



General Assembly

January Session, 2005

Amendment

LCO No. 7001

SB0000107001SD0

Offered by:
SEN. DEFRONZO, 6th Dist.

To: Subst. Senate Bill No. 1 File No. 381 Cal. No. 301

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

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Subsection (d) of section 1-79 of the general statutes is
4 repealed and the following is substituted in lieu thereof (*Effective July*
5 *1, 2005*):

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

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 Section 1-80 of the general statutes is repealed and the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

11 (a) There shall be [a State Ethics Commission consisting of nine
12 members to be appointed with the advice and consent of the General
13 Assembly. One member] an Office of State Ethics that shall be an

14 independent state agency and shall constitute a successor agency to the
15 State Ethics Commission, in accordance with the provisions of sections
16 4-38d and 4-39. Such office shall consist of an executive director,
17 general counsel, ethics enforcement officer and such other staff as
18 hired by such executive director. Within the Office of State Ethics,
19 there shall be the Citizen's Ethics Advisory Board that shall consist of
20 nine members, appointed as follows: One member shall be appointed
21 by the speaker of the House, one member by the president pro
22 tempore of the Senate, one member by the majority leader of the
23 Senate, one member by the minority leader of the Senate, one member
24 by the majority leader of the House of Representatives, one member by
25 the minority leader of the House of Representatives, and three
26 members by the Governor. Members of the commission shall serve for
27 four-year terms which shall commence on [October first] October 1,
28 2005, except that members first appointed shall have the following
29 terms: The Governor shall appoint two members for a term of three
30 years and one member for a term of four years; the majority leader of
31 the House [or] of Representatives, minority leader of the House of
32 Representatives and the speaker of the House of Representatives shall
33 each appoint one member for a term of two years; the president pro
34 tempore of the Senate, the majority leader of the Senate and the
35 minority leader of the Senate shall each appoint one member for a term
36 of four years. No individual shall be appointed to more than one four-
37 year term as a member of such [commission] board, provided that
38 members may not continue in office [until a successor has been
39 appointed and qualified] once their term has expired and members
40 first appointed may not be reappointed. No more than five members
41 shall be members of the same political party. The members appointed
42 by the majority leader of the Senate and the majority leader of the
43 House of Representatives shall be selected from a list of nominees
44 proposed by a citizen group having an interest in ethical government.
45 The majority leader of the Senate and the majority leader of the House
46 of Representatives shall each determine the citizen group from which
47 each will accept such nominations. [On and after October 1, 2004, one]
48 One member appointed by the Governor shall be selected from a list of

49 nominees proposed by a citizen group having an interest in ethical
50 government. The Governor shall determine the citizen group from
51 which the Governor will accept such nominations.

52 (b) All members shall be electors of the state. No member shall be a
53 state employee. No member or employee of such [commission] board
54 shall (1) hold or campaign for any public office; (2) have held public
55 office or have been a candidate for public office for a three-year period
56 prior to appointment; (3) hold office in any political party or political
57 committee or be a member of any organization or association
58 organized primarily for the purpose of influencing legislation or
59 decisions of public agencies; or (4) be an individual who is a registrant
60 as defined in subsection (q) of section 1-91.

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

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

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

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

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

95 (h) The members and employees of the [State Ethics Commission]
96 Citizen's Ethics Advisory Board and the Office of State Ethics shall
97 adhere to the following code of ethics under which the members and
98 employees shall: (1) Observe high standards of conduct so that the
99 integrity and independence of the [State Ethics Commission] Citizen's
100 Ethics Advisory Board and the Office of State Ethics may be preserved;
101 (2) respect and comply with the law and conduct themselves at all
102 times in a manner which promotes public confidence in the integrity
103 and impartiality of the [commission] board and the Office of State
104 Ethics; (3) be faithful to the law and maintain professional competence
105 in the law; (4) be unswayed by partisan interests, public clamor or fear
106 of criticism; (5) maintain order and decorum in proceedings of the
107 [commission] board and Office of State Ethics; (6) be patient, dignified
108 and courteous to all persons who appear in [commission] board or
109 Office of State Ethics proceedings and with other persons with whom
110 the members and employees deal in their official capacities; (7) refrain
111 from making any statement outside of a [commission] board or Office
112 of State Ethics proceeding, which would have a likelihood of
113 prejudicing a [commission] board or Office of State Ethics proceeding;

114 (8) refrain from making any statement outside of a [commission] board
115 or Office of State Ethics proceeding that a reasonable person would
116 expect to be disseminated by means of public communication if the
117 member or employee should know that such statement would have a
118 likelihood of materially prejudicing or embarrassing a complainant or
119 a respondent; (9) preserve confidences of complainants and
120 respondents; (10) exercise independent professional judgment on
121 behalf of the [commission] board and Office of State Ethics; and (11)
122 represent the [commission] board and Office of State Ethics
123 competently.

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

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

130 (k) No member of the board may represent any business or person,
131 other than themselves, before the board for a period of one year
132 following the end of such member's service on the board. No business
133 or person that appears before the board shall employ or otherwise
134 engage the services of a former member of the board for a period of
135 one year following the end of such former member's service on the
136 board.

137 (l) No member of the board may hold any other position in state
138 employment for a period of one year following the end of such
139 member's service on the board, including, but not limited to, service as
140 a member on a state board or commission, service as a judge of the
141 Superior Court or service as a state agency commissioner.

142 (m) Upon request of any aggrieved party, the board shall delay the
143 effect of any decision rendered by such board for a period not to
144 exceed more than seven days following the rendering of such decision.

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

147 (a) The [commission] board and general counsel and staff of the
148 Office of State Ethics shall:

149 (1) Compile and maintain an index of all reports, advisory opinions,
150 informal staff letters, memoranda filed under the provisions of
151 subsection (f) of section 1-82a and statements filed by and with the
152 [commission] Office of State Ethics to facilitate public access to such
153 reports and advisory opinions, informal staff letters, memoranda
154 statements as provided by this part;

155 (2) Preserve advisory opinions and informal staff letters,
156 permanently; preserve memoranda filed under subsection (f) of section
157 1-82a, and statements and reports filed by and with the [commission]
158 board for a period of five years from the date of receipt;

159 (3) Upon the concurring vote of [five of its members] a majority of
160 the board present and voting, issue advisory opinions with regard to
161 the requirements of this part, upon the request of any person subject to
162 the provisions of this part, and publish such advisory opinions in the
163 Connecticut Law Journal. Advisory opinions rendered by the
164 [commission] board, until amended or revoked, shall be binding on the
165 [commission] board and shall be deemed to be final decisions of the
166 [commission] board for purposes of [section 1-87] appeal to the
167 superior court, in accordance with the provisions of section 4-175 or 4-
168 183. Any advisory opinion concerning the person who requested the
169 opinion and who acted in reliance thereon, in good faith, shall be
170 binding upon the [commission] board, and it shall be an absolute
171 defense in any criminal action brought under the provisions of this
172 part, that the accused acted in reliance upon such advisory opinion;

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

175 (4) Respond to inquiries and provide advice regarding the code of

176 ethics either verbally or through informal letters;

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

179 (5) Provide yearly training to all state employees regarding the code
180 of ethics;

181 (6) Make legislative recommendations to the General Assembly and
182 report annually, prior to April fifteenth, to the Governor summarizing
183 the activities of the commission; and

184 (7) Meet monthly with the office's executive director and ethics
185 enforcement officer.

186 (b) The [commission may] Office of State Ethics shall employ an
187 executive director, [and] general counsel and ethics enforcement
188 officer, each of whom shall be exempt from classified state service. No
189 one person may serve in more than one of the positions described in
190 this subsection. The Office of State Ethics may employ necessary staff
191 within available appropriations. Such necessary staff of the Office of
192 State Ethics shall be in classified state service.

193 (c) The executive director, described in subsection (b) of this section,
194 shall be appointed by the Citizen's Ethics Advisory Board for an open-
195 ended term. The board shall annually evaluate the performance of
196 such executive director, in writing, and may remove the executive
197 director, in accordance with the provisions of chapter 67.

198 (d) The general counsel and ethics enforcement officer described in
199 subsection (b) of this section, and other staff of the Office of State
200 Ethics shall be appointed by the executive director of the Office of State
201 Ethics. The executive director shall annually evaluate the performance
202 of the general counsel, ethics enforcement officer and such other staff,
203 in writing, and may remove the general counsel or ethics enforcement
204 officer, in accordance with the provisions of chapter 67, or such other
205 staff, in accordance with any applicable collective bargaining

206 agreement.

207 (e) There shall be a legal division within the Office of State Ethics.
208 The legal division shall provide the board with legal advice on matters
209 before said board and shall represent the board in all matters in which
210 the board is a party, without the assistance of the Attorney General
211 unless the board requests such assistance. The legal division shall,
212 under the direction of the general counsel, provide information and
213 written and verbal opinions to persons subject to the code and to the
214 general public. The general counsel, described in subsection (b) of this
215 section, shall supervise such division. No information received by the
216 legal division may be used to investigate or instigate a complaint.

217 (f) There shall be an enforcement division within the Office of State
218 Ethics. The enforcement division shall be responsible for investigating
219 complaints brought to or by the board. The ethics enforcement officer,
220 described in subsection (b) of this section, shall supervise such
221 division. Such division shall employ such attorneys and investigators,
222 as necessary, within available appropriations, and may refer matters to
223 the office of the Chief State's Attorney, as appropriate. Such division
224 shall review all appeals from any decision rendered by a municipal
225 ethics commission and all appeals alleging a failure of a municipal
226 ethics commission to properly render a decision and such division
227 shall advise the board on the merits of hearing each such appeal.

228 (g) The Citizen's Ethics Advisory Board shall adopt regulations in
229 accordance with chapter 54 to carry out the purposes of this part.

