



General Assembly

Substitute Bill No. 5023

February Session, 2004

* HB05023APP 042004 *

AN ACT CONCERNING MUNICIPAL ETHICS CODES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2004*) As used in sections 1 to 7,
2 inclusive, of this act:

3 (1) "Business" means any entity through which business for profit or
4 not-for-profit is conducted, including a corporation, partnership,
5 proprietorship, firm, enterprise, franchise, association, organization or
6 self-employed individual.

7 (2) "Business with which he or she is associated" means a business of
8 which a public official or public employee or a member of his or her
9 immediate family is a director, officer, owner, employee, compensated
10 agent or holder of stock which constitutes five per cent or more of the
11 total outstanding stock of any class.

12 (3) "Confidential information" means information, whether
13 transmitted orally or in writing, which is obtained by reason of the
14 public position or office held and is of such nature that it is not, at the
15 time of transmission, a matter of public record or public knowledge.

16 (4) "Financial interest" means any interest with a monetary value of
17 one hundred dollars or more or which generates a financial gain or
18 loss of one hundred dollars or more in a calendar year.

19 (5) "Gift" means anything of value, including entertainment, food,
20 beverage, travel and lodging given or paid to a public official or public
21 employee to the extent that consideration of equal or greater value is
22 not received. A gift does not include:

23 (A) A political contribution otherwise reported as required by law
24 or a donation or payment as described in subdivision (9) or (11) of
25 subsection (b) of section 9-333b of the general statutes;

26 (B) Services provided by persons volunteering their time for a
27 political campaign;

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

30 (D) A gift received from (i) an individual's spouse, fiance or fiancee,
31 (ii) the parent, brother or sister of such spouse or such individual, or
32 (iii) the child of such individual or the spouse of such child;

33 (E) Goods or services which are provided to the municipality or
34 district and facilitate governmental action or functions;

35 (F) A certificate, plaque or other ceremonial award costing less than
36 one hundred dollars;

37 (G) A rebate or discount on the price of anything of value given in
38 the ordinary course of business without regard to the recipient's status;

39 (H) Printed or recorded informational material germane to
40 governmental action or functions;

41 (I) Items of nominal value, not to exceed ten dollars, containing or
42 displaying promotional material;

43 (J) An honorary degree bestowed upon a public official or public
44 employee by a public or private university or college;

45 (K) A meal provided at an event or the registration or entrance fee
46 to attend such an event, in which the public employee or public official

47 participates in said person's official capacity;

48 (L) A meal provided in the home by an individual who resides in
49 the municipality or district; or

50 (M) Gifts in-kind of nominal value not to exceed twenty-five dollars
51 tendered on gift-giving occasions generally recognized by the public
52 including Christmas, Hanukkah, birthdays, the birth or adoption of a
53 child, weddings, confirmations or bar or bat mitzvahs, provided the
54 total value of such gifts in any calendar year do not exceed fifty
55 dollars.

56 (6) "Immediate family" means any spouse, child or dependent
57 relative who resides in the individual's household.

58 (7) "Individual" means a natural person.

59 (8) "Municipality" means a town, city or borough.

60 (9) "Official responsibility" means the direct administrative or
61 operating authority, whether intermediate or final and whether
62 exercisable personally or through subordinates, to approve,
63 disapprove or otherwise direct government action.

64 (10) "Person" means an individual, sole proprietorship, trust,
65 corporation, union, association, firm, partnership, committee, club or
66 other organization or group of persons.

67 (11) "Personal interest" means an interest in any action taken by the
68 municipality or district in which an individual will derive a
69 nonfinancial benefit or detriment but which will result in the
70 expenditure of municipal funds.

71 (12) "Public employee" means a person employed, whether full or
72 part time, by a municipality or a district.

73 (13) "Public official" means an elected or appointed official, whether
74 paid or unpaid or full or part time, of a municipality or political

75 subdivision thereof, or a district, including candidates for the office
76 and shall also include a district officer elected pursuant to section 7-327
77 of the general statutes.

78 (14) "District" means a district established pursuant to section 7-324
79 of the general statutes.

80 (15) "Paid consultant" means a person, firm or corporation hired by
81 a municipality or district to provide services to the municipality or
82 district for a fee.

83 Sec. 2. (NEW) (*Effective July 1, 2004*) (a) Notwithstanding the
84 provisions of any special act, municipal charter or ordinance, not later
85 than January 1, 2006, each municipality and district shall adopt a code
86 of ethical conduct for its public officials, public employees and paid
87 consultants. Each such code of ethical conduct shall include the
88 provisions set forth in sections 3 to 5, inclusive, of this act or stricter
89 ethical provisions for such public officials, public employees and paid
90 consultants.

