



General Assembly

Substitute Bill No. 1

January Session, 2005

* _____SB00001GAE__040105_____*

**AN ACT CREATING THE OFFICE OF STATE ETHICS AND THE
CITIZEN'S ETHICS ADVISORY BOARD.**

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

1 Section 1. Subsection (d) of section 1-79 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2005*):

4 (d) ["Commission" means the State Ethics Commission] "Board"
5 means the Citizen's Ethics Advisory Board established in section 1-80,
6 as amended by this act.

7 Sec. 2. Section 1-80 of the general statutes is repealed and the
8 following is substituted in lieu thereof (*Effective July 1, 2005*):

9 (a) There shall be [a State Ethics Commission consisting of nine
10 members to be appointed with the advice and consent of the General
11 Assembly. One member] an Office of State Ethics that shall be an
12 independent state agency. Such office shall consist of an executive
13 director, general counsel and such other staff as hired by such
14 executive director. Within the Office of State Ethics, there shall be the
15 Citizen's Ethics Advisory Board that shall consist of seven members,
16 appointed as follows: One member shall be appointed by the speaker
17 of the House, one member by the president pro tempore of the Senate,
18 [one member by the majority leader of the Senate,] one member by the

19 minority leader of the Senate, [one member by the majority leader of
20 the House of Representatives,] one member by the minority leader of
21 the House of Representatives, [and three] two members by the
22 Governor and one member appointed by the Chief Justice of the
23 Connecticut Supreme Court. Members of the commission shall serve
24 for four-year terms which shall commence on October first, except that
25 members first appointed shall have the following terms: The Governor
26 shall appoint two members for a term of three years [and one member
27 for a term of four years; the majority leader of the House or
28 Representatives,] the minority leader of the House of Representatives
29 and the speaker of the House of Representatives shall each appoint one
30 member for a term of two years; the president pro tempore of the
31 Senate, [the majority leader of the Senate] and the minority leader of
32 the Senate shall each appoint one member for a term of four years; and
33 the Chief Justice of the Connecticut Supreme Court shall appoint one
34 member for a term of three years. No individual shall be appointed to
35 more than one four-year term as a member of such [commission]
36 board, provided that members may not continue in office [until a
37 successor has been appointed and qualified] once their term has
38 expired. No more than [five] three members shall be members of the
39 same political party. [The members appointed by the majority leader of
40 the Senate and the majority leader of the House of Representatives
41 shall be selected from a list of nominees proposed by a citizen group
42 having an interest in ethical government. The majority leader of the
43 Senate and the majority leader of the House of Representatives shall
44 each determine the citizen group from which each will accept such
45 nominations. On and after October 1, 2004, one member appointed by
46 the Governor shall be selected from a list of nominees proposed by a
47 citizen group having an interest in ethical government. The Governor
48 shall determine the citizen group from which the Governor will accept
49 such nominations.]

50 (b) All members shall be electors of the state. No member or
51 employee of such [commission] board shall (1) hold or campaign for
52 any public office; (2) have held public office or have been a candidate

53 for public office for a three-year period prior to appointment; (3) hold
54 office in any political party or political committee or be a member of
55 any organization or association organized primarily for the purpose of
56 influencing legislation or decisions of public agencies; or (4) be an
57 individual who is a registrant as defined in subsection (q) of section 1-
58 91.

59 (c) Any vacancy on the [commission] board shall be filled [for the
60 unexpired portion of the term] by the appointing authority having the
61 power to make the original appointment. An individual selected by the
62 appointing authority to fill a vacancy shall be eligible for appointment
63 to one full four-year term thereafter. Any vacancy occurring on the
64 [commission] board shall be filled within thirty days.

65 (d) The [commission] board shall elect a chairperson who shall,
66 except as provided in subsection (b) of section 1-82, as amended by this
67 act, and subsection (b) of section 1-93, as amended by this act, preside
68 at meetings of the [commission] board and a vice-chairperson to
69 preside in the absence of the chairperson. [~~Six~~] Five members of the
70 commission shall constitute a quorum. Except as provided in
71 subdivision (3) of subsection (a) of section 1-81, as amended by this act,
72 subsections (a) and (b) of section 1-82, as amended by this act,
73 subsection (b) of section 1-88, as amended by this act, subdivision (5) of
74 section 1-92, as amended by this act, subsections (a) and (b) of section
75 1-93, as amended by this act, and subsection (b) of section 1-99, a
76 majority vote of the quorum shall be required for action of the
77 [commission] board. The chairperson or any [~~five~~] four members may
78 call a meeting.

79 (e) Any matter before the [commission] board, except hearings held
80 pursuant to the provisions of subsection (b) of section 1-82, as
81 amended by this act, or subsection (b) of section 1-93, as amended by
82 this act, may be assigned by the [commission] board to two of its
83 members to conduct an investigation or hearing, as the case may be, to
84 ascertain the facts and report thereon to the [commission] board with a
85 recommendation for action.

86 (f) Members of the [commission] board shall be compensated at the
87 rate of fifty dollars per day for each day they attend a meeting or
88 hearing and shall receive reimbursement for their necessary expenses
89 incurred in the discharge of their official duties.

90 (g) The [commission] board shall not be construed to be a board or
91 commission within the meaning of section 4-9a, as amended by this
92 act.

93 (h) The members and employees of the [State Ethics Commission]
94 Citizen's Ethics Advisory Board and the Office of State Ethics shall
95 adhere to the following code of ethics under which the members and
96 employees shall: (1) Observe high standards of conduct so that the
97 integrity and independence of the [State Ethics Commission] Citizen's
98 Ethics Advisory Board and the Office of State Ethics may be preserved;
99 (2) respect and comply with the law and conduct themselves at all
100 times in a manner which promotes public confidence in the integrity
101 and impartiality of the commission; (3) be faithful to the law and
102 maintain professional competence in the law; (4) be unswayed by
103 partisan interests, public clamor or fear of criticism; (5) maintain order
104 and decorum in proceedings of the [commission] board and Office of
105 State Ethics; (6) be patient, dignified and courteous to all persons who
106 appear in [commission] board and Office of State Ethics proceedings
107 and with other persons with whom the members and employees deal
108 in their official capacities; (7) refrain from making any statement
109 outside of a [commission] board and Office of State Ethics proceeding,
110 which would have a likelihood of prejudicing a [commission] board
111 and Office of State Ethics proceeding; (8) refrain from making any
112 statement outside of a [commission] board and Office of State Ethics
113 proceeding that a reasonable person would expect to be disseminated
114 by means of public communication if the member or employee should
115 know that such statement would have a likelihood of materially
116 prejudicing or embarrassing a complainant or a respondent; (9)
117 preserve confidences of complainants and respondents; (10) exercise
118 independent professional judgment on behalf of the [commission]
119 board and Office of State Ethics; and (11) represent the [commission]

120 board and Office of State Ethics competently.

121 (i) No member or employee of the board or Office of State Ethics
122 may make a contribution, as defined in section 9-333b, to any person
123 subject to the provisions of this part.

124 (j) Members of the board shall recuse themselves from participating
125 in any proceeding or matter undertaken pursuant to this chapter that
126 involves the person who appointed such member to the commission.

127 Sec. 3. Section 1-81 of the general statutes is repealed and the
128 following is substituted in lieu thereof (*Effective July 1, 2005*):

129 (a) The [commission] general counsel and staff of the Office of State
130 Ethics shall:

131 (1) Compile and maintain an index of all reports, [advisory
132 opinions] informal staff letters, formal declaratory rulings, memoranda
133 filed under the provisions of subsection (f) of section 1-82a and
134 statements filed by and with the [commission] Office of State Ethics to
135 facilitate public access to such reports and statements as provided by
136 this part;

137 (2) Preserve [advisory opinions] informal staff letters, formal
138 declaratory rulings, permanently; preserve memoranda filed under
139 subsection (f) of section 1-82a, and statements and reports filed by and
140 with the [commission] board for a period of five years from the date of
141 receipt;

142 (3) Upon the [concurring vote of five of its members] approval of a
143 judge trial referee, issue [advisory opinions] formal declaratory rulings
144 with regard to the requirements of this part, upon the request of any
145 person subject to the provisions of this part, and publish such
146 [advisory opinions] formal declaratory rulings in the Connecticut Law
147 Journal. [Advisory opinions] Formal declaratory rulings rendered by
148 the [commission] Office of State Ethics, until amended or revoked,
149 shall be binding on the [commission] Office of State Ethics and shall be

150 deemed to be final decisions of the [commission] Office of State Ethics
151 for purposes of section 1-87. Any [advisory opinion] formal
152 declaratory ruling concerning the person who requested the opinion
153 and who acted in reliance thereon, in good faith, shall be binding upon
154 the [commission] Office of State Ethics, and it shall be an absolute
155 defense in any criminal action brought under the provisions of this
156 part, that the accused acted in reliance upon such [advisory opinion]
157 formal declaratory ruling;

158 [(4) Report annually, prior to April fifteenth, to the Governor
159 summarizing the activities of the commission; and]

160 (4) Respond to inquiries and provide advice regarding the code of
161 ethics either verbally or through informal letters; and

162 [(5) Adopt regulations in accordance with chapter 54 to carry out
163 the purposes of this part.]

164 (5) Provide yearly training to all state employees regarding the code
165 of ethics.

166 (b) The [commission may] Office of State Ethics shall employ an
167 executive director and general counsel. [and] No one person may serve
168 as both the executive director and the general counsel of the Office of
169 State Ethics. The Office of State Ethics may employ necessary staff
170 within available appropriations.

171 (c) The executive director, described in subsection (b) of this section,
172 shall be appointed by the Citizen's Ethics Advisory Board for an open-
173 ended term and approved by the General Assembly in accordance
174 with the provisions of section 4-7. The board shall annually evaluate
175 the performance of such executive director, in writing, and may
176 remove the executive director, after consultation with the Attorney
177 General, for good cause shown.

178 (d) The general counsel described in subsection (b) of this section,
179 and other staff of the Office of State Ethics shall be appointed by the

180 executive director of the Office of State Ethics. The executive director
181 shall annually evaluate the performance of the general counsel and
182 such other staff, in writing, and may remove the general counsel or
183 such other staff, after consultation with the Attorney General, for good
184 cause shown.