230 (h) In consultation with the executive director of the Office of State
231 Ethics, the general counsel shall oversee yearly training of all state
232 personnel in the code of ethics, provide training on the code of ethics
233 to other individuals or entities subject to the code and shall make
234 recommendations as to public education regarding ethics.

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

237 (a) Notwithstanding any provision of the general statutes, the
238 appropriations recommended for the [State Ethics Commission] Office
239 of State Ethics, as established in section 1-80, as amended by this act,
240 shall be the estimates of expenditure requirements transmitted to the
241 Secretary of the Office of Policy and Management by the executive
242 director of the [commission] Office of State Ethics and the
243 recommended adjustments and revisions of such estimates shall be the
244 recommended adjustments and revisions, if any, transmitted by said
245 executive director to the Office of Policy and Management.

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

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

251 The [State Ethics Commission] Office of State Ethics shall develop a
252 plain language summary of state ethics laws concerning (1) persons,
253 firms and corporations submitting bids or proposals for state contracts,
254 and (2) state contractors. The [commission] Office of State Ethics shall
255 publish said summary on the [commission's] Office of State Ethics' web
256 site.

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

259 (a) (1) Upon the complaint of any person on a form prescribed by
260 the [commission] board, signed under penalty of false statement, or
261 upon its own complaint, the [commission] ethics enforcement officer of
262 the Office of State Ethics shall investigate any alleged violation of this
263 part. Not later than five days after the receipt or issuance of such
264 complaint, the [commission] board shall provide notice of such receipt
265 or issuance and a copy of the complaint by registered or certified mail
266 to any respondent against whom such complaint is filed and shall
267 provide notice of the receipt of such complaint to the complainant.
268 When the [commission] ethics enforcement officer of the Office of State

269 Ethics undertakes an evaluation of a possible violation of this part
270 prior to the filing of a complaint, [by the commission,] the subject of
271 the evaluation shall be notified [within] not later than five business
272 days after [a commission] an Office of State Ethics staff member's first
273 contact with a third party concerning the matter.

274 (2) In the conduct of its investigation of an alleged violation of this
275 part, the [commission] Office of State Ethics shall have the power to
276 hold hearings, administer oaths, examine witnesses, receive oral and
277 documentary evidence, subpoena witnesses under procedural rules
278 adopted by the [commission] Citizen's Ethics Advisory Board as
279 regulations in accordance with the provisions of chapter 54 to compel
280 attendance before the [commission] Office of State Ethics and to
281 require the production for examination by the [commission] ethics
282 enforcement officer of the Office of State Ethics of any books and
283 papers which the [commission] Office of State Ethics deems relevant in
284 any matter under investigation or in question. In the exercise of such
285 powers, the [commission] Office of State Ethics may use the services of
286 the state police, who shall provide the same upon the [commission's]
287 office's request. The [commission] Office of State Ethics shall make a
288 record of all proceedings conducted pursuant to this subsection. The
289 ethics enforcement officer of the Office of State Ethics may bring any
290 alleged violation of this part before a judge trial referee assigned by the
291 Chief Court Administrator for such purpose for a probable cause
292 hearing. Such judge trial referee shall be compensated in accordance
293 with the provisions of section 52-434 from such funds as may be
294 available to the Office of State Ethics. Any witness summoned before
295 the [commission] Office of State Ethics or a judge trial referee pursuant
296 to this subsection shall receive the witness fee paid to witnesses in the
297 courts of this state. During [the] any investigation conducted pursuant
298 to this subsection or any probable cause hearing conducted pursuant
299 to this subsection, the respondent shall have the right to appear and be
300 heard and to offer any information which may tend to clear [him] the
301 respondent of probable cause to believe [he] the respondent has
302 violated any provision of this part. The respondent shall also have the

303 right to be represented by legal counsel and to examine and cross-
304 examine witnesses. Not later than ten days prior to the commencement
305 of any hearing conducted pursuant to this subsection, the
306 [commission] Office of State Ethics shall provide the respondent with a
307 list of its intended witnesses. [The commission shall make no finding
308 that there is probable cause to believe the respondent is in violation of
309 any provision of this part except upon the concurring vote of five of its
310 members.] Any finding of probable cause to believe the respondent is
311 in violation of any provisions of this part shall be made by a judge trial
312 referee not later than thirty days after the general counsel brings such
313 alleged violation before such judge trial referee, except that such thirty-
314 day limitation period shall not apply if the judge trial referee
315 determines that good cause exists for extending such limitation period.

316 (b) If a [preliminary investigation indicates] judge trial referee
317 determines that probable cause exists for the violation of a provision of
318 this part, the [commission] board shall initiate hearings to determine
319 whether there has been a violation of this part. Any such hearing shall
320 be initiated by the board not later than thirty days after the finding of
321 probable cause by a judge trial referee and shall be concluded not later
322 than ninety days after its initiation, except that such thirty or ninety-
323 day limitation period shall not apply if the judge trial referee
324 determines that good cause exists for extending such limitation period.
325 A judge trial referee, who has not taken part in the probable cause
326 determination on the matter shall be assigned by the Chief Court
327 Administrator and [who] shall be compensated in accordance with
328 section 52-434 out of funds available to the [commission,] Office of
329 State Ethics and shall preside over such hearing and [shall] rule on all
330 [matters] issues concerning the application of the rules of evidence,
331 which shall be the same as in judicial proceedings. The trial referee
332 shall have no vote in any decision of the [commission] board. All
333 hearings of the [commission] board held pursuant to this subsection
334 shall be open. At such hearing the [commission] board shall have the
335 same powers as the Office of State Ethics under subsection (a) of this
336 section and the respondent shall have the right to be represented by

337 legal counsel, the right to compel attendance of witnesses and the
338 production of books, documents, records and papers and to examine
339 and cross-examine witnesses. Not later than ten days prior to the
340 commencement of any hearing conducted pursuant to this subsection,
341 the [commission] Office of State Ethics shall provide the respondent
342 with a list of its intended witnesses. The judge trial referee shall, while
343 engaged in the discharge of [his] the duties as provided in this
344 subsection, have the same authority as is provided in section 51-35
345 over witnesses who refuse to obey a subpoena or to testify with respect
346 to any matter upon which such witness may be lawfully interrogated,
347 and may commit any such witness for contempt for a period no longer
348 than thirty days. The [commission] Office of State Ethics shall make a
349 record of all proceedings pursuant to this subsection. The
350 [commission] board shall find no person in violation of any provision
351 of this part except upon the concurring vote of [seven] two-thirds of its
352 members present and voting. Not later than fifteen days after the
353 public hearing conducted in accordance with this subsection, the
354 [commission] board shall publish its finding and a memorandum of
355 the reasons therefor. Such finding and memorandum shall be deemed
356 to be the final decision of the [commission] board on the matter for the
357 purposes of chapter 54. The respondent, if aggrieved by the finding
358 and memorandum, may appeal therefrom to the Superior Court in
359 accordance with the provisions of section 4-183.

360 (c) If [the commission] a judge trial referee finds, after a hearing
361 pursuant to this section, that there is no probable cause to believe that
362 a public official or state employee has violated a provision of this part,
363 or if the board determines that a public official or state employee has
364 not violated any such provision, or if a court of competent jurisdiction
365 overturns a finding by [the commission] the board of a violation by
366 such a respondent, the state shall pay the reasonable legal expenses of
367 the respondent as determined by the Attorney General or by the court
368 if appropriate. If any complaint brought under the provisions of this
369 part is made with the knowledge that it is made without foundation in
370 fact, the respondent shall have a cause of action against the

371 complainant for double the amount of damage caused thereby and if
372 the respondent prevails in such action, he may be awarded by the
373 court the costs of such action together with reasonable attorneys' fees.

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

377 (e) No person shall take or threaten to take official action against an
378 individual for such individual's disclosure of information to the
379 [commission] board or the general counsel, ethics enforcement officer
380 or staff of the Office of State Ethics under the provisions of this part.
381 After receipt of information from an individual under the provisions of
382 this part, the [commission] Office of State Ethics shall not disclose the
383 identity of such individual without [his] such individual's consent
384 unless the [commission] Office of State Ethics determines that such
385 disclosure is unavoidable during the course of an investigation.

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

388 (a) Unless [the commission] a judge trial referee makes a finding of
389 probable cause, a complaint alleging a violation of this part shall be
390 confidential except upon the request of the respondent. [A
391 commission] An evaluation of a possible violation of this part by the
392 Office of State Ethics prior to the filing of a complaint [by the
393 commission] shall be confidential except upon the request of the
394 subject of the evaluation. If the evaluation is confidential, any
395 information supplied to or received from the [commission] Office of
396 State Ethics shall not be disclosed to any third party by a subject of the
397 evaluation, a person contacted for the purpose of obtaining
398 information or by [a commission or staff member] the ethics
399 enforcement officer or staff of the Office of State Ethics. No provision
400 of this subsection shall prevent the [Ethics Commission] Office of State
401 Ethics from reporting the possible commission of a crime to the Chief
402 State's Attorney or other prosecutorial authority.

403 (b) An investigation conducted prior to a probable cause finding
404 shall be confidential except upon the request of the respondent. If the
405 investigation is confidential, the allegations in the complaint and any
406 information supplied to or received from the [commission] Office of
407 State Ethics shall not be disclosed during the investigation to any third
408 party by a complainant, respondent, witness, designated party, or
409 [commission] board or staff member of the Office of State Ethics.

410 (c) Not later than three business days after the termination of the
411 investigation, the [commission] Office of State Ethics shall inform the
412 complainant and the respondent of its finding and provide them a
413 summary of its reasons for making that finding. The [commission]
414 Office of State Ethics shall publish its finding upon the respondent's
415 request and may also publish a summary of its reasons for making
416 such finding.