91 (b) Any municipality or district that adopted a code of ethical
92 conduct before July 1, 2004, shall not be required to adopt a new code
93 of ethical conduct under subsection (a) of this section. However, if any
94 such existing code of ethical conduct does not include the provisions
95 set forth in sections 3 to 5, inclusive, of this act or stricter ethical
96 provisions for the municipality's or district's public official, public
97 employees and paid consultants, the municipality or district shall, not
98 later than January 1, 2006, amend its code of ethical conduct to include
99 the provisions set forth in said sections 3 to 5, inclusive, or stricter
100 ethical provisions for such persons.

101 Sec. 3. (NEW) (*Effective July 1, 2004*) Each code of ethical conduct
102 adopted by a municipality or district under subsection (a) of section 2
103 of this act shall include the following or stricter provisions for the
104 municipality's or district's public officials and public employees:

105 (1) No public employee or public official shall engage in or

106 participate in any business or transaction, including outside
107 employment with a private business, or have an interest, direct or
108 indirect, that is incompatible with the proper discharge of the
109 employee's or official's responsibilities in the public interest or that
110 would tend to impair the employee's or official's independent
111 judgment or action in the performance of the employee's or official's
112 responsibilities.

113 (2) (A) No public employee or public official shall solicit or accept
114 any gift from any person that, to the employee's or official's
115 knowledge, is interested in any pending matter within such
116 individual's official responsibility.

117 (B) If a prohibited gift is offered, the employee or official shall refuse
118 it, return it, pay the donor the full value of the gift or donate it to a
119 nonprofit organization, provided the employee or official does not take
120 the corresponding tax deduction or credit. Alternatively, the gift may
121 be deemed to be a gift to the municipality or district, provided it
122 remains in the municipality's or district's possession permanently.

123 (3) (A) A public employee or public official shall refrain from voting
124 upon or otherwise participating in any matter on behalf of the
125 municipality or district if the employee or official, a business with
126 which he or she is associated, or a member of his or her immediate
127 family, has a financial or personal interest in the matter, including, but
128 not limited to, the sale of real estate, material, supplies or services to
129 the municipality or district.

130 (B) If such participation is within the scope of the public employee's
131 or public official's official responsibility, the employee or official shall
132 provide written disclosure, which sets forth in detail the nature and
133 extent of such interest.

134 (C) Notwithstanding the prohibition in subparagraph (A) of this
135 subdivision, a public employee or public official may vote or otherwise
136 participate in a matter that involves a determination of general policy
137 if the employee's or official's interest in the matter is shared with a

138 substantial segment of the population of the municipality or district.

139 (4) In addition to the restrictions in subdivision (3) of this section, a
140 public employee who serves on any governmental body of a
141 municipality or district shall not vote or participate on any matter
142 involving, for the department or program employing such public
143 employee, (A) collective bargaining, (B) compensation or benefits, (C)
144 personnel policies and procedures, (D) the budget, other appropriation
145 or capital funding, or (E) employment, compensation, benefits or
146 performance of personnel, unless such public employee is permitted to
147 vote or participate pursuant to the provisions of a municipal charter or
148 home rule ordinance.

149 (5) (A) Except for a public official who receives no compensation for
150 service to the municipality or district other than per diem payments
151 and reimbursement of expenses, no public employee or public official
152 shall appear on behalf of private interests before any board, agency or
153 committee of the municipality or district.

154 (B) Except for a public official who receives no compensation for
155 service to the municipality or district other than per diem payments
156 and reimbursement of expenses, no public employee or public official
157 shall represent private interests against the interest of the municipality
158 or district in any litigation to which the municipality or district is a
159 party.

160 (6) Nothing in this section shall prohibit or restrict a public
161 employee or public official from appearing before any board or
162 commission of the municipality or district on the employee's or
163 official's own behalf, or from being a party in any action, proceeding or
164 litigation brought by or against the public employee or public official
165 to which the municipality or district is a party.

166 (7) No public employee or public official shall disclose confidential
167 information concerning municipal affairs, nor shall a public employee
168 or public official use such information for the financial interests of the
169 employee or official or others.

170 (8) No public employee or public official shall request or permit the
171 use of municipally-owned vehicles, equipment, facilities, materials or
172 property for personal convenience or profit, except when such are
173 available to the public generally or are provided as municipal policy
174 for the use of such public employee or public official in the conduct of
175 official business.