185 (e) The Citizen's Ethics Advisory Board shall adopt regulations in
186 accordance with chapter 54 to carry out the purposes of this part and
187 make legislative recommendations to the General Assembly.

188 (f) In consultation with the executive director of the Office of State
189 Ethics, the Citizen's Ethics Advisory Board shall oversee yearly
190 training of all state personnel in the code of ethics and shall make
191 recommendations as to public education regarding ethics.

192 Sec. 4. Section 1-81a of the general statutes is repealed and the
193 following is substituted in lieu thereof (*Effective July 1, 2005*):

194 (a) Notwithstanding any provision of the general statutes, the
195 appropriations recommended for the [State Ethics Commission] Office
196 of State Ethics, as established in section 1-80, as amended by this act,
197 shall be the estimates of expenditure requirements transmitted to the
198 Secretary of the Office of Policy and Management by the executive
199 director of the commission and the recommended adjustments and
200 revisions of such estimates shall be the recommended adjustments and
201 revisions, if any, transmitted by said executive director to the Office of
202 Policy and Management.

203 (b) Notwithstanding any provision of the general statutes, the
204 Governor shall not reduce allotment requisitions or allotments in force
205 concerning the [State Ethics Commission] Office of State Ethics.

206 Sec. 5. Section 1-81b of the general statutes is repealed and the
207 following is substituted in lieu thereof (*Effective July 1, 2005*):

208 The [State Ethics Commission] Office of State Ethics shall develop a
209 plain language summary of state ethics laws concerning (1) persons,

210 firms and corporations submitting bids or proposals for state contracts,
211 and (2) state contractors. The [commission] Office of State Ethics shall
212 publish said summary on the commission's web site.

213 Sec. 6. Section 1-82 of the general statutes is repealed and the
214 following is substituted in lieu thereof (*Effective July 1, 2005*):

215 (a) (1) Upon the complaint of any person on a form prescribed by
216 the [commission] Office of State Ethics, signed under penalty of false
217 statement, or upon its own complaint, the [commission] general
218 counsel and staff of the Office of State Ethics shall investigate any
219 alleged violation of this part. Not later than five days after the receipt
220 or issuance of such complaint, the [commission] Office of State Ethics
221 shall provide notice of such receipt or issuance and a copy of the
222 complaint by registered or certified mail to any respondent against
223 whom such complaint is filed and shall provide notice of the receipt of
224 such complaint to the complainant. When the [commission] Office of
225 State Ethics undertakes an evaluation of a possible violation of this
226 part prior to the filing of a complaint by the [commission] general
227 counsel of the Office of State Ethics, the subject of the evaluation shall
228 be notified within five business days after [a commission] an Office of
229 State Ethics staff member's first contact with a third party concerning
230 the matter.

231 (2) In the conduct of its investigation of an alleged violation of this
232 part, the [commission] general counsel of the Office of State Ethics and
233 its staff shall have the power to hold hearings, administer oaths,
234 examine witnesses, receive oral and documentary evidence, subpoena
235 witnesses under procedural rules adopted by the [commission]
236 Citizen's Ethics Advisory Board as regulations in accordance with the
237 provisions of chapter 54 to compel attendance before the [commission]
238 Office of State Ethics and to require the production for examination by
239 the [commission] general counsel and staff of the Office of State Ethics
240 of any books and papers which the [commission] general counsel and
241 staff of the Office of State Ethics deems relevant in any matter under
242 investigation or in question. In the exercise of such powers, the

243 [commission] general counsel and staff of the Office of State Ethics
244 may use the services of the state police, who shall provide the same
245 upon the [commission's] general counsel and staff of the Office of State
246 Ethic's request. The [commission] Office of State Ethics shall make a
247 record of all proceedings conducted pursuant to this subsection. Any
248 witness summoned before the [commission] Office of State Ethics shall
249 receive the witness fee paid to witnesses in the courts of this state.
250 During the investigation the respondent shall have the right to appear
251 and be heard and to offer any information which may tend to clear
252 him of probable cause to believe he has violated any provision of this
253 part. The respondent shall also have the right to be represented by
254 legal counsel and to examine and cross-examine witnesses. Not later
255 than ten days prior to the commencement of any hearing conducted
256 pursuant to this subsection, the [commission] Office of State Ethics
257 shall provide the respondent with a list of its intended witnesses. The
258 [commission] general counsel and staff of the Office of State Ethics
259 shall [make no] present the results of any such investigation to a judge
260 trial referee who shall make any finding that there is probable cause to
261 believe the respondent is in violation of any provision of this part.
262 [except upon the concurring vote of five of its members.]

263 (b) If a [preliminary investigation indicates] judge trial referee
264 determines that probable cause exists for the violation of a provision of
265 this part, the [commission] general counsel of the Office of State Ethics
266 shall refer the matter to a judge trial referee who shall initiate hearings
267 to determine whether there has been a violation of this part. [A] Such
268 judge trial referee, who shall be assigned by the Chief Court
269 Administrator and who shall be compensated in accordance with
270 section 52-434 out of funds available to the commission, and shall
271 preside over such hearing and [shall] rule on all matters concerning the
272 application of the rules of evidence, which shall be the same as in
273 judicial proceedings. [The trial referee shall have no vote in any
274 decision of the commission.] All hearings [of the commission] held
275 pursuant to this subsection shall be open. At such hearing the
276 [commission] judge trial referee shall have the same powers as the

277 general counsel and staff of the Office of State Ethics under subsection
278 (a) of this section and the respondent shall have the right to be
279 represented by legal counsel, the right to compel attendance of
280 witnesses and the production of books, documents, records and papers
281 and to examine and cross-examine witnesses. Not later than ten days
282 prior to the commencement of any hearing conducted pursuant to this
283 subsection, the [commission] general counsel of the Office of State
284 Ethics shall provide the respondent with a list of its intended
285 witnesses. The judge trial referee shall, while engaged in the discharge
286 of his duties as provided in this subsection, have the same authority as
287 is provided in section 51-35 over witnesses who refuse to obey a
288 subpoena or to testify with respect to any matter upon which such
289 witness may be lawfully interrogated, and may commit any such
290 witness for contempt for a period no longer than thirty days. The
291 [commission] Office of State Ethics shall make a record of all
292 proceedings pursuant to this subsection. [The commission shall find no
293 person in violation of any provision of this part except upon the
294 concurring vote of seven of its members.] Not later than fifteen days
295 after the [public] hearing conducted in accordance with this
296 subsection, the [commission] judge trial referee shall publish [its] such
297 referee's finding and a memorandum of the reasons therefor. Such
298 finding and memorandum shall be deemed to be the final decision of
299 the [commission] Office of State Ethics on the matter for the purposes
300 of chapter 54. The respondent, if aggrieved by the finding and
301 memorandum, may appeal therefrom to the Superior Court in
302 accordance with the provisions of section 4-183.

303 (c) If the [commission] judge trial referee finds, after a hearing
304 pursuant to this section, that there is no probable cause to believe that
305 a public official or state employee has violated a provision of this part,
306 or that a public official or state employee has not violated any such
307 provision, or if a court of competent jurisdiction overturns a finding by
308 [the commission] a judge trial referee of a violation by such a
309 respondent, the state shall pay the reasonable legal expenses of the
310 respondent as determined by the Attorney General or by the court if

311 appropriate. If any complaint brought under the provisions of this part
312 is made with the knowledge that it is made without foundation in fact,
313 the respondent shall have a cause of action against the complainant for
314 double the amount of damage caused thereby and if the respondent
315 prevails in such action, he may be awarded by the court the costs of
316 such action together with reasonable attorneys' fees.

317 (d) No complaint may be made under this section except within five
318 years next after the violation alleged in the complaint has been
319 committed.

320 (e) No person shall take or threaten to take official action against an
321 individual for such individual's disclosure of information to the
322 [commission] general counsel or staff of the Office of State Ethics
323 under the provisions of this part. After receipt of information from an
324 individual under the provisions of this part, the [commission] general
325 counsel or staff of the Office of State Ethics shall not disclose the
326 identity of such individual without his consent unless the
327 [commission] general counsel or staff of the Office of State Ethics
328 determines that such disclosure is unavoidable during the course of an
329 investigation.

330 Sec. 7. Section 1-82a of the general statutes is repealed and the
331 following is substituted in lieu thereof (*Effective July 1, 2005*):

332 (a) Unless [the commission] a judge trial referee makes a finding of
333 probable cause, a complaint alleging a violation of this part shall be
334 confidential except upon the request of the respondent. [A
335 commission] An evaluation of a possible violation of this part by the
336 Office of State Ethics prior to the filing of a complaint by the
337 [commission] general counsel or staff of the Office of State Ethics shall
338 be confidential except upon the request of the subject of the evaluation.
339 If the evaluation is confidential, any information supplied to or
340 received from the [commission] general counsel or staff of the Office of
341 State Ethics shall not be disclosed to any third party by a subject of the
342 evaluation, a person contacted for the purpose of obtaining

343 information or by [a commission or staff member] the general counsel
344 or staff of the Office of State Ethics. No provision of this subsection
345 shall prevent the [Ethics Commission] general counsel or staff of the
346 Office of State Ethics from reporting the possible commission of a
347 crime to the Chief State's Attorney or other prosecutorial authority.

348 (b) An investigation conducted prior to a probable cause finding
349 shall be confidential except upon the request of the respondent. If the
350 investigation is confidential, the allegations in the complaint and any
351 information supplied to or received from the [commission] general
352 counsel or staff of the Office of State Ethics shall not be disclosed
353 during the investigation to any third party by a complainant,
354 respondent, witness, designated party, or [commission] Office of State
355 Ethics or staff member.

356 (c) Not later than three business days after the termination of the
357 investigation, the [commission] Office of State Ethics shall inform the
358 complainant and the respondent of its finding and provide them a
359 summary of its reasons for making that finding. The [commission]
360 Office of State Ethics shall publish its finding upon the respondent's
361 request and may also publish a summary of its reasons for making
362 such finding.