417 (d) If [the commission] a judge trial referee makes a finding of no
418 probable cause, the complaint and the record of [its] the Office of State
419 Ethics' investigation shall remain confidential, except upon the request
420 of the respondent and except that some or all of the record may be
421 used in subsequent proceedings. No complainant, respondent, witness,
422 designated party, or [commission] board or staff member of the Office
423 of State Ethics shall disclose to any third party any information learned
424 from the investigation, including knowledge of the existence of a
425 complaint, which the disclosing party would not otherwise have
426 known. If such a disclosure is made, the [commission] judge trial
427 referee may, after consultation with the respondent if the respondent is
428 not the source of the disclosure, publish its finding and a summary of
429 its reasons therefor.

430 (e) The [commission] judge trial referee shall make public a finding
431 of probable cause not later than five business days after [the
432 termination of the investigation] any such finding. At such time the
433 entire record of the investigation shall become public, except that the
434 [commission] Office of State Ethics may postpone examination or
435 release of such public records for a period not to exceed fourteen days

436 for the purpose of reaching a stipulation agreement pursuant to
437 subsection (c) of section 4-177. Any such stipulation agreement or
438 settlement shall be approved by a majority of those members present
439 and voting.

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

442 (a) (1) All state-wide elected officers, members of the General
443 Assembly, department heads and their deputies, members of the
444 Gaming Policy Board, the executive director of the Division of Special
445 Revenue within the Department of Revenue Services, members or
446 directors of each quasi-public agency, members of the Investment
447 Advisory Council, state marshals and such members of the Executive
448 Department and such employees of quasi-public agencies as the
449 Governor shall require, shall file, under penalty of false statement, a
450 statement of financial interests for the preceding calendar year with the
451 [commission] Office of State Ethics on or before the May first next in
452 any year in which they hold such a position. Any such individual who
453 leaves his or her office or position shall file a statement of financial
454 interests covering that portion of the year during which such
455 individual held his or her office or position. The [commission] Office of
456 State Ethics shall notify such individuals of the requirements of this
457 subsection [within] not later than thirty days after their departure from
458 such office or position. Such individuals shall file such statement
459 within sixty days after receipt of the notification.

460 (2) Each state agency, department, board and commission shall
461 develop and implement, in cooperation with the [Ethics Commission]
462 Office of State Ethics, an ethics statement as it relates to the mission of
463 the agency, department, board or commission. The executive head of
464 each such agency, department, board or commission shall be directly
465 responsible for the development and enforcement of such ethics
466 statement and shall file a copy of such ethics statement with the
467 Department of Administrative Services and the [Ethics Commission]
468 Office of State Ethics.

469 (b) (1) The statement of financial interests, except as provided in
470 subdivision (2) of this subsection, shall include the following
471 information for the preceding calendar year in regard to the individual
472 required to file the statement and the individual's spouse and
473 dependent children residing in the individual's household: (A) The
474 names of all businesses with which associated; (B) the category or type
475 of all sources of income in excess of one thousand dollars, without
476 specifying amounts of income; (C) the name of securities in excess of
477 five thousand dollars at fair market value owned by such individual,
478 spouse or dependent children or held in the name of a corporation,
479 partnership or trust for the benefit of such individual, spouse or
480 dependent children; (D) the existence of any known blind trust and the
481 names of the trustees; (E) all real property and its location, whether
482 owned by such individual, spouse or dependent children or held in the
483 name of a corporation, partnership or trust for the benefit of such
484 individual, spouse or dependent children; (F) the names and addresses
485 of creditors to whom the individual, the individual's spouse or
486 dependent children, individually, owed debts of more than ten
487 thousand dollars; (G) any leases or contracts with the state held or
488 entered into by the individual or a business with which he or she was
489 associated; and (H) a description of any partnership, joint ownership
490 or similar business affiliation between (i) a business included under
491 subparagraph (A) of this subdivision with which the individual filing
492 the statement, the individual's spouse or a dependent child of the
493 individual is associated, and (ii) a lobbyist, a person that the individual
494 filing the statement knows or has reason to know is doing business
495 with or seeking to do business with the state or is engaged in activities
496 that are directly regulated by the department or agency in which the
497 individual is employed, or a business with which such lobbyist or
498 person is associated.

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

502 (c) The statement of financial interests filed pursuant to this section

503 shall be a matter of public information, except the list of names, filed in
504 accordance with subparagraph (F) of subdivision (1) of subsection (b)
505 of this section shall be sealed and confidential and for the use of the
506 [commission] Office of State Ethics only after a complaint has been
507 filed under section 1-82, as amended by this act, and such complaint
508 has been determined by a vote of the [commission] board to be of
509 sufficient merit and gravity to justify the unsealing of such list or lists
510 and not open to public inspection unless the respondent requests
511 otherwise. If the [commission] board reports its findings to the Chief
512 State's Attorney in accordance with subsection (c) of section 1-88, as
513 amended by this act, the [commission] board shall turn over to the
514 Chief State's Attorney such relevant information contained in the
515 statement as may be germane to the specific violation or violations or a
516 prosecutorial official may subpoena such statement in a criminal
517 action. Unless otherwise a matter of public record, the [Ethics
518 Commission] Office of State Ethics shall not disclose to the public any
519 such subpoena which would be exempt from disclosure by the issuing
520 agency.

521 (d) Any individual who is unable to provide information required
522 under the provisions of subdivision (1) of subsection (b) of this section
523 by reason of impossibility may petition the [commission] board for a
524 waiver of the requirements.

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

527 (a) No former executive branch or quasi-public agency public
528 official or state employee shall represent anyone other than the state,
529 concerning any particular matter (1) in which he participated
530 personally and substantially while in state service, and (2) in which the
531 state has a substantial interest.

532 (b) No former executive branch or quasi-public agency public
533 official or state employee shall, for one year after leaving state service,
534 represent anyone, other than the state, for compensation before the

535 department, agency, board, commission, council or office in which he
536 served at the time of his termination of service, concerning any matter
537 in which the state has a substantial interest. The provisions of this
538 subsection shall not apply to an attorney who is a former employee of
539 the Division of Criminal Justice, with respect to any representation in a
540 matter under the jurisdiction of a court.

541 (c) The provisions of this subsection apply to present or former
542 executive branch public officials or state employees who hold or
543 formerly held positions which involve significant decision-making or
544 supervisory responsibility and are designated as such by the [State
545 Ethics Commission] Office of State Ethics in consultation with the
546 agency concerned except that such provisions shall not apply to
547 members or former members of the boards or commissions who serve
548 ex officio, who are required by statute to represent the regulated
549 industry or who are permitted by statute to have a past or present
550 affiliation with the regulated industry. Designation of positions subject
551 to the provisions of this subsection shall be by regulations adopted by
552 the [State Ethics Commission] Citizen's Ethics Advisory Board in
553 accordance with chapter 54. As used in this subsection, "agency"
554 means the Office of Health Care Access, the Connecticut Siting
555 Council, the Department of Banking, the Insurance Department, the
556 Department of Public Safety, the office within the Department of
557 Consumer Protection that carries out the duties and responsibilities of
558 sections 30-2 to 30-68m, inclusive, the Department of Public Utility
559 Control, including the Office of Consumer Counsel, the Division of
560 Special Revenue and the Gaming Policy Board and the term
561 "employment" means professional services or other services rendered
562 as an employee or as an independent contractor.

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

567 (2) No former public official or state employee who held such a

568 position in the executive branch shall within one year after leaving an
569 agency, accept employment with a business subject to regulation by
570 that agency.

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

573 (d) The provisions of subsection (e) of this section apply to (1)
574 present or former Gaming Policy Board or Division of Special Revenue
575 public officials or state employees who hold or formerly held positions
576 which involve significant decision-making or supervisory
577 responsibility and are designated as such by the [State Ethics
578 Commission] Office of State Ethics, in consultation with the agency
579 concerned, and (2) present or former public officials or state employees
580 of other agencies who hold or formerly held positions which involve
581 significant decision-making or supervisory responsibility concerning
582 the regulation or investigation of (A) any business entity (i) engaged in
583 Indian gaming operations in the state, and (ii) in which a federally-
584 recognized Indian tribe in the state owns a controlling interest, or (B) a
585 governmental agency of a federally-recognized Indian tribe engaged in
586 Indian gaming operations in the state, which positions are designated
587 as such by the [State Ethics Commission] Office of State Ethics, in
588 consultation with the agency concerned. Designation of positions
589 subject to the provisions of this subsection shall be by regulations
590 adopted by the [State Ethics Commission] Citizens' Ethics Advisory
591 Board in accordance with chapter 54. As used in subsection (e) of this
592 section, the term "employment" means professional services or other
593 services rendered as an employee or as an independent contractor.

594 (e) (1) No Gaming Policy Board or Division of Special Revenue
595 public official or state employee or other public official or state
596 employee described in subdivision (2) of subsection (d) of this section,
597 in a position designated by the [State Ethics Commission] Office of
598 State Ethics, shall negotiate for, seek or accept employment with (A) a
599 business entity (i) engaged in Indian gaming operations in the state,
600 and (ii) in which a federally-recognized Indian tribe in the state owns a

601 controlling interest, or (B) a governmental agency of a federally-
602 recognized Indian tribe engaged in Indian gaming operations in the
603 state.

604 (2) No former Gaming Policy Board or Division of Special Revenue
605 public official or state employee or other former public official or state
606 employee described in subdivision (2) of subsection (d) of this section,
607 who held such a position shall, within two years after leaving such
608 agency, accept employment with (A) a business entity (i) engaged in
609 Indian gaming operations in the state, and (ii) in which a federally-
610 recognized Indian tribe in the state owns a controlling interest, or (B) a
611 governmental agency of a federally-recognized Indian tribe engaged in
612 Indian gaming operations in the state.