176 (9) No public employee or public official, or a business with which
177 he or she is associated, or a member of his or her immediate family
178 shall enter into a contract with the municipality or district unless the
179 contract is awarded through a process of public notice and competitive
180 bidding.

181 (10) No public employee or public official may use the employee's
182 or official's position or office for the financial benefit of the employee
183 or official, a business with which he or she is associated or a member
184 of his or her immediate family.

185 (11) No public employee or public official shall accept a fee or
186 honorarium for an article, appearance or speech, or for participation at
187 an event, in the employee's or official's official capacity.

188 (12) No public employee or public official, or member of such
189 individual's immediate family or business with which he or she is
190 associated, shall solicit or accept anything of value, including, but not
191 limited to, a gift, loan, political contribution, reward or promise of
192 future employment based on any understanding that the vote, official
193 action or judgment of the public employee or public official would be
194 or had been influenced thereby.

195 (13) No public employee, public official or candidate for elected
196 office of a municipality or district shall engage in political activity
197 while on municipal or district duty or within any period of time
198 during which such person is expected to perform services for which
199 such person receives compensation from the municipality or district,
200 or utilize municipal or district funds, supplies, vehicles or facilities for
201 the purpose of any such political activity.

202 Sec. 4. (NEW) (*Effective July 1, 2004*) Each code of ethical conduct
203 adopted by a municipality or district under subsection (a) of section 2
204 of this act shall include the following or stricter provisions for the
205 municipality's or district's paid consultants:

206 (1) No paid consultant of a municipality or district shall represent a
207 private interest in any action or proceeding against the interest of the
208 municipality or district that is in conflict with the performance of said
209 person's duties as a consultant.

210 (2) No paid consultant may represent anyone other than the
211 municipality or district concerning any matter in which the consultant
212 participated personally and substantially as a consultant to the
213 municipality or district.

214 (3) No paid consultant shall disclose confidential information
215 learned while performing the consultant's duties for the municipality
216 or district nor shall the consultant use such information for the
217 financial interests of the consultant or others.

218 Sec. 5. (NEW) (*Effective July 1, 2004*) Each code of ethical conduct
219 adopted by a municipality or district under subsection (a) of section 2
220 of this act shall include the following or stricter provisions for the
221 municipality's or district's former public officials and public
222 employees:

223 (1) No former public employee or public official shall appear for
224 compensation before any municipal or district board or agency in
225 which the employee or official was formerly employed at any time
226 within a period of one year after termination of the employee's or
227 official's service with the municipality or district.

228 (2) No former public employee or public official shall represent
229 anyone other than the municipality or district concerning any
230 particular matter in which the employee or official participated
231 personally and substantially while in municipal service.

232 (3) No former public employee or public official shall disclose or use
233 confidential information acquired in the course of and by reason of the
234 employee's or official's official duties, for financial gain for himself or
235 herself or others.

236 (4) No former public employee or public official who participated
237 substantially in the negotiation or award of a municipal or district
238 contract obliging the municipality or district to pay an amount of one
239 hundred thousand dollars or more, or who supervised the negotiation
240 or award of such a contract shall accept employment with a party to
241 the contract other than the municipality or district for a period of one
242 year after such contract is signed.

243 Sec. 6. (NEW) (*Effective July 1, 2004*) Not later than January 1, 2006,
244 each municipality and district that has not established an agency to
245 investigate allegations of unethical conduct, corrupting influence or
246 illegal activities against public officials, public employees and paid
247 consultants of the municipality or district, pursuant to section 7-148h
248 of the general statutes, as amended by this act, shall establish a
249 procedure for investigating and deliberating on such allegations. Two
250 or more municipalities or districts may jointly establish such
251 procedure.

252 Sec. 7. (NEW) (*Effective July 1, 2004*) Not later than January 1, 2006,
253 each municipality and district that has not required public officials and
254 public employees to disclose their financial interests shall establish a
255 policy for such disclosure. Such policy shall list the offices or positions
256 for which such disclosure shall be required and shall set forth the
257 scope and manner of such disclosure.

258 Sec. 8. (NEW) (*Effective July 1, 2004*) (a) Not later than January 15,
259 2006, each municipality and district shall submit a report to the State
260 Ethics Commission stating whether the municipality or district has
261 complied with each of the applicable requirements of sections 2 to 7,
262 inclusive, of this act.