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

376 (e) The [commission] judge trial referee shall make public a finding
377 of probable cause not later than five business days after the
378 termination of the investigation by the general counsel and staff of the
379 Office of State Ethics. At such time the entire record of the
380 investigation shall become public, except that the [commission] Office
381 of State Ethics may postpone examination or release of such public
382 records for a period not to exceed fourteen days for the purpose of
383 reaching a stipulation agreement pursuant to subsection (c) of section
384 4-177.

385 Sec. 8. Section 1-83 of the general statutes is repealed and the
386 following is substituted in lieu thereof (*Effective July 1, 2005*):

387 (a) (1) All state-wide elected officers, members of the General
388 Assembly, department heads and their deputies, members of the
389 Gaming Policy Board, the executive director of the Division of Special
390 Revenue within the Department of Revenue Services, members or
391 directors of each quasi-public agency, members of the Investment
392 Advisory Council, state marshals and such members of the Executive
393 Department and such employees of quasi-public agencies as the
394 Governor shall require, shall file, under penalty of false statement, a
395 statement of financial interests for the preceding calendar year with the
396 [commission] Office of State Ethics on or before the May first next in
397 any year in which they hold such a position. Any such individual who
398 leaves his or her office or position shall file a statement of financial
399 interests covering that portion of the year during which such
400 individual held his or her office or position. The [commission] Office of
401 State Ethics shall notify such individuals of the requirements of this
402 subsection within thirty days after their departure from such office or
403 position. Such individuals shall file such statement within sixty days
404 after receipt of the notification.

405 (2) Each state agency, department, board and commission shall
406 develop and implement, in cooperation with the [Ethics Commission]
407 Office of State Ethics, an ethics statement as it relates to the mission of
408 the agency, department, board or commission. The executive head of

409 each such agency, department, board or commission shall be directly
410 responsible for the development and enforcement of such ethics
411 statement and shall file a copy of such ethics statement with the
412 Department of Administrative Services and the [Ethics Commission]
413 Office of State Ethics.

414 (b) (1) The statement of financial interests, except as provided in
415 subdivision (2) of this subsection, shall include the following
416 information for the preceding calendar year in regard to the individual
417 required to file the statement and the individual's spouse and
418 dependent children residing in the individual's household: (A) The
419 names of all businesses with which associated; (B) the category or type
420 of all sources of income in excess of one thousand dollars, without
421 specifying amounts of income; (C) the name of securities in excess of
422 five thousand dollars at fair market value owned by such individual,
423 spouse or dependent children or held in the name of a corporation,
424 partnership or trust for the benefit of such individual, spouse or
425 dependent children; (D) the existence of any known blind trust and the
426 names of the trustees; (E) all real property and its location, whether
427 owned by such individual, spouse or dependent children or held in the
428 name of a corporation, partnership or trust for the benefit of such
429 individual, spouse or dependent children; (F) the names and addresses
430 of creditors to whom the individual, the individual's spouse or
431 dependent children, individually, owed debts of more than ten
432 thousand dollars; (G) any leases or contracts with the state held or
433 entered into by the individual or a business with which he or she was
434 associated; and (H) a description of any partnership, joint ownership
435 or similar business affiliation between (i) a business included under
436 subparagraph (A) of this subdivision with which the individual filing
437 the statement, the individual's spouse or a dependent child of the
438 individual is associated, and (ii) a lobbyist, a person that the individual
439 filing the statement knows or has reason to know is doing business
440 with or seeking to do business with the state or is engaged in activities
441 that are directly regulated by the department or agency in which the
442 individual is employed, or a business with which such lobbyist or

443 person is associated.

444 (2) The statement of financial interests filed by state marshals shall
445 include only amounts and sources of income earned in their capacity
446 as state marshals.

447 (c) The statement of financial interests filed pursuant to this section
448 shall be a matter of public information, except the list of names, filed in
449 accordance with subparagraph (F) of subdivision (1) of subsection (b)
450 of this section shall be sealed and confidential and for the use of the
451 [commission] general counsel and staff of the Office of State Ethics
452 only after a complaint has been filed under section 1-82, as amended
453 by this act, and such complaint has been determined by [a vote of the
454 commission] the general counsel and staff of the Office of State Ethics
455 to be of sufficient merit and gravity to justify the unsealing of such list
456 or lists and not open to public inspection unless the respondent
457 requests otherwise. If the [commission] Office of State Ethics reports its
458 findings to the Chief State's Attorney in accordance with subsection (c)
459 of section 1-88, as amended by this act, the [commission] Office of State
460 Ethics shall turn over to the Chief State's Attorney such relevant
461 information contained in the statement as may be germane to the
462 specific violation or violations or a prosecutorial official may subpoena
463 such statement in a criminal action. Unless otherwise a matter of
464 public record, the [Ethics Commission] Office of State Ethics shall not
465 disclose to the public any such subpoena which would be exempt from
466 disclosure by the issuing agency.

467 (d) Any individual who is unable to provide information required
468 under the provisions of subdivision (1) of subsection (b) of this section
469 by reason of impossibility may petition the [commission] Office of
470 State Ethics for a waiver of the requirements.

471 Sec. 9. Section 1-84b of the general statutes is repealed and the
472 following is substituted in lieu thereof (*Effective July 1, 2005*):

473 (a) No former executive branch or quasi-public agency public
474 official or state employee shall represent anyone other than the state,

475 concerning any particular matter (1) in which he participated
476 personally and substantially while in state service, and (2) in which the
477 state has a substantial interest.

478 (b) No former executive branch or quasi-public agency public
479 official or state employee shall, for one year after leaving state service,
480 represent anyone, other than the state, for compensation before the
481 department, agency, board, commission, council or office in which he
482 served at the time of his termination of service, concerning any matter
483 in which the state has a substantial interest. The provisions of this
484 subsection shall not apply to an attorney who is a former employee of
485 the Division of Criminal Justice, with respect to any representation in a
486 matter under the jurisdiction of a court.

487 (c) The provisions of this subsection apply to present or former
488 executive branch public officials or state employees who hold or
489 formerly held positions which involve significant decision-making or
490 supervisory responsibility and are designated as such by the [State
491 Ethics Commission] Office of State Ethics in consultation with the
492 agency concerned except that such provisions shall not apply to
493 members or former members of the boards or commissions who serve
494 ex officio, who are required by statute to represent the regulated
495 industry or who are permitted by statute to have a past or present
496 affiliation with the regulated industry. Designation of positions subject
497 to the provisions of this subsection shall be by regulations adopted by
498 the [State Ethics Commission] Citizen's Ethics Advisory Board in
499 accordance with chapter 54. As used in this subsection, "agency"
500 means the Office of Health Care Access, the Connecticut Siting
501 Council, the Department of Banking, the Insurance Department, the
502 Department of Public Safety, the office within the Department of
503 Consumer Protection that carries out the duties and responsibilities of
504 sections 30-2 to 30-68m, inclusive, the Department of Public Utility
505 Control, including the Office of Consumer Counsel, the Division of
506 Special Revenue and the Gaming Policy Board and the term
507 "employment" means professional services or other services rendered
508 as an employee or as an independent contractor.

509 (1) No public official or state employee, in an executive branch
510 position designated by the [State Ethics Commission] Office of State
511 Ethics shall negotiate for, seek or accept employment with any
512 business subject to regulation by his agency.

513 (2) No former public official or state employee who held such a
514 position in the executive branch shall within one year after leaving an
515 agency, accept employment with a business subject to regulation by
516 that agency.

517 (3) No business shall employ a present or former public official or
518 state employee in violation of this subsection.

519 (d) The provisions of subsection (e) of this section apply to (1)
520 present or former Gaming Policy Board or Division of Special Revenue
521 public officials or state employees who hold or formerly held positions
522 which involve significant decision-making or supervisory
523 responsibility and are designated as such by the [State Ethics
524 Commission] Office of State Ethics, in consultation with the agency
525 concerned, and (2) present or former public officials or state employees
526 of other agencies who hold or formerly held positions which involve
527 significant decision-making or supervisory responsibility concerning
528 the regulation or investigation of (A) any business entity (i) engaged in
529 Indian gaming operations in the state, and (ii) in which a federally-
530 recognized Indian tribe in the state owns a controlling interest, or (B) a
531 governmental agency of a federally-recognized Indian tribe engaged in
532 Indian gaming operations in the state, which positions are designated
533 as such by the [State Ethics Commission] Office of State Ethics, in
534 consultation with the agency concerned. Designation of positions
535 subject to the provisions of this subsection shall be by regulations
536 adopted by the [State Ethics Commission] Office of State Ethics in
537 accordance with chapter 54. As used in subsection (e) of this section,
538 the term "employment" means professional services or other services
539 rendered as an employee or as an independent contractor.

540 (e) (1) No Gaming Policy Board or Division of Special Revenue

541 public official or state employee or other public official or state
542 employee described in subdivision (2) of subsection (d) of this section,
543 in a position designated by the [State Ethics Commission] Office of
544 State Ethics, shall negotiate for, seek or accept employment with (A) a
545 business entity (i) engaged in Indian gaming operations in the state,
546 and (ii) in which a federally-recognized Indian tribe in the state owns a
547 controlling interest, or (B) a governmental agency of a federally-
548 recognized Indian tribe engaged in Indian gaming operations in the
549 state.

550 (2) No former Gaming Policy Board or Division of Special Revenue
551 public official or state employee or other former public official or state
552 employee described in subdivision (2) of subsection (d) of this section,
553 who held such a position shall, within two years after leaving such
554 agency, accept employment with (A) a business entity (i) engaged in
555 Indian gaming operations in the state, and (ii) in which a federally-
556 recognized Indian tribe in the state owns a controlling interest, or (B) a
557 governmental agency of a federally-recognized Indian tribe engaged in
558 Indian gaming operations in the state.

559 (f) No former public official or state employee (1) who participated
560 substantially in the negotiation or award of (A) a state contract valued
561 at an amount of fifty thousand dollars or more, or (B) a written
562 agreement for the approval of a payroll deduction slot described in
563 section 3-123g, or (2) who supervised the negotiation or award of such
564 a contract or agreement, shall accept employment with a party to the
565 contract or agreement other than the state for a period of one year after
566 his resignation from his state office or position if his resignation occurs
567 less than one year after the contract or agreement is signed.