613 (f) No former public official or state employee (1) who participated
614 substantially in the negotiation or award of (A) a state contract valued
615 at an amount of fifty thousand dollars or more, or (B) a written
616 agreement for the approval of a payroll deduction slot described in
617 section 3-123g, or (2) who supervised the negotiation or award of such
618 a contract or agreement, shall accept employment with a party to the
619 contract or agreement other than the state for a period of one year after
620 his resignation from his state office or position if his resignation occurs
621 less than one year after the contract or agreement is signed.

622 (g) No member or director of a quasi-public agency who
623 participates substantially in the negotiation or award of a contract
624 valued at an amount of fifty thousand dollars or more, or who
625 supervised the negotiation or award of such a contract, shall seek,
626 accept, or hold employment with a party to the contract for a period of
627 one year after the signing of the contract.

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

632 [(i)] (h) The provisions of subsections (a), (b) and (f) of this section

633 shall not apply to any employee of a quasi-public agency who leaves
634 such agency before July 1, 1989.

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

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

643 (a) Any public official or state employee, other than an elected state
644 official, who, in the discharge of [his] such official's or employee's
645 official duties, would be required to take an action that would affect a
646 financial interest of [himself, his] such official or employee, such
647 official's or employee's spouse, parent, brother, sister, child or the
648 spouse of a child or a business with which [he] such official or
649 employee is associated, other than an interest of a de minimis nature,
650 an interest that is not distinct from that of a substantial segment of the
651 general public or an interest in substantial conflict with the
652 performance of official duties as defined in section 1-85 has a potential
653 conflict of interest. Under such circumstances, [he] such official or
654 employee shall, if [he] such official or employee is a member of a state
655 regulatory agency, either excuse himself or herself from the matter or
656 prepare a written statement signed under penalty of false statement
657 describing the matter requiring action and the nature of the potential
658 conflict and explaining why despite the potential conflict, [he] such
659 official or employee is able to vote and otherwise participate fairly,
660 objectively and in the public interest. [He] Such public official or state
661 employee shall deliver a copy of the statement to the [commission]
662 Office of State Ethics and enter a copy of the statement in the journal or
663 minutes of the agency. If [he] such official or employee is not a
664 member of a state regulatory agency, [he] such official or employee
665 shall, in the case of either a substantial or potential conflict, prepare a

666 written statement signed under penalty of false statement describing
667 the matter requiring action and the nature of the conflict and deliver a
668 copy of the statement to [his] such official's or employee's immediate
669 superior, if any, who shall assign the matter to another employee, or if
670 [he] such official or employee has no immediate superior, [he] such
671 official or employee shall take such steps as the [commission] Office of
672 State Ethics shall prescribe or advise.

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

675 (c) No person required to register with the [State Ethics
676 Commission] Office of State Ethics under section 1-94 shall accept
677 employment with the General Assembly or with any member of the
678 General Assembly in connection with legislative action, as defined in
679 section 1-91, as amended by this act. No member of the General
680 Assembly shall be a lobbyist.

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

683 (a) Any public official or state employee who establishes a legal
684 defense fund, or for whom a legal defense fund has been established,
685 shall file a report on said fund with the [State Ethics Commission]
686 Office of State Ethics not later than the tenth day of January, April, July
687 and October. Each such report shall include the following information
688 for the preceding calendar quarter: (1) The names of the directors and
689 officers of the fund, (2) the name of the depository institution for the
690 fund, (3) an itemized accounting of each contribution to the fund,
691 including the full name and complete address of each contributor and
692 the amount of the contribution, and (4) an itemized accounting of each
693 expenditure, including the full name and complete address of each
694 payee and the amount and purpose of the expenditure. The public
695 official or state employee shall sign each such report under penalty of
696 false statement. The provisions of this subsection shall not apply to any
697 person who has made a contribution to a legal defense fund before

698 June 3, 2004.

699 (b) (1) In addition to the prohibitions on gifts under subsections (j)
700 and (m) of section 1-84 and subsection (a) of section 1-97, no public
701 official or state employee shall accept, directly or indirectly, any
702 contribution to a legal defense fund established by or for the public
703 official or state employee, from (A) a member of the immediate family
704 of any person who is prohibited from giving a gift under subsection (j)
705 or (m) of section 1-84 or subsection (a) of section 1-97, or (B) a person
706 who is appointed by said public official or state employee to serve on a
707 paid, full-time basis. No person described in subparagraph (A) or (B)
708 of this subdivision shall make a contribution to such a legal defense
709 fund, and no such person or any person prohibited from making a gift
710 under subsection (j) or (m) of section 1-84 or subsection (a) of section 1-
711 97 shall solicit a contribution for such a legal defense fund.

712 (2) A public official or state employee may accept a contribution or
713 contributions to a legal defense fund established by or for the public
714 official or state employee from any other person, provided the total
715 amount of such contributions from any such person in any calendar
716 year shall not exceed one thousand dollars. No such person shall make
717 a contribution or contributions to said legal defense fund exceeding
718 one thousand dollars in any calendar year. The provisions of this
719 subdivision shall not apply in 2004, to any person who has made a
720 contribution or contributions to a legal defense fund exceeding one
721 thousand dollars in 2004, before June 3, 2004, provided said legal
722 defense fund shall not accept any additional contributions from such
723 person in 2004, and such person shall not make any additional
724 contributions to said fund in 2004.

725 (3) Notwithstanding the provisions of subdivision (2) of this
726 subsection, a public official or state employee may accept a
727 contribution or contributions, in any amount, to a legal defense fund
728 established by or for the public official or state employee from a
729 relative of the public official or state employee or a person whose
730 relationship with the public official or state employee is not dependent

731 on the official's or employee's status as a public official or state
732 employee. The factors that the [State Ethics Commission] board shall
733 consider in determining whether a person's relationship is so
734 dependent shall include, but not be limited to, whether the person may
735 be able to benefit from the exercise of official authority of the public
736 official or state employee and whether the person made gifts to the
737 public official or state employee before the official or employee began
738 serving in such office or position.

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

741 Any person aggrieved by any final decision of the [commission]
742 board, made pursuant to this part, may appeal such decision in
743 accordance with the provisions of section 4-175 or section 4-183.

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

746 (a) The [commission] board, upon a finding made pursuant to
747 section 1-82, as amended by this act, that there has been a violation of
748 any provision of this part, shall have the authority to order the violator
749 to do any or all of the following: (1) Cease and desist the violation of
750 this part; (2) file any report, statement or other information as required
751 by this part; and (3) pay a civil penalty of not more than ten thousand
752 dollars for each violation of this part.

753 (b) Notwithstanding the provisions of subsection (a) of this section,
754 the [commission] board may, after a hearing conducted in accordance
755 with sections 4-176e to 4-184, inclusive, upon the concurring vote of
756 [seven] two-thirds of its members, present and voting impose a civil
757 penalty not to exceed ten dollars per day upon any individual who
758 fails to file any report, statement or other information as required by
759 this part. Each distinct violation of this subsection shall be a separate
760 offense and in case of a continued violation, each day thereof shall be
761 deemed a separate offense. In no event shall the aggregate penalty
762 imposed for such failure to file exceed ten thousand dollars.

763 (c) The [commission] board may also report its finding to the Chief
764 State's Attorney for any action deemed necessary. The [commission]
765 board, upon a finding made pursuant to section 1-82, as amended by
766 this act, that a member or member-elect of the General Assembly has
767 violated any provision of this part, shall notify the appropriate house
768 of the General Assembly, in writing, of [its] such finding and the basis
769 for such finding.

770 (d) Any person who knowingly acts in [his] such person's financial
771 interest in violation of section 1-84, 1-85, 1-86, as amended by this act,
772 or 1-86d, as amended by this act, or any person who knowingly
773 receives a financial advantage resulting from a violation of any of said
774 sections shall be liable for damages in the amount of such advantage. If
775 the [commission] board determines that any person may be so liable, it
776 shall immediately inform the Attorney General of that possibility.

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

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

786 (a) In each odd-numbered calendar year, the [State Ethics
787 Commission] Office of State Ethics, the Connecticut Humanities
788 Council and the Joint Committee on Legislative Management shall
789 conduct a conference on ethical issues affecting members of the
790 General Assembly and lobbyists.

791 (b) In each even-numbered calendar year, the [State Ethics
792 Commission] Office of State Ethics shall conduct a conference on
793 ethical issues affecting executive branch and quasi-public agency
794 public officials and state employees.

795 Sec. 15. Subsection (c) of section 1-91 of the general statutes is
796 repealed and the following is substituted in lieu thereof (*Effective July*
797 *1, 2005*):

798 (c) ["Commission" means the State Ethics Commission] "Board"
799 means the Citizen's Ethics Advisory Board established under section 1-
800 80, as amended by this act.