263 (b) Not later than March 1, 2006, the State Ethics Commission shall

264 submit a report to the joint standing committee of the General
265 Assembly having cognizance of matters relating to ethics. Said report
266 shall (1) indicate the status of the compliance of each municipality and
267 district with the applicable requirements of sections 2 to 7, inclusive, of
268 this act, and (2) if any municipality or district has not complied with
269 any such requirement, make recommendations for securing such
270 compliance, including, but not limited to, proposed legislation.

271 Sec. 9. (NEW) (*Effective July 1, 2004*) In each odd-numbered year, the
272 State Ethics Commission shall conduct training on ethical issues
273 affecting public officials and public employees of municipalities and
274 districts.

275 Sec. 10. Subdivision (10) of subsection (b) of section 7-148 of the
276 general statutes is repealed and the following is substituted in lieu
277 thereof (*Effective July 1, 2004*):

278 (10) (A) Make all lawful regulations and ordinances in furtherance
279 of any general powers as enumerated in this section, and prescribe
280 penalties for the violation of the same not to exceed one hundred
281 dollars, unless otherwise specifically provided by the general statutes.
282 Such regulations and ordinances may be enforced by citations issued
283 by designated municipal officers or employees, provided the
284 regulations and ordinances have been designated specifically by the
285 municipality for enforcement by citation in the same manner in which
286 they were adopted and the designated municipal officers or employees
287 issue a written warning providing notice of the specific violation
288 before issuing the citation;

289 [(B) Adopt a code of ethical conduct;]

290 [(C)] (B) Establish and maintain free legal aid bureaus;

291 [(D)] (C) Perform data processing and related administrative
292 computer services for a fee for another municipality;

293 [(E)] (D) Adopt the model ordinance concerning a municipal

294 freedom of information advisory board created under subsection (f) of
295 section 1-205 and establish a municipal freedom of information
296 advisory board as provided by said ordinance and said section.

297 Sec. 11. Section 7-148h of the general statutes is repealed and the
298 following is substituted in lieu thereof (*Effective July 1, 2004*):

299 [(a)] Any town, city, district, as defined in section 7-324, or borough
300 may, by charter provision or ordinance, establish a board, commission,
301 council, committee or other agency to investigate allegations of
302 unethical conduct, corrupting influence or illegal activities levied
303 against any official, officer or employee of such town, city, district or
304 borough. The provisions of subsections (a) to (e), inclusive, of section
305 1-82a shall apply to allegations before any such agency of such
306 conduct, influence or activities, to an investigation of such allegations
307 conducted prior to a probable cause finding, and to a finding of
308 probable cause or no probable cause. Any board, commission, council,
309 committee or other agency established pursuant to this section may
310 issue subpoenas or subpoenas duces tecum, enforceable upon
311 application to the Superior Court, to compel the attendance of persons
312 at hearings and the production of books, documents, records and
313 papers.

314 [(b)] Notwithstanding the provisions of any special act, municipal
315 charter or ordinance to the contrary, an elected official of any town,
316 city, district or borough that has established a board, commission,
317 council, committee or other agency under subsection (a) of this section,
318 has an interest that is in substantial conflict with the proper discharge
319 of the official's duties or employment in the public interest and of the
320 official's responsibilities as prescribed by the laws of this state, if the
321 official has reason to believe or expect that the official, the official's
322 spouse or dependent child, or a business with which he is associated,
323 as defined in section 1-79, will derive a direct monetary gain or suffer a
324 direct monetary loss, as the case may be, by reason of the official's
325 official activity. Any such elected official does not have an interest that
326 is in substantial conflict with the proper discharge of the official's

327 duties in the public interest and of the official's responsibilities as
328 prescribed by the laws of this state, if any benefit or detriment accrues
329 to the official, the official's spouse or dependent child, or a business
330 with which he, his spouse or such dependent child is associated as a
331 member of a profession, occupation or group to no greater extent than
332 to any other member of such profession, occupation or group. Any
333 such elected official who has a substantial conflict may not take official
334 action on the matter.]

This act shall take effect as follows:	
Section 1	<i>July 1, 2004</i>
Sec. 2	<i>July 1, 2004</i>
Sec. 3	<i>July 1, 2004</i>
Sec. 4	<i>July 1, 2004</i>
Sec. 5	<i>July 1, 2004</i>
Sec. 6	<i>July 1, 2004</i>
Sec. 7	<i>July 1, 2004</i>
Sec. 8	<i>July 1, 2004</i>
Sec. 9	<i>July 1, 2004</i>
Sec. 10	<i>July 1, 2004</i>
Sec. 11	<i>July 1, 2004</i>

GAE *Joint Favorable Subst.*

PD *Joint Favorable*

APP *Joint Favorable*