568 (g) No member or director of a quasi-public agency who
569 participates substantially in the negotiation or award of a contract
570 valued at an amount of fifty thousand dollars or more, or who
571 supervised the negotiation or award of such a contract, shall seek,
572 accept, or hold employment with a party to the contract for a period of
573 one year after the signing of the contract.

574 [(h) The regulations required to implement the provisions of
575 subsection (c) of this section may be adopted by the State Ethics
576 Commission prior to January 7, 1987, but may not take effect prior to
577 that date.]

578 [(i)] (h) The provisions of subsections (a), (b) and (f) of this section
579 shall not apply to any employee of a quasi-public agency who leaves
580 such agency before July 1, 1989.

581 [(j)] (i) No Treasurer who authorizes, negotiates or renegotiates a
582 contract for investment services valued at an amount of fifty thousand
583 dollars or more shall negotiate for, seek or accept employment with a
584 party to the contract prior to one year after the end of the Treasurer's
585 term of office within which such contract for investment services was
586 authorized, negotiated or renegotiated by such Treasurer.

587 Sec. 10. Section 1-86 of the general statutes is repealed and the
588 following is substituted in lieu thereof (*Effective July 1, 2005*):

589 (a) Any public official or state employee, other than an elected state
590 official, who, in the discharge of his official duties, would be required
591 to take an action that would affect a financial interest of himself, his
592 spouse, parent, brother, sister, child or the spouse of a child or a
593 business with which he is associated, other than an interest of a de
594 minimis nature, an interest that is not distinct from that of a substantial
595 segment of the general public or an interest in substantial conflict with
596 the performance of official duties as defined in section 1-85 has a
597 potential conflict of interest. Under such circumstances, he shall, if he
598 is a member of a state regulatory agency, either excuse himself from
599 the matter or prepare a written statement signed under penalty of false
600 statement describing the matter requiring action and the nature of the
601 potential conflict and explaining why despite the potential conflict, he
602 is able to vote and otherwise participate fairly, objectively and in the
603 public interest. He shall deliver a copy of the statement to the
604 [commission] Office of State Ethics and enter a copy of the statement in
605 the journal or minutes of the agency. If he is not a member of a state

606 regulatory agency, he shall, in the case of either a substantial or
607 potential conflict, prepare a written statement signed under penalty of
608 false statement describing the matter requiring action and the nature of
609 the conflict and deliver a copy of the statement to his immediate
610 superior, if any, who shall assign the matter to another employee, or if
611 he has no immediate superior, he shall take such steps as the
612 [commission] Office of State Ethics shall prescribe or advise.

613 (b) No elected state official shall be affected by subsection (a) of this
614 section.

615 (c) No person required to register with the [State Ethics
616 Commission] Office of State Ethics under section 1-94 shall accept
617 employment with the General Assembly or with any member of the
618 General Assembly in connection with legislative action, as defined in
619 section 1-91, as amended by this act. No member of the General
620 Assembly shall be a lobbyist.

621 Sec. 11. Section 1-86d of the general statutes is repealed and the
622 following is substituted in lieu thereof (*Effective July 1, 2005*):

623 (a) Any public official or state employee who establishes a legal
624 defense fund, or for whom a legal defense fund has been established,
625 shall file a report on said fund with the [State Ethics Commission]
626 Office of State Ethics not later than the tenth day of January, April, July
627 and October. Each such report shall include the following information
628 for the preceding calendar quarter: (1) The names of the directors and
629 officers of the fund, (2) the name of the depository institution for the
630 fund, (3) an itemized accounting of each contribution to the fund,
631 including the full name and complete address of each contributor and
632 the amount of the contribution, and (4) an itemized accounting of each
633 expenditure, including the full name and complete address of each
634 payee and the amount and purpose of the expenditure. The public
635 official or state employee shall sign each such report under penalty of
636 false statement. The provisions of this subsection shall not apply to any
637 person who has made a contribution to a legal defense fund before

638 June 3, 2004.

639 (b) (1) In addition to the prohibitions on gifts under subsections (j)
640 and (m) of section 1-84 and subsection (a) of section 1-97, no public
641 official or state employee shall accept, directly or indirectly, any
642 contribution to a legal defense fund established by or for the public
643 official or state employee, from (A) a member of the immediate family
644 of any person who is prohibited from giving a gift under subsection (j)
645 or (m) of section 1-84 or subsection (a) of section 1-97, or (B) a person
646 who is appointed by said public official or state employee to serve on a
647 paid, full-time basis. No person described in subparagraph (A) or (B)
648 of this subdivision shall make a contribution to such a legal defense
649 fund, and no such person or any person prohibited from making a gift
650 under subsection (j) or (m) of section 1-84 or subsection (a) of section 1-
651 97 shall solicit a contribution for such a legal defense fund.

652 (2) A public official or state employee may accept a contribution or
653 contributions to a legal defense fund established by or for the public
654 official or state employee from any other person, provided the total
655 amount of such contributions from any such person in any calendar
656 year shall not exceed one thousand dollars. No such person shall make
657 a contribution or contributions to said legal defense fund exceeding
658 one thousand dollars in any calendar year. The provisions of this
659 subdivision shall not apply in 2004, to any person who has made a
660 contribution or contributions to a legal defense fund exceeding one
661 thousand dollars in 2004, before June 3, 2004, provided said legal
662 defense fund shall not accept any additional contributions from such
663 person in 2004, and such person shall not make any additional
664 contributions to said fund in 2004.

665 (3) Notwithstanding the provisions of subdivision (2) of this
666 subsection, a public official or state employee may accept a
667 contribution or contributions, in any amount, to a legal defense fund
668 established by or for the public official or state employee from a
669 relative of the public official or state employee or a person whose
670 relationship with the public official or state employee is not dependent

671 on the official's or employee's status as a public official or state
672 employee. The factors that the [State Ethics Commission] Office of
673 State Ethics shall consider in determining whether a person's
674 relationship is so dependent shall include, but not be limited to,
675 whether the person may be able to benefit from the exercise of official
676 authority of the public official or state employee and whether the
677 person made gifts to the public official or state employee before the
678 official or employee began serving in such office or position.

679 Sec. 12. Section 1-87 of the general statutes is repealed and the
680 following is substituted in lieu thereof (*Effective July 1, 2005*):

681 Any person aggrieved by any final decision of the [commission]
682 Office of State Ethics, made pursuant to this part, may appeal such
683 decision in accordance with the provisions of section 4-175 or section 4-
684 183.

685 Sec. 13. Section 1-88 of the general statutes is repealed and the
686 following is substituted in lieu thereof (*Effective July 1, 2005*):

687 (a) The [commission] judge trial referee, upon a finding made
688 pursuant to section 1-82, as amended by this act, that there has been a
689 violation of any provision of this part, shall have the authority to order
690 the violator to do any or all of the following: (1) Cease and desist the
691 violation of this part; (2) file any report, statement or other information
692 as required by this part; and (3) pay a civil penalty of not more than
693 ten thousand dollars for each violation of this part.

694 (b) Notwithstanding the provisions of subsection (a) of this section,
695 the [commission] Office of State Ethics may, after a hearing conducted
696 in accordance with sections 4-176e to 4-184, inclusive, [upon the
697 concurring vote of seven of its members,] impose a civil penalty not to
698 exceed ten dollars per day upon any individual who fails to file any
699 report, statement or other information as required by this part. Each
700 distinct violation of this subsection shall be a separate offense and in
701 case of a continued violation, each day thereof shall be deemed a
702 separate offense. In no event shall the aggregate penalty imposed for

703 such failure to file exceed ten thousand dollars.

704 (c) The [commission] Office of State Ethics may also report its
705 finding to the Chief State's Attorney for any action deemed necessary.
706 The [commission] Office of State Ethics, upon a finding made by a
707 judge trial referee pursuant to section 1-82, as amended by this act, that
708 a member or member-elect of the General Assembly has violated any
709 provision of this part, shall notify the appropriate house of the General
710 Assembly, in writing, of [its] such finding and the basis for such
711 finding.

712 (d) Any person who knowingly acts in [his] such person's financial
713 interest in violation of section 1-84, 1-85, 1-86, as amended by this act,
714 or 1-86d, as amended by this act, or any person who knowingly
715 receives a financial advantage resulting from a violation of any of said
716 sections shall be liable for damages in the amount of such advantage. If
717 the [commission] Office of State Ethics determines that any person
718 may be so liable, it shall immediately inform the Attorney General of
719 that possibility.

720 (e) Any employee [or member of the commission] of the Office of
721 State Ethics or member of the Citizen's Ethics Advisory Board who, in
722 violation of this part, discloses information filed in accordance with
723 subparagraph (B) or subparagraph (F) of subdivision (1) of subsection
724 (b) of section 1-83, as amended by this act, shall be dismissed, if an
725 employee, or removed from the [commission] board, if a member.

726 Sec. 14. Section 1-89a of the general statutes is repealed and the
727 following is substituted in lieu thereof (*Effective July 1, 2005*):

728 (a) In each odd-numbered calendar year, the [State Ethics
729 Commission] Office of State Ethics, the Connecticut Humanities
730 Council and the Joint Committee on Legislative Management shall
731 conduct a conference on ethical issues affecting members of the
732 General Assembly and lobbyists.

733 (b) In each even-numbered calendar year, the [State Ethics

734 Commission] Office of State Ethics shall conduct a conference on
735 ethical issues affecting executive branch and quasi-public agency
736 public officials and state employees.

737 Sec. 15. Subsection (c) of section 1-91 of the general statutes is
738 repealed and the following is substituted in lieu thereof (*Effective July*
739 *1, 2005*):

740 (c) ["Commission" means the State Ethics Commission] "Board"
741 means the Citizen's Ethics Advisory Board established under section 1-
742 80, as amended by this act.