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

803 [The commission shall:

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

810 [(2) Compile] (b) The general counsel and staff of the Office of State
811 Ethics shall compile and maintain an index of all reports and
812 statements filed with the [commission] Office of State Ethics under the
813 provisions of this part and advisory opinions and informal staff letters
814 issued by the [commission] board with regard to the requirements of
815 this part, to facilitate public access to such reports, statements, letters
816 and advisory opinions promptly upon the filing or issuance thereof;

817 [(3) Prepare] (c) The general counsel and staff of the Office of State
818 Ethics shall prepare quarterly and annual summaries of statements
819 and reports filed with the [commission] Office of State Ethics and
820 advisory opinions and informal staff letters issued by the [commission]
821 Office of State Ethics;

822 [(4) Preserve advisory opinions] (d) The general counsel and staff of
823 the Office of State Ethics shall preserve advisory opinions and informal
824 staff letters permanently; preserve memoranda filed under subsection

825 (f) of section 1-93a, statements and reports filed by and with the
826 [commission] Office of State Ethics for a period of five years from the
827 date of receipt;

828 [(5)] (e) Upon the concurring vote of [five] a majority of its members
829 [.] present and voting, the board shall issue advisory opinions with
830 regard to the requirements of this part, upon the request of any person,
831 subject to the provisions of this part, and publish such advisory
832 opinions in the Connecticut Law Journal. Advisory opinions rendered
833 by [the commission] the board, until amended or revoked, shall be
834 binding on the [commission] board and shall be deemed to be final
835 decisions of the [commission] board for purposes of [section 1-98]
836 appeal to the superior court, in accordance with the provisions of
837 section 4-175 or 4-183. Any advisory opinion concerning any person
838 subject to the provisions of this part who requested the opinion and
839 who acted in reliance thereon, in good faith, shall be binding upon the
840 [commission] board, and it shall be an absolute defense in any criminal
841 action brought under the provisions of this part that the accused acted
842 in reliance upon such advisory opinion;

843 [(6)] (f) Report annually, prior to February fifteenth, to the Governor
844 summarizing the activities of the commission; and

845 [(7) Employ]

846 (g) The Office of State Ethics shall employ necessary staff within
847 available appropriations.

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

850 (a) (1) Upon the complaint of any person on a form prescribed by
851 the [commission] Office of State Ethics, signed under penalty of false
852 statement, or upon its own complaint, the [commission] ethics
853 enforcement officer of the Office of State Ethics shall investigate any
854 alleged violation of this part. Not later than five days after the receipt
855 or issuance of such complaint, the [commission] Office of State Ethics

856 shall provide notice of such receipt or issuance and a copy of the
857 complaint by registered or certified mail to any respondent against
858 whom such complaint is filed and shall provide notice of the receipt of
859 such complaint to the complainant. When the [commission] Office of
860 State Ethics undertakes an evaluation of a possible violation of this
861 part prior to the filing of a complaint, [by the commission] the subject
862 of the evaluation shall be notified [within five business days after a
863 commission staff member's] not later than five business days after a
864 staff member of the Office of State Ethics undertakes the first contact
865 with a third party concerning the matter.

866 (2) In the conduct of its investigation of an alleged violation of this
867 part, the [commission] Office of State Ethics shall have the power to
868 hold hearings, administer oaths, examine witnesses, receive oral and
869 documentary evidence, subpoena witnesses under procedural rules
870 adopted by the [commission] Citizen's Ethics Advisory Board as
871 regulations in accordance with the provisions of chapter 54 to compel
872 attendance before the [commission] Office of State Ethics and to
873 require the production for examination by the [commission] ethics
874 enforcement officer of the Office of State Ethics of any books and
875 papers which the [commission] ethics enforcement officer of the Office
876 of State Ethics deems relevant in any matter under investigation or in
877 question. In the exercise of such powers, the [commission] Office of
878 State Ethics may use the services of the state police, who shall provide
879 the same upon the [commission's] office's request. The [commission]
880 Office of State Ethics shall make a record of all proceedings conducted
881 pursuant to this subsection. Any witness summoned before the
882 [commission] Office of State Ethics or a judge trial referee pursuant to
883 this subsection shall receive the witness fee paid to witnesses in the
884 courts of this state. The ethics enforcement officer of the Office of State
885 Ethics may bring any alleged violation of this part before a judge trial
886 referee assigned by the Chief Court Administrator for such purpose for
887 a probable cause hearing. Such judge trial referee shall be compensated
888 in accordance with the provisions of section 52-434 from such funds as
889 may be available to the Office of State Ethics. The respondent shall

890 have the right to appear at any hearing held pursuant to this
891 subsection and be heard and to offer any information which may tend
892 to clear [him] the respondent of probable cause to believe [he] the
893 respondent has violated any provision of this part. The respondent
894 shall also have the right to be represented by legal counsel and to
895 examine and cross-examine witnesses. Not later than ten days prior to
896 the commencement of any hearing conducted pursuant to this
897 subsection, the [commission] Office of State Ethics shall provide the
898 respondent with a list of its intended witnesses. [The commission shall
899 make no finding that there is probable cause to believe the respondent
900 is in violation of this part, except upon the concurring vote of five of its
901 members.] Any finding of probable cause to believe the respondent is
902 in violation of any provision of this part shall be made by a judge trial
903 referee not later than thirty days after the general counsel brings such
904 alleged violation before such judge trial referee, except that such thirty-
905 day limitation period shall not apply if the judge trial referee
906 determines that good cause exists for extending such limitation period.

907 (b) If a [preliminary investigation] judge trial referee indicates that
908 probable cause exists for the violation of a provision of this part, the
909 [commission] board shall initiate hearings to determine whether there
910 has been a violation of this part. Any such hearing shall be initiated by
911 the board not later than thirty days after the finding of probable cause
912 by a judge trial referee and shall be concluded not later than ninety
913 days after its initiation, except that such thirty-day or ninety-day
914 limitation period shall not apply if the judge trial referee determines
915 that good cause exists for extending such limitation period. A judge
916 trial referee, who has not taken part in the probable cause
917 determination on the matter shall be assigned by the Chief Court
918 Administrator and [who] shall be compensated in accordance with
919 section 52-434 out of funds available to the [commission,] board and
920 shall preside over such hearing and [shall] rule on all [matters] issues
921 concerning the application of the rules of evidence, which shall be the
922 same as in judicial proceedings. The trial referee shall have no vote in
923 any decision of the [commission] board. All hearings of the

924 [commission] board held pursuant to this subsection shall be open. At
925 such hearing the [commission] board shall have the same powers as
926 the Office of State Ethics under subsection (a) of this section and the
927 respondent shall have the right to be represented by legal counsel, the
928 right to compel attendance of witnesses and the production of books,
929 documents, records and papers and to examine and cross-examine
930 witnesses. Not later than ten days prior to the commencement of any
931 hearing conducted pursuant to this subsection, the [commission]
932 Office of State Ethics shall provide the respondent with a list of its
933 intended witnesses. The judge trial referee shall, while engaged in the
934 discharge of [his] the duties as provided in this subsection, have the
935 same authority as is provided in section 51-35 over witnesses who
936 refuse to obey a subpoena or to testify with respect to any matter upon
937 which such witness may be lawfully interrogated, and may commit
938 any such witness for contempt for a period no longer than thirty days.
939 The [commission] Office of State Ethics shall make a record of all
940 proceedings pursuant to this subsection. The [commission] board shall
941 find no person in violation of any provision of this part except upon
942 the concurring vote of [six] two-thirds of its members present and
943 voting. Not later than fifteen days after the public hearing conducted
944 in accordance with this subsection, the [commission] board shall
945 publish its finding and a memorandum of the reasons therefor. Such
946 finding and memorandum shall be deemed to be the final decision of
947 the [commission] board on the matter for the purposes of chapter 54.
948 The respondent, if aggrieved by the finding and memorandum, may
949 appeal therefrom to the Superior Court in accordance with the
950 provisions of section 4-183.

951 (c) If any complaint brought under the provisions of this part is
952 made with the knowledge that it is made without foundation in fact,
953 the respondent shall have a cause of action against the complainant for
954 double the amount of damage caused thereby and if the respondent
955 prevails in such action, [he] the respondent may be awarded by the
956 court the costs of such action together with reasonable attorneys' fees.

957 (d) No complaint may be made under this section except within five

958 years next after the violation alleged in the complaint has been
959 committed.

960 (e) No person shall take or threaten to take official action against an
961 individual for such individual's disclosure of information to the
962 [commission] board or the general counsel, ethics enforcement officer
963 or staff of the Office of State Ethics under the provisions of this part.
964 After receipt of information from an individual under the provisions of
965 this part, the [commission] Office of State Ethics shall not disclose the
966 identity of such individual without [his] such person's consent unless
967 the [commission] Office of State Ethics determines that such disclosure
968 is unavoidable during the course of an investigation.

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

971 (a) Unless [the commission] a judge trial referee makes a finding of
972 probable cause, a complaint alleging a violation of this part shall be
973 confidential except upon the request of the respondent. A
974 [commission] Office of State Ethics evaluation of a possible violation of
975 this part undertaken prior to a complaint being filed [by the
976 commission] shall be confidential except upon the request of the
977 subject of the evaluation. If the evaluation is confidential, any
978 information supplied to or received from the [commission] Office of
979 State Ethics shall not be disclosed to any third party by a subject of the
980 evaluation, a person contacted for the purpose of obtaining
981 information or by a [commission] board or staff member of the Office
982 of State Ethics. No provision of this subsection shall prevent the [Ethics
983 Commission] board or the Office of State Ethics from reporting the
984 possible commission of a crime to the Chief State's Attorney or other
985 prosecutorial authority.

986 (b) An investigation conducted prior to a probable cause finding
987 shall be confidential except upon the request of the respondent. If the
988 investigation is confidential, the allegations in the complaint and any
989 information supplied to or received from the [commission] Office of

990 State Ethics shall not be disclosed during the investigation to any third
991 party by a complainant, respondent, witness, designated party, or
992 [commission] Office of State Ethics or staff member.

993 (c) Not later than three business days after the termination of the
994 investigation, the [commission] Office of State Ethics shall inform the
995 complainant and the respondent of its finding and provide them a
996 summary of its reasons for making that finding. The [commission]
997 Office of State Ethics shall publish its finding upon the respondent's
998 request and may also publish a summary of its reasons for making
999 such finding.

