  
517 prorated amount based on the value of the time devoted to lobbying.  
518 On the first financial report following registration each client lobbyist  
519 registrant shall include any expenditures incident to lobbying activities  
520 that were received or expended prior to registration and not  
521 previously reported to the commission.

522 (f) The commission shall, by regulations adopted in accordance with  
523 chapter 54 of the general statutes, establish minimum amounts for each  
524 item required to be reported, below which reporting may be made in  
525 the aggregate. The provisions of this subsection shall not apply to  
526 expenditures made for the benefit of a municipal official or a member  
527 of such person's staff or immediate family.

528 (g) Each former registrant shall (1) report receipts or expenditures  
529 incident to lobbying activities during the former registrant's period of  
530 registration that are received or expended following termination of  
531 registration, and (2) report each expenditure of ten dollars or more per  
532 person for each occasion made by the former registrant for the benefit  
533 of a municipal official or a member of such official's immediate family  
534 or staff that occurs within six months after termination of registration.

535 (h) The commission shall, within thirty days after receipt of a  
536 financial report that contains the name of a municipal official or a  
537 member of such official's staff or immediate family, send a written  
538 notice to such official, of the filing of the report and the name of the  
539 person who filed it.

540 Sec. 508. (NEW) (*Effective January 1, 2004*) (a) Each registrant shall  
541 obtain and preserve all accounts, bills, receipts and other documents  
542 necessary to substantiate the financial reports required by section 507  
543 of this act for a period of three years from the date of the filing of the  
544 report referring to such financial matters, provided this section shall  
545 apply to each expenditure for the benefit of a municipal official of ten  
546 dollars or more and all other expenditures of fifty dollars or more.

547 (b) The State Ethics Commission may require, on a random basis,  
548 any registrant to make all such documents substantiating financial  
549 reports concerning lobbying activities available for inspection and  
550 copying by the commission for the purpose of verifying such financial  
551 reports, provided no registrant shall be subject to such requirement  
552 more than one time during any three consecutive years. The  
553 commission shall select registrants to be audited by lot in a ceremony

554 which shall be open to the public. Nothing in this subsection shall  
555 require a registrant to make any documents concerning nonlobbying  
556 activities available to the commission for inspection and copying.

557 Sec. 509. (NEW) (*Effective January 1, 2004*) Each registrant required to  
558 file any financial reports under section 507 of this act shall do so in  
559 electronic form using the electronic filing program developed by the  
560 State Ethics Commission.

561 Sec. 510. (NEW) (*Effective January 1, 2004*) The State Ethics  
562 Commission shall make all computerized data from financial reports  
563 required by section 507 of this act available to the public through (1) a  
564 computer terminal in the office of the commission, and (2) the Internet  
565 or any other generally available on-line computer network.

566 Sec. 511. (NEW) (*Effective January 1, 2004*) Each registrant who pays  
567 or reimburses a municipal official or municipal employee ten dollars  
568 or more for necessary expenses shall, within thirty days, file a  
569 statement with the commission indicating the name of such individual  
570 and the amount of the expenses. As used in this section, "necessary  
571 expenses" means a municipal official's or municipal employee's  
572 expenses for an article, appearance or speech or for participation at an  
573 event, in such official's or employee's official capacity, which shall be  
574 limited to necessary travel expenses, lodging for the nights before, of  
575 and after the appearance, speech or event, meals and any related  
576 conference or seminar registration fees.

577 Sec. 512. (NEW) (*Effective January 1, 2004*) (a) No registrant or  
578 anyone acting on behalf of a registrant shall knowingly give a gift to  
579 any municipal official, municipal employee, candidate for municipal  
580 office or a member of any such person's staff or immediate family.  
581 Nothing in this section shall be construed to permit any activity  
582 prohibited under section 53a-147 or 53a-148 of the general statutes.

583 (b) No person or business organization shall be employed to lobby  
584 for compensation which is contingent upon the outcome of any  
585 administrative or legislative action. No person shall employ a lobbyist

586 or business organization for compensation that is contingent upon the  
587 outcome of any administrative or legislative action.