743 Sec. 16. Section 1-92 of the general statutes is repealed and the
744 following is substituted in lieu thereof (*Effective July 1, 2005*):

745 [The commission shall:

746 (1) Adopt] (a) The Citizen's Ethics Advisory Board shall adopt
747 regulations in accordance with chapter 54 to carry out the purposes of
748 this part. Not later than January 1, 1992, the [commission] board shall
749 adopt regulations which further clarify the meaning of the terms
750 "directly and personally received" and "major life event", as used in
751 subsection (e) of section 1-79 and subsection (g) of section 1-91;

752 [(2) Compile] (b) The general counsel and staff of the Office of State
753 Ethics shall compile and maintain an index of all reports and
754 statements filed with the [commission] Office of State Ethics under the
755 provisions of this part and [advisory opinions] formal declaratory
756 rulings issued by the [commission] Office of State Ethics with regard to
757 the requirements of this part, to facilitate public access to such reports,
758 statements and [advisory opinions] formal declaratory rulings
759 promptly upon the filing or issuance thereof;

760 [(3) Prepare] (c) The general counsel and staff of the Office of State
761 Ethics shall prepare quarterly and annual summaries of statements
762 and reports filed with the [commission and advisory opinions] Office
763 of State Ethics and formal declaratory rulings issued by the

764 [commission] Office of State Ethics;

765 [(4) Preserve advisory opinions] (d) The general counsel and staff of
766 the Office of State Ethics shall preserve formal declaratory rulings
767 permanently; preserve memoranda filed under subsection (f) of section
768 1-93a, statements and reports filed by and with the [commission]
769 Office of State Ethics for a period of five years from the date of receipt;

770 [(5)] (e) Upon the [concurring vote of five of its members,] approval
771 of a judge trial referee, the Office of State Ethics shall issue [advisory
772 opinions] formal declaratory rulings with regard to the requirements
773 of this part, upon the request of any person, subject to the provisions of
774 this part, and publish such [advisory opinions] formal declaratory
775 rulings in the Connecticut Law Journal. [Advisory opinions] Formal
776 declaratory rulings rendered by [the commission] the Office of State
777 Ethics, upon the approval of a judge trial referee, until amended or
778 revoked, shall be binding on the [commission] Office of State Ethics
779 and shall be deemed to be final decisions of the [commission] Office of
780 State Ethics for purposes of section 1-98. Any [advisory opinion]
781 formal declaratory ruling concerning any person subject to the
782 provisions of this part who requested the [opinion] ruling and who
783 acted in reliance thereon, in good faith, shall be binding upon the
784 [commission] Office of State Ethics, and it shall be an absolute defense
785 in any criminal action brought under the provisions of this part that
786 the accused acted in reliance upon such [advisory opinion] formal
787 declaratory ruling;

788 [(6) Report annually, prior to February fifteenth, to the Governor
789 summarizing the activities of the commission;

790 (7) Employ]

791 (f) The Office of State Ethics shall employ necessary staff within
792 available appropriations.

793 Sec. 17. Section 1-93 of the general statutes is repealed and the
794 following is substituted in lieu thereof (*Effective July 1, 2005*):

795 (a) (1) Upon the complaint of any person on a form prescribed by
796 the [commission] Office of State Ethics, signed under penalty of false
797 statement, or upon its own complaint, the [commission] general
798 counsel and staff of the Office of State Ethics shall investigate any
799 alleged violation of this part. Not later than five days after the receipt
800 or issuance of such complaint, the [commission] Office of State Ethics
801 shall provide notice of such receipt or issuance and a copy of the
802 complaint by registered or certified mail to any respondent against
803 whom such complaint is filed and shall provide notice of the receipt of
804 such complaint to the complainant. When the [commission] Office of
805 State Ethics undertakes an evaluation of a possible violation of this
806 part prior to the filing of a complaint by the [commission] Office of
807 State Ethics, the subject of the evaluation shall be notified [within five
808 business days after a commission staff member's] not later than five
809 business days after a staff member of the Office of State Ethics
810 undertakes the first contact with a third party concerning the matter.

811 (2) In the conduct of its investigation of an alleged violation of this
812 part, the [commission] general counsel and staff of the Office of State
813 Ethics shall have the power to hold hearings, administer oaths,
814 examine witnesses, receive oral and documentary evidence, subpoena
815 witnesses under procedural rules adopted by the [commission]
816 Citizen's Ethics Advisory Board as regulations in accordance with the
817 provisions of chapter 54 to compel attendance before the [commission]
818 Office of State Ethics and to require the production for examination by
819 the [commission] general counsel and staff of the Office of State Ethics
820 of any books and papers which the [commission] Office of State Ethics
821 deems relevant in any matter under investigation or in question. In the
822 exercise of such powers, the [commission] general counsel and staff of
823 the Office of State Ethics may use the services of the state police, who
824 shall provide the same upon the [commission's] Office of State Ethic's
825 request. The [commission] Office of State Ethics shall make a record of
826 all proceedings conducted pursuant to this subsection. Any witness
827 summoned before the [commission] Office of State Ethics shall receive
828 the witness fee paid to witnesses in the courts of this state. The

829 respondent shall have the right to appear and be heard and to offer
830 any information which may tend to clear him of probable cause to
831 believe he has violated any provision of this part. The respondent shall
832 also have the right to be represented by legal counsel and to examine
833 and cross-examine witnesses. Not later than ten days prior to the
834 commencement of any hearing conducted pursuant to this subsection,
835 the [commission] Office of State Ethics shall provide the respondent
836 with a list of its intended witnesses. [The commission shall make no]
837 Any finding that there is probable cause to believe the respondent is in
838 violation of this part [, except upon the concurring vote of five of its
839 members] shall be made by a judge trial referee.

840 (b) If a preliminary investigation indicates that probable cause exists
841 for the violation of a provision of this part, the [commission] Office of
842 State Ethics shall initiate hearings to determine whether there has been
843 a violation of this part. A judge trial referee, who shall be assigned by
844 the Chief Court Administrator and who shall be compensated in
845 accordance with section 52-434 out of funds available to the
846 [commission] Office of State Ethics, shall preside over such hearing
847 and shall rule on all matters concerning the application of the rules of
848 evidence, which shall be the same as in judicial proceedings. [The trial
849 referee shall have no vote in any decision of the commission.] All
850 hearings of the [commission] Office of State Ethics held pursuant to
851 this subsection shall be open. At such hearing the [commission] judge
852 trial referee shall have the same powers as the Office of State Ethics
853 under subsection (a) of this section and the respondent shall have the
854 right to be represented by legal counsel, the right to compel attendance
855 of witnesses and the production of books, documents, records and
856 papers and to examine and cross-examine witnesses. Not later than ten
857 days prior to the commencement of any hearing conducted pursuant
858 to this subsection, the [commission] Office of State Ethics shall provide
859 the respondent with a list of its intended witnesses. The judge trial
860 referee shall, while engaged in the discharge of his duties as provided
861 in this subsection, have the same authority as is provided in section 51-
862 35 over witnesses who refuse to obey a subpoena or to testify with

863 respect to any matter upon which such witness may be lawfully
864 interrogated, and may commit any such witness for contempt for a
865 period no longer than thirty days. The [commission] Office of State
866 Ethics shall make a record of all proceedings pursuant to this
867 subsection. [The commission shall find no person in violation of any
868 provision of this part except upon the concurring vote of six of its
869 members.] Not later than fifteen days after the public hearing
870 conducted in accordance with this subsection, [the commission] a
871 judge trial referee shall publish [its] such judge's finding and a
872 memorandum of the reasons therefor. Such finding and memorandum
873 shall be deemed to be the final decision of the [commission] Office of
874 State Ethics on the matter for the purposes of chapter 54. The
875 respondent, if aggrieved by the finding and memorandum, may
876 appeal therefrom to the Superior Court in accordance with the
877 provisions of section 4-183.

878 (c) If any complaint brought under the provisions of this part is
879 made with the knowledge that it is made without foundation in fact,
880 the respondent shall have a cause of action against the complainant for
881 double the amount of damage caused thereby and if the respondent
882 prevails in such action, he may be awarded by the court the costs of
883 such action together with reasonable attorneys' fees.

884 (d) No complaint may be made under this section except within five
885 years next after the violation alleged in the complaint has been
886 committed.

887 (e) No person shall take or threaten to take official action against an
888 individual for such individual's disclosure of information to the
889 [commission] Office of State Ethics under the provisions of this part.
890 After receipt of information from an individual under the provisions of
891 this part, the [commission] Office of State Ethics shall not disclose the
892 identity of such individual without his consent unless the
893 [commission] Office of State Ethics determines that such disclosure is
894 unavoidable during the course of an investigation.

895 Sec. 18. Section 1-93a of the general statutes is repealed and the
896 following is substituted in lieu thereof (*Effective July 1, 2005*):

897 (a) Unless [the commission] a judge trial referee makes a finding of
898 probable cause, a complaint alleging a violation of this part shall be
899 confidential except upon the request of the respondent. A
900 [commission] Office of State Ethics evaluation of a possible violation of
901 this part undertaken prior to a complaint being filed by the
902 [commission] Office of State Ethics shall be confidential except upon
903 the request of the subject of the evaluation. If the evaluation is
904 confidential, any information supplied to or received from the
905 [commission] Office of State Ethics shall not be disclosed to any third
906 party by a subject of the evaluation, a person contacted for the purpose
907 of obtaining information or by [a commission] an Office of State Ethics
908 or staff member. No provision of this subsection shall prevent the
909 [Ethics Commission] Office of State Ethics from reporting the possible
910 commission of a crime to the Chief State's Attorney or other
911 prosecutorial authority.

912 (b) An investigation conducted prior to a probable cause finding
913 shall be confidential except upon the request of the respondent. If the
914 investigation is confidential, the allegations in the complaint and any
915 information supplied to or received from the [commission] Office of
916 State Ethics shall not be disclosed during the investigation to any third
917 party by a complainant, respondent, witness, designated party, or
918 [commission] Office of State Ethics or staff member.

919 (c) Not later than three business days after the termination of the
920 investigation, the [commission] Office of State Ethics shall inform the
921 complainant and the respondent of its finding and provide them a
922 summary of its reasons for making that finding. The [commission]
923 Office of State Ethics shall publish its finding upon the respondent's
924 request and may also publish a summary of its reasons for making
925 such finding.