1000 (d) If [the commission] a judge trial referee makes a finding of no
1001 probable cause, the complaint and the record of its investigation shall
1002 remain confidential, except upon the request of the respondent and
1003 except that some or all of the record may be used in subsequent
1004 proceedings. No complainant, respondent, witness, designated party,
1005 or [commission] Office of State Ethics or staff member shall disclose to
1006 any third party any information learned from the investigation,
1007 including knowledge of the existence of a complaint, which the
1008 disclosing party would not otherwise have known. If such a disclosure
1009 is made, the [commission] judge trial referee may, after consultation
1010 with the respondent if the respondent is not the source of the
1011 disclosure, publish its finding and a summary of its reasons therefor.

1012 (e) The [commission] judge trial referee shall make public a finding
1013 of probable cause not later than five business days after [the
1014 termination of the investigation] any such finding. At such time the
1015 entire record of the investigation shall become public, except that the
1016 [commission] Office of State Ethics may postpone examination or
1017 release of such public records for a period not to exceed fourteen days
1018 for the purpose of reaching a stipulation agreement pursuant to
1019 subsection (c) of section 4-177. Any stipulation agreement or settlement
1020 entered into for a violation of this part shall be approved by a majority
1021 if its members present and voting.

1022 Sec. 19. Section 1-94 of the general statutes is repealed and the
1023 following is substituted in lieu thereof (*Effective July 1, 2005*):

1024 A lobbyist shall register with the [commission] Office of State Ethics
1025 pursuant to this part if it or he:

1026 (1) Receives or agrees to receive compensation or reimbursement for
1027 actual expenses, or both, in a combined amount of two thousand
1028 dollars or more in a calendar year for lobbying, whether that receipt of
1029 compensation or reimbursement or agreement to receive such
1030 compensation or reimbursement is solely for lobbying or the lobbying
1031 is incidental to that person's regular employment; or

1032 (2) Makes or incurs an obligation to make expenditures of two
1033 thousand dollars or more in a calendar year for lobbying.

1034 Sec. 20. Section 1-95 of the general statutes is repealed and the
1035 following is substituted in lieu thereof (*Effective July 1, 2005*):

1036 (a) Each registrant shall file every two years with the [commission]
1037 Office of State Ethics on a registration form signed under penalty of
1038 false statement on or before January fifteenth of odd-numbered years
1039 or prior to the commencement of lobbying whichever is later. If the
1040 registrant is not an individual, an authorized officer or agent of the
1041 registrant shall sign the form. Such registration shall be on a form
1042 prescribed by the [commission] board and shall include:

1043 (1) If the registrant is an individual, the registrant's name,
1044 permanent address and temporary address while lobbying and the
1045 name, address and nature of business of any person who compensates
1046 or reimburses, or agrees to compensate or reimburse the registrant and
1047 the terms of the compensation, reimbursement or agreement, but shall
1048 not include the compensation paid to an employee for his involvement
1049 in activities other than lobbying;

1050 (2) If the registrant is a corporation, the name, address, place of
1051 incorporation and the principal place of business of the corporation;

1052 (3) If the registrant is an association, group of persons or an
1053 organization, the name and address of the principal officers and
1054 directors of such association, group of persons or organization. If the
1055 registrant is formed primarily for the purpose of lobbying, it shall
1056 disclose the name and address of any person contributing two
1057 thousand dollars or more to the registrant's lobbying activities in any
1058 calendar year;

1059 (4) If the registrant is not an individual, the name and address of
1060 each individual who will lobby on the registrant's behalf; and

1061 (5) The identification, with reasonable particularity, of areas of
1062 legislative or administrative action on which the registrant expects to
1063 lobby.

1064 (b) Each registrant shall pay a reasonable fee not in excess of the cost
1065 of administering the registration form provided for in subsection (a) of
1066 this section plus the cost of collecting, filing, copying and distributing
1067 the information filed by registrants under section 1-96, but not less
1068 than twenty-five dollars. A registrant who commences lobbying in an
1069 even-numbered year shall file with the [commission] Office of State
1070 Ethics, on or before January fifteenth of such even-numbered year or
1071 prior to the commencement of lobbying, whichever is later, a
1072 registration form signed under penalty of false statement and shall pay
1073 one-half of the biennial registration fee established by the
1074 [commission] board.

1075 (c) Each registrant shall file a notice of termination within thirty
1076 days after he ceases the activity that required his registration, provided
1077 the registrant does not intend to resume the activity during the
1078 biennial period for which he is registered; but termination shall not
1079 relieve him of the reporting requirements of section 1-96 for the period
1080 preceding the date his notice of termination is received by the
1081 [commission] Office of State Ethics or for the period commencing on
1082 such date and ending on December thirty-first of the year in which
1083 termination occurs.

1084 Sec. 21. Section 1-96 of the general statutes is repealed and the
1085 following is substituted in lieu thereof (*Effective July 1, 2005*):

1086 (a) Each client lobbyist registrant shall file with the [commission]
1087 Office of State Ethics between the first and tenth day of April, July and
1088 January a financial report, signed under penalty of false statement. The
1089 April and July reports shall cover its lobbying activities during the
1090 previous calendar quarter and the January report shall cover its
1091 lobbying activities during the previous two calendar quarters. In
1092 addition to such reports, each client lobbyist registrant which attempts
1093 to influence legislative action shall file, under penalty of false
1094 statement, interim monthly reports of its lobbying activities for each
1095 month the General Assembly is in regular session, except that no
1096 monthly report shall be required for any month in which it neither
1097 expends nor agrees to expend one hundred dollars or more in
1098 furtherance of lobbying. Such interim monthly reports shall be filed
1099 with the [commission] Office of State Ethics no later than the tenth day
1100 of the month following the last day of the month reported. If the client
1101 lobbyist registrant is not an individual, an authorized officer or agent
1102 of the client lobbyist registrant shall sign the form. A communicator
1103 lobbyist for a municipality or any subdivision of a municipality, a
1104 branch of state government or any subdivision of state government or
1105 a quasi-public agency shall file the reports described in this subsection
1106 utilizing the client lobbyist reporting schedule.

1107 (b) Each individual communicator lobbyist registrant and each
1108 business organization communicator lobbyist registrant shall file with
1109 the [commission] Office of State Ethics between the first and tenth day
1110 of January a report or reports, signed under penalty of false statement,
1111 reporting the amounts of compensation and reimbursement received
1112 from each of his clients during the previous year. In addition, each
1113 individual communicator lobbyist registrant and each business
1114 organization communicator lobbyist registrant shall: (1) Report the
1115 fundamental terms of contracts, agreements or promises to pay or
1116 receive compensation or reimbursement or to make expenditures in
1117 furtherance of lobbying, including the categories of work to be

1118 performed and the dollar value or compensation rate of the contract, at
1119 the time of registration; (2) report, in accordance with the schedule set
1120 forth in subsection (a) of this section, any amendments to these
1121 fundamental terms, including any agreements to subcontract lobbying
1122 work; and (3) report, in accordance with the provisions of subsection
1123 (a) of this section, any expenditures for the benefit of a public official in
1124 the legislative or executive branch or a member of the staff or
1125 immediate family of such official which are unreimbursed and
1126 required to be itemized. Such report shall not include the disclosure of
1127 food and beverage provided by a communicator lobbyist registrant to
1128 a public official in the legislative or executive branch or a member of
1129 his staff or immediate family at a major life event, as defined by the
1130 [commission] Citizen's Ethics Advisory Board, of the registrant. All
1131 such information shall be reported under penalty of false statement.

1132 (c) An individual communicator lobbyist registrant shall file a
1133 separate report for each person from whom he received compensation
1134 or reimbursement. Notwithstanding any provision of this subsection to
1135 the contrary, a business organization to which one or more individual
1136 communicator lobbyist registrants belong may file a single report for
1137 each client lobbyist in lieu of any separate reports that individual
1138 registrants are required to file pursuant to this subsection.

1139 (d) Each registrant who files a notice of termination under
1140 subsection (c) of section 1-95 shall file with the [commission] Office of
1141 State Ethics a financial report, under penalty of false statement,
1142 between the first and tenth day of January of the year following
1143 termination.

1144 (e) Each client lobbyist registrant financial report shall be on a form
1145 prescribed by the [commission] board and shall state expenditures
1146 made and the fundamental terms of contracts, agreements or promises
1147 to pay compensation or reimbursement or to make expenditures in
1148 furtherance of lobbying. Any such fundamental terms shall be
1149 reported once in the monthly, quarterly or post-termination report
1150 next following the entering into of such contract. Such financial report

1151 shall include an itemized statement of each expenditure of ten dollars
1152 or more per person for each occasion made by the reporting registrant
1153 or a group of registrants which includes the reporting registrant for the
1154 benefit of a public official in the legislative or executive branch, a
1155 member of his staff or immediate family, itemized by date, beneficiary,
1156 amount and circumstances of the transaction. The requirement of an
1157 itemized statement shall not apply to an expenditure made by a
1158 reporting registrant or a group of registrants which includes the
1159 reporting registrant for (1) the benefit of the members of the General
1160 Assembly at an event that is a reception to which all such members are
1161 invited or all members of a region of the state, as such term is used in
1162 subdivision (11) of subsection (g) of section 1-91, are invited, unless the
1163 expenditure is thirty dollars or more per person, or (2) benefits
1164 personally and directly received by a public official or state employee
1165 at a charitable or civic event at which the public official or state
1166 employee participates in his official capacity, unless the expenditure is
1167 thirty dollars or more per person, per event. If the compensation is
1168 required to be reported for an individual whose lobbying is incidental
1169 to his regular employment, it shall be sufficient to report a prorated
1170 amount based on the value of the time devoted to lobbying. On the
1171 first financial report following registration each client lobbyist
1172 registrant shall include any expenditures incident to lobbying activities
1173 which were received or expended prior to registration and not
1174 previously reported to the [commission] Office of State Ethics.