588 (c) No lobbyist may: (1) Do anything with the purpose of placing  
589 any municipal official under personal obligation; (2) attempt to  
590 influence any legislative action or administrative action for the  
591 purpose of thereafter being employed to secure its defeat; (3) cause any  
592 communication to be sent to any municipal official in the name of any  
593 other individual except with the consent of such individual.

594 (d) Any person who gives to a municipal official, municipal  
595 employee or candidate for municipal office, or a member of any such  
596 person's staff or immediate family anything of value which is subject  
597 to the reporting requirements pursuant to subsection (e) of section 507  
598 of this act shall, not later than ten days thereafter, give such recipient a  
599 written report stating the name of the donor, a description of the item  
600 or items given, the value of such items and the cumulative value of all  
601 items given to such recipient during that calendar year. The provisions  
602 of this subsection shall not apply to a political contribution otherwise  
603 reported as required by law.

604 Sec. 513. (NEW) (*Effective January 1, 2004*) Any person aggrieved by  
605 any final decision of the State Ethics Commission, made pursuant to  
606 sections 501 to 516, inclusive, of this act, may appeal such decision in  
607 accordance with the provisions of section 4-175 or 4-183 of the general  
608 statutes.

609 Sec. 514. (NEW) (*Effective January 1, 2004*) (a) The State Ethics  
610 Commission, upon a finding made pursuant to section 503 of this act  
611 that there has been a violation of any provision of sections 501 to 516,  
612 inclusive, of this act, shall have the authority to order the violator to do  
613 any or all of the following: (1) Cease and desist the violation of said  
614 sections; (2) file any report, statement or other information as required  
615 by said sections; or (3) pay a civil penalty of not more than two  
616 thousand dollars for each violation of said sections. The commission  
617 may prohibit any person who intentionally violates any provision of

618 said sections from engaging in the profession of lobbyist for a period of  
619 not more than two years. In addition to such provisions, the  
620 commission may impose a civil penalty on any person who violates  
621 subsection (b) of section 512 of this act by receiving, agreeing to  
622 receive, paying, or agreeing to pay, compensation that is contingent  
623 upon the outcome of any administrative or legislative action or by  
624 terminating a lobbying contract as the result of the outcome of an  
625 administrative action or legislative action. The civil penalty shall not  
626 exceed the total amount of compensation that the person was required  
627 to pay or be paid under the contingent compensation agreement. No  
628 person may benefit from an agreement that violates subsection (b) of  
629 section 512 of this act.

630 (b) Notwithstanding the provisions of subsection (a) of this section,  
631 the commission may, after a hearing conducted in accordance with  
632 sections 4-176e to 4-184, inclusive, of the general statutes upon the  
633 concurring vote of five of its members, impose a civil penalty not to  
634 exceed ten dollars per day upon any registrant who fails to file any  
635 report, statement or other information as required by sections 501 to  
636 516, inclusive, of this act. Each distinct violation of this subsection shall  
637 be a separate offense and, in case of a continued violation, each day  
638 thereof shall be deemed a separate offense. In no event shall the  
639 aggregate penalty imposed for such failure to file exceed two thousand  
640 dollars.

641 (c) The commission may also report its finding to the Chief State's  
642 Attorney for any action deemed necessary.

643 Sec. 515. (NEW) (*Effective January 1, 2004*) Any person who  
644 intentionally violates any provision of sections 501 to 516, inclusive, of  
645 this act shall be imprisoned for a term not to exceed one year or shall  
646 be fined an amount not to exceed two thousand dollars, or both.

647 Sec. 516. (NEW) (*Effective January 1, 2004*) Each individual who is a  
648 lobbyist shall, while engaged in lobbying, wear a distinguishing badge  
649 which shall identify the individual as a lobbyist. The size, color,

650 material and other requirements of such badge shall be prescribed by  
651 regulation of the State Ethics Commission."