926 (d) If the [commission] judge trial referee makes a finding of no

927 probable cause, the complaint and the record of its investigation shall
928 remain confidential, except upon the request of the respondent and
929 except that some or all of the record may be used in subsequent
930 proceedings. No complainant, respondent, witness, designated party,
931 or [commission] Office of State Ethics or staff member shall disclose to
932 any third party any information learned from the investigation,
933 including knowledge of the existence of a complaint, which the
934 disclosing party would not otherwise have known. If such a disclosure
935 is made, the [commission] Office of State Ethics may, after consultation
936 with the respondent if the respondent is not the source of the
937 disclosure, publish its finding and a summary of its reasons therefor.

938 (e) [The commission] A judge trial referee shall make public a
939 finding of probable cause not later than five business days after the
940 termination of the investigation. At such time the entire record of the
941 investigation shall become public, except that the [commission] Office
942 of State Ethics may postpone examination or release of such public
943 records for a period not to exceed fourteen days for the purpose of
944 reaching a stipulation agreement pursuant to subsection (c) of section
945 4-177.

946 Sec. 19. Section 1-94 of the general statutes is repealed and the
947 following is substituted in lieu thereof (*Effective July 1, 2005*):

948 A lobbyist shall register with the [commission] Office of State Ethics
949 pursuant to this part if it or he:

950 (1) Receives or agrees to receive compensation or reimbursement for
951 actual expenses, or both, in a combined amount of two thousand
952 dollars or more in a calendar year for lobbying, whether that receipt of
953 compensation or reimbursement or agreement to receive such
954 compensation or reimbursement is solely for lobbying or the lobbying
955 is incidental to that person's regular employment; or

956 (2) Makes or incurs an obligation to make expenditures of two
957 thousand dollars or more in a calendar year for lobbying.

958 Sec. 20. Section 1-95 of the general statutes is repealed and the
959 following is substituted in lieu thereof (*Effective July 1, 2005*):

960 (a) Each registrant shall file every two years with the [commission]
961 Office of State Ethics on a registration form signed under penalty of
962 false statement on or before January fifteenth of odd-numbered years
963 or prior to the commencement of lobbying whichever is later. If the
964 registrant is not an individual, an authorized officer or agent of the
965 registrant shall sign the form. Such registration shall be on a form
966 prescribed by the [commission] Office of State Ethics and shall include:

967 (1) If the registrant is an individual, the registrant's name,
968 permanent address and temporary address while lobbying and the
969 name, address and nature of business of any person who compensates
970 or reimburses, or agrees to compensate or reimburse the registrant and
971 the terms of the compensation, reimbursement or agreement, but shall
972 not include the compensation paid to an employee for his involvement
973 in activities other than lobbying;

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

976 (3) If the registrant is an association, group of persons or an
977 organization, the name and address of the principal officers and
978 directors of such association, group of persons or organization. If the
979 registrant is formed primarily for the purpose of lobbying, it shall
980 disclose the name and address of any person contributing two
981 thousand dollars or more to the registrant's lobbying activities in any
982 calendar year;

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

985 (5) The identification, with reasonable particularity, of areas of
986 legislative or administrative action on which the registrant expects to
987 lobby.

988 (b) Each registrant shall pay a reasonable fee not in excess of the cost
989 of administering the registration form provided for in subsection (a) of
990 this section plus the cost of collecting, filing, copying and distributing
991 the information filed by registrants under section 1-96, but not less
992 than twenty-five dollars. A registrant who commences lobbying in an
993 even-numbered year shall file with the [commission] Office of State
994 Ethics, on or before January fifteenth of such even-numbered year or
995 prior to the commencement of lobbying, whichever is later, a
996 registration form signed under penalty of false statement and shall pay
997 one-half of the biennial registration fee established by the
998 [commission] Office of State Ethics.

999 (c) Each registrant shall file a notice of termination within thirty
1000 days after he ceases the activity that required his registration, provided
1001 the registrant does not intend to resume the activity during the
1002 biennial period for which he is registered; but termination shall not
1003 relieve him of the reporting requirements of section 1-96 for the period
1004 preceding the date his notice of termination is received by the
1005 [commission] Office of State Ethics or for the period commencing on
1006 such date and ending on December thirty-first of the year in which
1007 termination occurs.

1008 Sec. 21. Section 1-96 of the general statutes is repealed and the
1009 following is substituted in lieu thereof (*Effective July 1, 2005*):

1010 (a) Each client lobbyist registrant shall file with the [commission]
1011 Office of State Ethics between the first and tenth day of April, July and
1012 January a financial report, signed under penalty of false statement. The
1013 April and July reports shall cover its lobbying activities during the
1014 previous calendar quarter and the January report shall cover its
1015 lobbying activities during the previous two calendar quarters. In
1016 addition to such reports, each client lobbyist registrant which attempts
1017 to influence legislative action shall file, under penalty of false
1018 statement, interim monthly reports of its lobbying activities for each
1019 month the General Assembly is in regular session, except that no
1020 monthly report shall be required for any month in which it neither

1021 expends nor agrees to expend one hundred dollars or more in
1022 furtherance of lobbying. Such interim monthly reports shall be filed
1023 with the [commission] Office of State Ethics no later than the tenth day
1024 of the month following the last day of the month reported. If the client
1025 lobbyist registrant is not an individual, an authorized officer or agent
1026 of the client lobbyist registrant shall sign the form. A communicator
1027 lobbyist for a municipality or any subdivision of a municipality, a
1028 branch of state government or any subdivision of state government or
1029 a quasi-public agency shall file the reports described in this subsection
1030 utilizing the client lobbyist reporting schedule.

1031 (b) Each individual communicator lobbyist registrant and each
1032 business organization communicator lobbyist registrant shall file with
1033 the [commission] Office of State Ethics between the first and tenth day
1034 of January a report or reports, signed under penalty of false statement,
1035 reporting the amounts of compensation and reimbursement received
1036 from each of his clients during the previous year. In addition, each
1037 individual communicator lobbyist registrant and each business
1038 organization communicator lobbyist registrant shall: (1) Report the
1039 fundamental terms of contracts, agreements or promises to pay or
1040 receive compensation or reimbursement or to make expenditures in
1041 furtherance of lobbying, including the categories of work to be
1042 performed and the dollar value or compensation rate of the contract, at
1043 the time of registration; (2) report, in accordance with the schedule set
1044 forth in subsection (a) of this section, any amendments to these
1045 fundamental terms, including any agreements to subcontract lobbying
1046 work; and (3) report, in accordance with the provisions of subsection
1047 (a) of this section, any expenditures for the benefit of a public official in
1048 the legislative or executive branch or a member of the staff or
1049 immediate family of such official which are unreimbursed and
1050 required to be itemized. Such report shall not include the disclosure of
1051 food and beverage provided by a communicator lobbyist registrant to
1052 a public official in the legislative or executive branch or a member of
1053 his staff or immediate family at a major life event, as defined by the
1054 [commission] Citizen's Ethics Advisory Board, of the registrant. All

1055 such information shall be reported under penalty of false statement.

1056 (c) An individual communicator lobbyist registrant shall file a
1057 separate report for each person from whom he received compensation
1058 or reimbursement. Notwithstanding any provision of this subsection to
1059 the contrary, a business organization to which one or more individual
1060 communicator lobbyist registrants belong may file a single report for
1061 each client lobbyist in lieu of any separate reports that individual
1062 registrants are required to file pursuant to this subsection.

1063 (d) Each registrant who files a notice of termination under
1064 subsection (c) of section 1-95 shall file with the [commission] Office of
1065 State Ethics a financial report, under penalty of false statement,
1066 between the first and tenth day of January of the year following
1067 termination.

1068 (e) Each client lobbyist registrant financial report shall be on a form
1069 prescribed by the [commission] Office of State Ethics and shall state
1070 expenditures made and the fundamental terms of contracts,
1071 agreements or promises to pay compensation or reimbursement or to
1072 make expenditures in furtherance of lobbying. Any such fundamental
1073 terms shall be reported once in the monthly, quarterly or post-
1074 termination report next following the entering into of such contract.
1075 Such financial report shall include an itemized statement of each
1076 expenditure of ten dollars or more per person for each occasion made
1077 by the reporting registrant or a group of registrants which includes the
1078 reporting registrant for the benefit of a public official in the legislative
1079 or executive branch, a member of his staff or immediate family,
1080 itemized by date, beneficiary, amount and circumstances of the
1081 transaction. The requirement of an itemized statement shall not apply
1082 to an expenditure made by a reporting registrant or a group of
1083 registrants which includes the reporting registrant for (1) the benefit of
1084 the members of the General Assembly at an event that is a reception to
1085 which all such members are invited or all members of a region of the
1086 state, as such term is used in subdivision (11) of subsection (g) of
1087 section 1-91, are invited, unless the expenditure is thirty dollars or

1088 more per person, or (2) benefits personally and directly received by a
1089 public official or state employee at a charitable or civic event at which
1090 the public official or state employee participates in his official capacity,
1091 unless the expenditure is thirty dollars or more per person, per event.
1092 If the compensation is required to be reported for an individual whose
1093 lobbying is incidental to his regular employment, it shall be sufficient
1094 to report a prorated amount based on the value of the time devoted to
1095 lobbying. On the first financial report following registration each client
1096 lobbyist registrant shall include any expenditures incident to lobbying
1097 activities which were received or expended prior to registration and
1098 not previously reported to the [commission] Office of State Ethics.

1099 (f) The [commission] Citizen's Ethics Advisory Board shall, by
1100 regulations adopted in accordance with chapter 54, establish minimum
1101 amounts for each item required to be reported, below which reporting
1102 may be made in the aggregate. The provisions of this subsection shall
1103 not apply to expenditures made for the benefit of a public official or a
1104 member of such person's staff or immediate family.

1105 (g) Each former registrant shall (1) report receipts or expenditures
1106 incident to lobbying activities during his period of registration which
1107 are received or expended following termination of registration and (2)
1108 report each expenditure of ten dollars or more per person for each
1109 occasion made by him for the benefit of a public official or a member
1110 of such official's immediate family or staff which occurs within six
1111 months after termination of registration.

1112 (h) The [commission] Office of State Ethics shall, within thirty days
1113 after receipt of a financial report which contains the name of a public
1114 official in the legislative or executive branch or a member of such
1115 official's staff or immediate family, send a written notice to such public
1116 official, of the filing of the report and the name of the person who filed
1117 it.