1175 (f) The [commission] Citizen's Ethics Advisory Board shall, by
1176 regulations adopted in accordance with chapter 54, establish minimum
1177 amounts for each item required to be reported, below which reporting
1178 may be made in the aggregate. The provisions of this subsection shall
1179 not apply to expenditures made for the benefit of a public official or a
1180 member of such person's staff or immediate family.

1181 (g) Each former registrant shall (1) report receipts or expenditures
1182 incident to lobbying activities during his period of registration which
1183 are received or expended following termination of registration and (2)
1184 report each expenditure of ten dollars or more per person for each

1185 occasion made by him for the benefit of a public official or a member
1186 of such official's immediate family or staff which occurs within six
1187 months after termination of registration.

1188 (h) The [commission] Office of State Ethics shall, within thirty days
1189 after receipt of a financial report which contains the name of a public
1190 official in the legislative or executive branch or a member of such
1191 official's staff or immediate family, send a written notice to such public
1192 official, of the filing of the report and the name of the person who filed
1193 it.

1194 Sec. 22. Subsection (b) of section 1-96a of the general statutes is
1195 repealed and the following is substituted in lieu thereof (*Effective July*
1196 *1, 2005*):

1197 (b) The [commission] Office of State Ethics may require, on a
1198 random basis, any registrant to make all such documents
1199 substantiating financial reports concerning lobbying activities on and
1200 after October 1, 1991, available for inspection and copying by the
1201 [commission] Office of State Ethics for the purpose of verifying such
1202 financial reports, provided no registrant shall be subject to such
1203 requirement more than one time during any three consecutive years.
1204 The [commission] Office of State Ethics shall select registrants to be
1205 audited by lot in a ceremony which shall be open to the public.
1206 Nothing in this subsection shall require a registrant to make any
1207 documents concerning nonlobbying activities available to the
1208 [commission] Office of State Ethics for inspection and copying.

1209 Sec. 23. Section 1-96b of the general statutes is repealed and the
1210 following is substituted in lieu thereof (*Effective July 1, 2005*):

1211 Each registrant required to file any financial reports under section 1-
1212 96 shall do so in electronic form using the software created by the
1213 [commission] Office of State Ethics for that purpose or another
1214 software program which meets specifications prescribed by the
1215 [commission] Office of State Ethics.

1216 Sec. 24. Section 1-98 of the general statutes is repealed and the
1217 following is substituted in lieu thereof (*Effective July 1, 2005*):

1218 Any person aggrieved by any final decision of the [commission]
1219 board, made pursuant to this part, may appeal such decision in
1220 accordance with the provisions of section 4-175 or section 4-183.

1221 Sec. 25. Section 1-99 of the general statutes is repealed and the
1222 following is substituted in lieu thereof (*Effective July 1, 2005*):

1223 (a) The [commission] board, upon a finding made pursuant to
1224 section 1-93 that there has been a violation of any provision of this
1225 part, shall have the authority to order the violator to do any or all of
1226 the following: (1) Cease and desist the violation of this part; (2) file any
1227 report, statement or other information as required by this part; or (3)
1228 pay a civil penalty of not more than ten thousand dollars for each
1229 violation of this part. The [commission] board may prohibit any person
1230 who intentionally violates any provision of this part from engaging in
1231 the profession of lobbyist for a period of not more than two years. The
1232 [commission] board may impose a civil penalty on any person who
1233 knowingly enters into a contingent fee agreement in violation of
1234 subsection (b) of section 1-97 or terminates a lobbying contract as the
1235 result of the outcome of an administrative or legislative action. The
1236 civil penalty shall be equal to the amount of compensation which the
1237 registrant was required to be paid under the agreement.

1238 (b) Notwithstanding the provisions of subsection (a) of this section,
1239 the [commission] board may, after a hearing conducted in accordance
1240 with sections 4-176e to 4-184, inclusive, upon the concurring vote of
1241 [~~six~~] two-thirds of its members, impose a civil penalty not to exceed ten
1242 dollars per day upon any registrant who fails to file any report,
1243 statement or other information as required by this part. Each distinct
1244 violation of this subsection shall be a separate offense and, in case of a
1245 continued violation, each day thereof shall be deemed a separate
1246 offense. In no event shall the aggregate penalty imposed for such
1247 failure to file exceed ten thousand dollars.

1248 (c) The [commission] board may also report its finding to the Chief
1249 State's Attorney for any action deemed necessary.

1250 Sec. 26. Section 1-101 of the general statutes is repealed and the
1251 following is substituted in lieu thereof (*Effective July 1, 2005*):

1252 Each individual who is a lobbyist shall, while engaged in lobbying,
1253 wear a distinguishing badge which shall identify him as a lobbyist.
1254 The size, color, material and other requirements of such badge shall be
1255 prescribed by regulation of the [commission] Citizen's Ethics Advisory
1256 Board.

1257 Sec. 27. Section 1-96c of the general statutes is repealed and the
1258 following is substituted in lieu thereof (*Effective July 1, 2005*):

1259 On and after January 1, 1999, the [State Ethics Commission] Office
1260 of State Ethics shall make all computerized data from financial reports
1261 required by section 1-96 available to the public through (1) a computer
1262 terminal in the office of the [commission] Office of State Ethics, and (2)
1263 the Internet or any other generally available on-line computer network.

1264 Sec. 28. Section 1-96e of the general statutes is repealed and the
1265 following is substituted in lieu thereof (*Effective July 1, 2005*):

1266 Each registrant who pays or reimburses a public official or state
1267 employee ten dollars or more for necessary expenses, as defined in
1268 section 1-79, as amended by this act, shall, within thirty days, file a
1269 statement with the [State Ethics Commission] Office of State Ethics
1270 indicating the name of such individual and the amount of the
1271 expenses.

1272 Sec. 29. Subsection (a) of section 1-99 of the general statutes is
1273 repealed and the following is substituted in lieu thereof (*Effective July*
1274 *1, 2005*):

1275 (a) The [commission] board, upon a finding made pursuant to
1276 section 1-93, as amended by this act, that there has been a violation of
1277 any provision of this part, shall have the authority to order the violator

1278 to do any or all of the following: (1) Cease and desist the violation of
1279 this part; (2) file any report, statement or other information as required
1280 by this part; or (3) pay a civil penalty of not more than ten thousand
1281 dollars for each violation of this part. The [commission] board may
1282 prohibit any person who intentionally violates any provision of this
1283 part from engaging in the profession of lobbyist for a period of not
1284 more than two years. The [commission] board may impose a civil
1285 penalty on any person who knowingly enters into a contingent fee
1286 agreement in violation of subsection (b) of section 1-97 or terminates a
1287 lobbying contract as the result of the outcome of an administrative or
1288 legislative action. The civil penalty shall be equal to the amount of
1289 compensation which the registrant was required to be paid under the
1290 agreement.

1291 Sec. 30. Section 4-9a of the general statutes is repealed and the
1292 following is substituted in lieu thereof (*Effective July 1, 2005*):

1293 (a) The Governor shall appoint the chairperson and executive
1294 director, if any, of all boards and commissions within the Executive
1295 Department, except the Board of Governors of Higher Education,
1296 provided the Governor shall appoint the initial chairman of said board
1297 as provided in section 10a-2, the State Properties Review Board, the
1298 State Elections Enforcement Commission, the Commission on Human
1299 Rights and Opportunities, the [State Ethics Commission] Citizen's
1300 Ethics Advisory Board, the Commission on Aging and the
1301 Commission on Fire Prevention and Control.

1302 (b) Public members shall constitute not less than one-third of the
1303 members of each board and commission within the Executive
1304 Department, except the Gaming Policy Board and the Commission on
1305 Human Rights and Opportunities. Public member means an elector of
1306 the state who has no substantial financial interest in, is not employed
1307 in or by, and is not professionally affiliated with, any industry,
1308 profession, occupation, trade or institution regulated or licensed by the
1309 relevant board or commission, and who has had no professional
1310 affiliation with any such industry, profession, occupation, trade or

1311 institution for three years preceding his appointment to the board or
1312 commission. Except as otherwise specifically provided by the general
1313 statutes, this section shall not apply to the Commission on Fire
1314 Prevention and Control, boards and commissions the membership of
1315 which is entirely composed of state department heads, elected officials
1316 or deputies appointed by such department heads or where the
1317 membership of such board or commission is determined in accordance
1318 with the provisions of any federal law.

1319 (c) Notwithstanding any provision of law to the contrary, the term
1320 of each member of each board and commission within the executive
1321 branch, except the State Board of Education, the Board of Governors of
1322 Higher Education, the Gaming Policy Board, the Commission on
1323 Human Rights and Opportunities, the State Elections Enforcement
1324 Commission, the State Properties Review Board, the [State Ethics
1325 Commission] Citizen's Ethics Advisory Board, the Commission on
1326 Medicolegal Investigations, the Psychiatric Security Review Board, the
1327 Commission on Fire Prevention and Control, the E 9-1-1 Commission,
1328 the Connecticut Commission on Culture and Tourism, the Commission
1329 on Aging, the board of trustees of each constituent unit of the state
1330 system of higher education and the Board of Pardons and Paroles,
1331 commencing on or after July 1, 1979, shall be coterminous with the
1332 term of the Governor or until a successor is chosen whichever is later.

1333 (d) Each member of each board and commission within the
1334 executive branch shall serve at the pleasure of the appointing authority
1335 except where otherwise specifically provided by any provision of the
1336 general statutes.