1118 Sec. 22. Subsection (b) of section 1-96a of the general statutes is
1119 repealed and the following is substituted in lieu thereof (*Effective July*

1120 1, 2005):

1121 (b) The [commission] Office of State Ethics may require, on a
1122 random basis, any registrant to make all such documents
1123 substantiating financial reports concerning lobbying activities on and
1124 after October 1, 1991, available for inspection and copying by the
1125 [commission] Office of State Ethics for the purpose of verifying such
1126 financial reports, provided no registrant shall be subject to such
1127 requirement more than one time during any three consecutive years.
1128 The [commission] Office of State Ethics shall select registrants to be
1129 audited by lot in a ceremony which shall be open to the public.
1130 Nothing in this subsection shall require a registrant to make any
1131 documents concerning nonlobbying activities available to the
1132 [commission] Office of State Ethics for inspection and copying.

1133 Sec. 23. Section 1-96b of the general statutes is repealed and the
1134 following is substituted in lieu thereof (*Effective July 1, 2005*):

1135 Each registrant required to file any financial reports under section 1-
1136 96 shall do so in electronic form using the software created by the
1137 [commission] Office of State Ethics for that purpose or another
1138 software program which meets specifications prescribed by the
1139 [commission] Office of State Ethics.

1140 Sec. 24. Section 1-98 of the general statutes is repealed and the
1141 following is substituted in lieu thereof (*Effective July 1, 2005*):

1142 Any person aggrieved by any final decision of the [commission]
1143 Office of State Ethics, made pursuant to this part, may appeal such
1144 decision in accordance with the provisions of section 4-175 or section 4-
1145 183.

1146 Sec. 25. Section 1-99 of the general statutes is repealed and the
1147 following is substituted in lieu thereof (*Effective July 1, 2005*):

1148 (a) [The commission] A judge trial referee, upon a finding made
1149 pursuant to section 1-93 that there has been a violation of any

1150 provision of this part, shall have the authority to order the violator to
1151 do any or all of the following: (1) Cease and desist the violation of this
1152 part; (2) file any report, statement or other information as required by
1153 this part; or (3) pay a civil penalty of not more than ten thousand
1154 dollars for each violation of this part. The [commission] judge trial
1155 referee may prohibit any person who intentionally violates any
1156 provision of this part from engaging in the profession of lobbyist for a
1157 period of not more than two years. The [commission] judge trial
1158 referee may impose a civil penalty on any person who knowingly
1159 enters into a contingent fee agreement in violation of subsection (b) of
1160 section 1-97 or terminates a lobbying contract as the result of the
1161 outcome of an administrative or legislative action. The civil penalty
1162 shall be equal to the amount of compensation which the registrant was
1163 required to be paid under the agreement.

1164 (b) Notwithstanding the provisions of subsection (a) of this section,
1165 the [commission] Office of State Ethics may, after a hearing conducted
1166 by a judge trial referee in accordance with sections 4-176e to 4-184,
1167 inclusive, [upon the concurring vote of six of its members,] impose a
1168 civil penalty not to exceed ten dollars per day upon any registrant who
1169 fails to file any report, statement or other information as required by
1170 this part. Each distinct violation of this subsection shall be a separate
1171 offense and, in case of a continued violation, each day thereof shall be
1172 deemed a separate offense. In no event shall the aggregate penalty
1173 imposed for such failure to file exceed ten thousand dollars.

1174 (c) The [commission] Office of State Ethics may also report its
1175 finding to the Chief State's Attorney for any action deemed necessary.

1176 Sec. 26. Section 1-101 of the general statutes is repealed and the
1177 following is substituted in lieu thereof (*Effective July 1, 2005*):

1178 Each individual who is a lobbyist shall, while engaged in lobbying,
1179 wear a distinguishing badge which shall identify him as a lobbyist.
1180 The size, color, material and other requirements of such badge shall be
1181 prescribed by regulation of the [commission] Citizen's Ethics Advisory

1182 Board.

1183 Sec. 27. Section 1-96c of the general statutes is repealed and the
1184 following is substituted in lieu thereof (*Effective July 1, 2005*):

1185 On and after January 1, 1999, the [State Ethics Commission] Office
1186 of State Ethics shall make all computerized data from financial reports
1187 required by section 1-96 available to the public through (1) a computer
1188 terminal in the office of the [commission] Office of State Ethics, and (2)
1189 the Internet or any other generally available on-line computer network.

1190 Sec. 28. Section 1-96e of the general statutes is repealed and the
1191 following is substituted in lieu thereof (*Effective July 1, 2005*):

1192 Each registrant who pays or reimburses a public official or state
1193 employee ten dollars or more for necessary expenses, as defined in
1194 section 1-79, as amended by this act, shall, within thirty days, file a
1195 statement with the [State Ethics Commission] Office of State Ethics
1196 indicating the name of such individual and the amount of the
1197 expenses.

1198 Sec. 29. Subsection (a) of section 1-99 of the general statutes is
1199 repealed and the following is substituted in lieu thereof (*Effective July*
1200 *1, 2005*):

1201 (a) The [commission] judge trial referee, upon a finding made
1202 pursuant to section 1-93, as amended by this act, that there has been a
1203 violation of any provision of this part, shall have the authority to order
1204 the violator to do any or all of the following: (1) Cease and desist the
1205 violation of this part; (2) file any report, statement or other information
1206 as required by this part; or (3) pay a civil penalty of not more than ten
1207 thousand dollars for each violation of this part. The [commission]
1208 judge trial referee may prohibit any person who intentionally violates
1209 any provision of this part from engaging in the profession of lobbyist
1210 for a period of not more than two years. The [commission] judge trial
1211 referee may impose a civil penalty on any person who knowingly
1212 enters into a contingent fee agreement in violation of subsection (b) of

1213 section 1-97 or terminates a lobbying contract as the result of the
1214 outcome of an administrative or legislative action. The civil penalty
1215 shall be equal to the amount of compensation which the registrant was
1216 required to be paid under the agreement.

1217 Sec. 30. Section 4-9a of the general statutes is repealed and the
1218 following is substituted in lieu thereof (*Effective July 1, 2005*):

1219 (a) The Governor shall appoint the chairperson and executive
1220 director, if any, of all boards and commissions within the Executive
1221 Department, except the Board of Governors of Higher Education,
1222 provided the Governor shall appoint the initial chairman of said board
1223 as provided in section 10a-2, the State Properties Review Board, the
1224 State Elections Enforcement Commission, the Commission on Human
1225 Rights and Opportunities, the [State Ethics Commission] Citizen's
1226 Ethics Advisory Board, the Commission on Aging and the
1227 Commission on Fire Prevention and Control.

1228 (b) Public members shall constitute not less than one-third of the
1229 members of each board and commission within the Executive
1230 Department, except the Gaming Policy Board and the Commission on
1231 Human Rights and Opportunities. Public member means an elector of
1232 the state who has no substantial financial interest in, is not employed
1233 in or by, and is not professionally affiliated with, any industry,
1234 profession, occupation, trade or institution regulated or licensed by the
1235 relevant board or commission, and who has had no professional
1236 affiliation with any such industry, profession, occupation, trade or
1237 institution for three years preceding his appointment to the board or
1238 commission. Except as otherwise specifically provided by the general
1239 statutes, this section shall not apply to the Commission on Fire
1240 Prevention and Control, boards and commissions the membership of
1241 which is entirely composed of state department heads, elected officials
1242 or deputies appointed by such department heads or where the
1243 membership of such board or commission is determined in accordance
1244 with the provisions of any federal law.

1245 (c) Notwithstanding any provision of law to the contrary, the term
1246 of each member of each board and commission within the executive
1247 branch, except the State Board of Education, the Board of Governors of
1248 Higher Education, the Gaming Policy Board, the Commission on
1249 Human Rights and Opportunities, the State Elections Enforcement
1250 Commission, the State Properties Review Board, the [State Ethics
1251 Commission] Citizen's Ethics Advisory Board, the Commission on
1252 Medicolegal Investigations, the Psychiatric Security Review Board, the
1253 Commission on Fire Prevention and Control, the E 9-1-1 Commission,
1254 the Connecticut Commission on Culture and Tourism, the Commission
1255 on Aging, the board of trustees of each constituent unit of the state
1256 system of higher education and the Board of Pardons and Paroles,
1257 commencing on or after July 1, 1979, shall be coterminous with the
1258 term of the Governor or until a successor is chosen whichever is later.

1259 (d) Each member of each board and commission within the
1260 executive branch shall serve at the pleasure of the appointing authority
1261 except where otherwise specifically provided by any provision of the
1262 general statutes.

1263 Sec. 31. Subsection (a) of section 4b-4 of the general statutes is
1264 repealed and the following is substituted in lieu thereof (*Effective July*
1265 *1, 2005*):

1266 (a) No employee of the Properties Review Board shall hold another
1267 state or municipal position, nor shall any such employee or any
1268 nonclerical employee in the unit in the Department of Public Works
1269 which is responsible for acquiring, leasing and selling real property on
1270 behalf of the state, be directly involved in any enterprise which does
1271 business with the state or be directly or indirectly involved in any
1272 enterprise concerned with real estate acquisition or development. Each
1273 member and employee of the State Properties Review Board shall file,
1274 with the board and with the [State Ethics Commission] Office of State
1275 Ethics, and each such employee of the department shall file, with the
1276 department and with the [State Ethics Commission] Office of State
1277 Ethics, a financial statement indicating all sources of business income

1278 of such person in excess of one thousand dollars, and the name of any
1279 business with which he is associated, which shall have the same
1280 meaning as defined in section 1-79, as amended by this act. Such
1281 statement shall be a public record. Financial statements for the
1282 preceding calendar year shall be filed with the commission on or
1283 before April fifteenth of each year if the employee or member held
1284 such a position during the preceding calendar year.

1285 Sec. 32. Subsection (b) of section 5-266a of the general statutes is
1286 repealed and the following is substituted in lieu thereof (*Effective July*
1287 *1, 2005*):

1288 (b) A person employed in said classified service or Judicial
1289 Department retains the right to vote as he chooses and to express his
1290 opinions on political subjects and candidates and shall be free to
1291 participate actively in political management and campaigns. Such
1292 activity may include but shall not be limited to, membership and
1293 holding of office in a political party, organization or club, campaigning
1294 for a candidate in a partisan election by making speeches, writing on
1295 behalf of the candidate or soliciting votes in support of or in opposition
1296 to a candidate and making contributions of time and money to political
1297 parties, committees or other agencies engaged in political action,
1298 except that no such employee shall engage in such activity while on
1299 duty or within any period of time during which such employee is
1300 expected to perform services for which he receives compensation from
1301 the state, and no such employee shall utilize state funds, supplies,
1302 vehicles, or facilities to secure support for or oppose any candidate,
1303 party, or issue in a political partisan election. Notwithstanding the
1304 provisions of this subsection, any person employed in the classified
1305 state service or in the Judicial Department may be a candidate for a
1306 state or municipal office, in any political partisan election. No person
1307 seeking or holding municipal office or seeking state office in
1308 accordance with the provisions of this subsection shall engage in
1309 political activity or in the performance of the duties of such office
1310 while on state duty or within any period of time during which such
1311 person is expected to perform services for which such person receives

1312 compensation from the state. The [State Ethics Commission] Citizen's
1313 Ethics Advisory Board shall establish by regulation definitions of
1314 conflict of interest which shall preclude persons in the classified state
1315 service or in the Judicial Department from holding elective office.

1316 Sec. 33. Section 3-13l of the general statutes is repealed and the
1317 following is substituted in lieu thereof (*Effective July 1, 2005*):

1318 (a) No person may, directly or indirectly, pay a finder's fee to any
1319 person in connection with any investment transaction involving the
1320 state, any quasi-public agency, as defined in section 1-120, or any
1321 political subdivision of the state. No person may, directly or indirectly,
1322 receive a finder's fee in connection with any investment transaction
1323 involving the state, any quasi-public agency, as defined in section 1-
1324 120, or any political subdivision of the state.

1325 (b) For purposes of this section:

1326 (1) "Finder's fee" means compensation in the form of cash, cash
1327 equivalents or other things of value paid to or received by a third party
1328 in connection with an investment transaction to which the state, any
1329 political subdivision of the state or any quasi-public agency, as defined
1330 in section 1-120, is a party for any services, and includes, but is not
1331 limited to, any fee paid for lobbying, as defined in subsection (k) of
1332 section 1-91, and as defined by the [Ethics Commission] Citizen's
1333 Ethics Advisory Board, in consultation with the Treasurer, in the
1334 regulations adopted under subparagraph (C)(ii) of subdivision (3) of
1335 this subsection or as prescribed by the Treasurer until such regulations
1336 are adopted.

1337 (2) "Finder's fee" does not mean (A) (i) compensation earned for the
1338 rendering of investment services, as defined in subsection (f) of section
1339 9-333n, or for acting as a licensed real estate broker or real estate sales
1340 person under the provisions of section 20-312, or under a comparable
1341 statute of the jurisdiction in which the subject property is located, or
1342 (ii) marketing fees or due diligence fees earned by the payee in
1343 connection with the offer, sale or purchase of any security or

1344 investment interest, in accordance with criteria prescribed under
1345 [subparagraph (ii) of] subparagraph (C)(ii) of subdivision (3) of this
1346 subsection, (B) compensation paid to (i) persons who are investment
1347 professionals engaged in the ongoing business of representing
1348 investment services providers, or (ii) third parties for services
1349 connected to the issuance of debt by the state, any political subdivision
1350 of the state or any quasi-public agency, as defined in section 1-120_z and
1351 (C) any compensation which is so defined by the regulations adopted
1352 under subparagraph (C)(ii) of subdivision (3) of this subsection, or any
1353 compensation which meets criteria prescribed by the Treasurer until
1354 such regulations are adopted. As used in this section, "offer" and "sale"
1355 have the meaning provided in section 36b-3.

1356 (3) "Investment professional" means an individual or firm whose
1357 primary business is bringing together institutional funds and
1358 investment opportunities and who (A) is a broker-dealer or investment
1359 adviser agent licensed or registered (i) under the Connecticut Uniform
1360 Securities Act; (ii) in the case of an investment adviser agent, with the
1361 Securities and Exchange Commission, in accordance with the
1362 Investment Advisors' Act of 1940; or (iii) in the case of a broker-dealer,
1363 with the National Association of Securities Dealers in accordance with
1364 the Securities Exchange Act of 1934, or (B) is licensed under section 20-
1365 312, or under a comparable statute of the jurisdiction in which the
1366 subject property is located, or (C) (i) furnishes an investment manager
1367 with marketing services including, but not limited to, developing an
1368 overall marketing strategy focusing on more than one institutional
1369 fund, designing or publishing marketing brochures or other
1370 presentation material such as logos and brands for investment
1371 products, responding to requests for proposals, completing due
1372 diligence questionnaires, identifying a range of potential investors, or
1373 such other services as may be identified in regulations adopted under
1374 subparagraph (ii) of this subparagraph and (ii) meets criteria
1375 prescribed (I) by the Treasurer until regulations are adopted under this
1376 subparagraph, or (II) by the [Ethics Commission] Citizen's Ethics
1377 Advisory Board, in consultation with the Treasurer, in regulations

1378 adopted in accordance with the provisions of chapter 54. Prior to
1379 adopting such regulations, the [Ethics Commission] Citizen's Ethics
1380 Advisory Board shall transmit the proposed regulations to the
1381 Treasurer not later than one hundred twenty days before any period
1382 for public comment on such regulations commences and shall consider
1383 any comments or recommendations the Treasurer may have regarding
1384 such regulations. In developing such regulations, the commission shall
1385 ensure that the state will not be competitively disadvantaged by such
1386 regulations relative to any legitimate financial market.

1387 (c) Any person who violates any provision of this section shall be
1388 liable for a civil penalty of not less than the amount of the fee paid or
1389 received in violation of this section and not more than three times said
1390 amount.

1391 (1) The Attorney General, upon complaint of the Treasurer or the
1392 [Ethics Commission] Citizen's Ethics Advisory Board, may bring an
1393 action in the superior court for the judicial district of Hartford to
1394 recover such penalty for a violation of this section which affects a fund
1395 of the state. Any penalty imposed under this section for a violation
1396 which affects any such fund shall be paid to the Treasurer who shall
1397 deposit such moneys in such fund.

1398 (2) Any political subdivision of the state may bring an action in the
1399 superior court to recover such penalty for a violation of this section
1400 which affects any fund under the control of such subdivision. Any
1401 penalty imposed under this section for a violation which affects any
1402 such fund shall be paid to such subdivision which shall deposit such
1403 moneys in such fund.

1404 (3) Any quasi-public agency, as defined in section 1-120, may bring
1405 an action in the superior court to recover such penalty for a violation of
1406 this section which affects any fund under the control of such agency.
1407 Any penalty imposed under this section for a violation which affects
1408 any such fund shall be paid to such agency which shall deposit such
1409 moneys in such fund.

1410 Sec. 34. (NEW) (*Effective July 1, 2005*) (a) The Chief Court
 1411 Administrator shall designate ten judge trial referees who shall be
 1412 available to the Office of State Ethics to: (1) Preside over and rule at
 1413 any hearing of the Office of State Ethics, (2) make findings as to
 1414 probable cause following any investigation conducted by the general
 1415 counsel and staff of the Office of State Ethics; (3) approve formal
 1416 declaratory rulings drafted by the general counsel and staff of the
 1417 Office of State Ethics; and (4) approve any settlement negotiated by the
 1418 general counsel and staff of the Office of State Ethics.

1419 (b) Each month, the Chief Court Administrator shall select, on a
 1420 random basis, one of such ten designated judge trial referees to preside
 1421 at an ethics docket on the third Monday of such month, at which time
 1422 any such final hearings of the Office of State Ethics shall be held and
 1423 the general counsel and staff of the Office of State Ethics may submit
 1424 settlements or formal declaratory rulings for approval by such judge
 1425 trial referee. In the event there is no such business of the Office of State
 1426 Ethics to be conducted in any month, such docket shall not be held.
 1427 Any final decision rendered by a judge trial referee at a final hearing
 1428 held during such docket may be appealed to the superior court
 1429 pursuant to section 4-183 of the general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2005</i>	1-79(d)
Sec. 2	<i>July 1, 2005</i>	1-80
Sec. 3	<i>July 1, 2005</i>	1-81
Sec. 4	<i>July 1, 2005</i>	1-81a
Sec. 5	<i>July 1, 2005</i>	1-81b
Sec. 6	<i>July 1, 2005</i>	1-82
Sec. 7	<i>July 1, 2005</i>	1-82a
Sec. 8	<i>July 1, 2005</i>	1-83
Sec. 9	<i>July 1, 2005</i>	1-84b
Sec. 10	<i>July 1, 2005</i>	1-86
Sec. 11	<i>July 1, 2005</i>	1-86d
Sec. 12	<i>July 1, 2005</i>	1-87
Sec. 13	<i>July 1, 2005</i>	1-88

Sec. 14	July 1, 2005	1-89a
Sec. 15	July 1, 2005	1-91(c)
Sec. 16	July 1, 2005	1-92
Sec. 17	July 1, 2005	1-93
Sec. 18	July 1, 2005	1-93a
Sec. 19	July 1, 2005	1-94
Sec. 20	July 1, 2005	1-95
Sec. 21	July 1, 2005	1-96
Sec. 22	July 1, 2005	1-96a(b)
Sec. 23	July 1, 2005	1-96b
Sec. 24	July 1, 2005	1-98
Sec. 25	July 1, 2005	1-99
Sec. 26	July 1, 2005	1-101
Sec. 27	July 1, 2005	1-96c
Sec. 28	July 1, 2005	1-96e
Sec. 29	July 1, 2005	1-99(a)
Sec. 30	July 1, 2005	4-9a
Sec. 31	July 1, 2005	4b-4(a)
Sec. 32	July 1, 2005	5-266a(b)
Sec. 33	July 1, 2005	3-13l
Sec. 34	July 1, 2005	New section

GAE *Joint Favorable Subst.*