1337 Sec. 31. Subsection (a) of section 4b-4 of the general statutes is
1338 repealed and the following is substituted in lieu thereof (*Effective July*
1339 *1, 2005*):

1340 (a) No employee of the Properties Review Board shall hold another
1341 state or municipal position, nor shall any such employee or any
1342 nonclerical employee in the unit in the Department of Public Works

1343 which is responsible for acquiring, leasing and selling real property on
1344 behalf of the state, be directly involved in any enterprise which does
1345 business with the state or be directly or indirectly involved in any
1346 enterprise concerned with real estate acquisition or development. Each
1347 member and employee of the State Properties Review Board shall file,
1348 with the board and with the [State Ethics Commission] Office of State
1349 Ethics, and each such employee of the department shall file, with the
1350 department and with the [State Ethics Commission] Office of State
1351 Ethics, a financial statement indicating all sources of business income
1352 of such person in excess of one thousand dollars, and the name of any
1353 business with which he is associated, which shall have the same
1354 meaning as defined in section 1-79, as amended by this act. Such
1355 statement shall be a public record. Financial statements for the
1356 preceding calendar year shall be filed with the commission on or
1357 before April fifteenth of each year if the employee or member held
1358 such a position during the preceding calendar year.

1359 Sec. 32. Subsection (b) of section 5-266a of the general statutes is
1360 repealed and the following is substituted in lieu thereof (*Effective July*
1361 *1, 2005*):

1362 (b) A person employed in said classified service or Judicial
1363 Department retains the right to vote as he chooses and to express his
1364 opinions on political subjects and candidates and shall be free to
1365 participate actively in political management and campaigns. Such
1366 activity may include but shall not be limited to, membership and
1367 holding of office in a political party, organization or club, campaigning
1368 for a candidate in a partisan election by making speeches, writing on
1369 behalf of the candidate or soliciting votes in support of or in opposition
1370 to a candidate and making contributions of time and money to political
1371 parties, committees or other agencies engaged in political action,
1372 except that no such employee shall engage in such activity while on
1373 duty or within any period of time during which such employee is
1374 expected to perform services for which he receives compensation from
1375 the state, and no such employee shall utilize state funds, supplies,
1376 vehicles, or facilities to secure support for or oppose any candidate,

1377 party, or issue in a political partisan election. Notwithstanding the
1378 provisions of this subsection, any person employed in the classified
1379 state service or in the Judicial Department may be a candidate for a
1380 state or municipal office, in any political partisan election. No person
1381 seeking or holding municipal office or seeking state office in
1382 accordance with the provisions of this subsection shall engage in
1383 political activity or in the performance of the duties of such office
1384 while on state duty or within any period of time during which such
1385 person is expected to perform services for which such person receives
1386 compensation from the state. The [State Ethics Commission] Citizen's
1387 Ethics Advisory Board shall establish by regulation definitions of
1388 conflict of interest which shall preclude persons in the classified state
1389 service or in the Judicial Department from holding elective office.

1390 Sec. 33. Section 3-13l of the general statutes is repealed and the
1391 following is substituted in lieu thereof (*Effective July 1, 2005*):

1392 (a) No person may, directly or indirectly, pay a finder's fee to any
1393 person in connection with any investment transaction involving the
1394 state, any quasi-public agency, as defined in section 1-120, or any
1395 political subdivision of the state. No person may, directly or indirectly,
1396 receive a finder's fee in connection with any investment transaction
1397 involving the state, any quasi-public agency, as defined in section 1-
1398 120, or any political subdivision of the state.

1399 (b) For purposes of this section:

1400 (1) "Finder's fee" means compensation in the form of cash, cash
1401 equivalents or other things of value paid to or received by a third party
1402 in connection with an investment transaction to which the state, any
1403 political subdivision of the state or any quasi-public agency, as defined
1404 in section 1-120, is a party for any services, and includes, but is not
1405 limited to, any fee paid for lobbying, as defined in subsection (k) of
1406 section 1-91, and as defined by the [Ethics Commission] Citizen's
1407 Ethics Advisory Board, in consultation with the Treasurer, in the
1408 regulations adopted under subparagraph (C)(ii) of subdivision (3) of

1409 this subsection or as prescribed by the Treasurer until such regulations
1410 are adopted.

1411 (2) "Finder's fee" does not mean (A) (i) compensation earned for the
1412 rendering of investment services, as defined in subsection (f) of section
1413 9-333n, or for acting as a licensed real estate broker or real estate sales
1414 person under the provisions of section 20-312, or under a comparable
1415 statute of the jurisdiction in which the subject property is located, or
1416 (ii) marketing fees or due diligence fees earned by the payee in
1417 connection with the offer, sale or purchase of any security or
1418 investment interest, in accordance with criteria prescribed under
1419 [subparagraph (ii) of] subparagraph (C)(ii) of subdivision (3) of this
1420 subsection, (B) compensation paid to (i) persons who are investment
1421 professionals engaged in the ongoing business of representing
1422 investment services providers, or (ii) third parties for services
1423 connected to the issuance of debt by the state, any political subdivision
1424 of the state or any quasi-public agency, as defined in section 1-120, and
1425 (C) any compensation which is so defined by the regulations adopted
1426 under subparagraph (C)(ii) of subdivision (3) of this subsection, or any
1427 compensation which meets criteria prescribed by the Treasurer until
1428 such regulations are adopted. As used in this section, "offer" and "sale"
1429 have the meaning provided in section 36b-3.

1430 (3) "Investment professional" means an individual or firm whose
1431 primary business is bringing together institutional funds and
1432 investment opportunities and who (A) is a broker-dealer or investment
1433 adviser agent licensed or registered (i) under the Connecticut Uniform
1434 Securities Act; (ii) in the case of an investment adviser agent, with the
1435 Securities and Exchange Commission, in accordance with the
1436 Investment Advisors' Act of 1940; or (iii) in the case of a broker-dealer,
1437 with the National Association of Securities Dealers in accordance with
1438 the Securities Exchange Act of 1934, or (B) is licensed under section 20-
1439 312, or under a comparable statute of the jurisdiction in which the
1440 subject property is located, or (C) (i) furnishes an investment manager
1441 with marketing services including, but not limited to, developing an
1442 overall marketing strategy focusing on more than one institutional

1443 fund, designing or publishing marketing brochures or other
1444 presentation material such as logos and brands for investment
1445 products, responding to requests for proposals, completing due
1446 diligence questionnaires, identifying a range of potential investors, or
1447 such other services as may be identified in regulations adopted under
1448 subparagraph (ii) of this subparagraph and (ii) meets criteria
1449 prescribed (I) by the Treasurer until regulations are adopted under this
1450 subparagraph, or (II) by the [Ethics Commission] Citizen's Ethics
1451 Advisory Board, in consultation with the Treasurer, in regulations
1452 adopted in accordance with the provisions of chapter 54. Prior to
1453 adopting such regulations, the [Ethics Commission] Citizen's Ethics
1454 Advisory Board shall transmit the proposed regulations to the
1455 Treasurer not later than one hundred twenty days before any period
1456 for public comment on such regulations commences and shall consider
1457 any comments or recommendations the Treasurer may have regarding
1458 such regulations. In developing such regulations, the commission shall
1459 ensure that the state will not be competitively disadvantaged by such
1460 regulations relative to any legitimate financial market.

1461 (c) Any person who violates any provision of this section shall be
1462 liable for a civil penalty of not less than the amount of the fee paid or
1463 received in violation of this section and not more than three times said
1464 amount.

1465 (1) The Attorney General, upon complaint of the Treasurer or the
1466 [Ethics Commission] Citizen's Ethics Advisory Board, may bring an
1467 action in the superior court for the judicial district of Hartford to
1468 recover such penalty for a violation of this section which affects a fund
1469 of the state. Any penalty imposed under this section for a violation
1470 which affects any such fund shall be paid to the Treasurer who shall
1471 deposit such moneys in such fund.

1472 (2) Any political subdivision of the state may bring an action in the
1473 superior court to recover such penalty for a violation of this section
1474 which affects any fund under the control of such subdivision. Any
1475 penalty imposed under this section for a violation which affects any

1476 such fund shall be paid to such subdivision which shall deposit such
1477 moneys in such fund.

1478 (3) Any quasi-public agency, as defined in section 1-120, may bring
1479 an action in the superior court to recover such penalty for a violation of
1480 this section which affects any fund under the control of such agency.
1481 Any penalty imposed under this section for a violation which affects
1482 any such fund shall be paid to such agency which shall deposit such
1483 moneys in such fund.

1484 Sec. 34. (NEW) (*Effective July 1, 2005*) The Chief Court Administrator
1485 shall designate ten judge trial referees who shall be available to the
1486 Office of State Ethics to: (1) Preside over and rule at any hearing of the
1487 Office of State Ethics; and (2) make findings as to probable cause
1488 following any investigation conducted by the ethics enforcement
1489 officer of the Office of State Ethics.

1490 Sec. 35. (*Effective from passage*) There shall be an interim executive
1491 director of the Office of State Ethics appointed jointly by the Governor,
1492 the speaker of the House of Representatives and the president pro
1493 tempore of the Senate. Such interim executive director shall be
1494 responsible for overseeing the transfer of the responsibilities and
1495 duties of the State Ethics Commission to the Office of State Ethics and
1496 shall have those duties and powers described in section 3 of this act.
1497 Such interim executive director shall serve until the executive director
1498 of the Office of State Ethics is appointed by the members of the
1499 Citizen's Ethics Advisory Board."

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	<i>July 1, 2005</i>	1-89a
Sec. 15	<i>July 1, 2005</i>	1-91(c)
Sec. 16	<i>July 1, 2005</i>	1-92
Sec. 17	<i>July 1, 2005</i>	1-93
Sec. 18	<i>July 1, 2005</i>	1-93a
Sec. 19	<i>July 1, 2005</i>	1-94
Sec. 20	<i>July 1, 2005</i>	1-95
Sec. 21	<i>July 1, 2005</i>	1-96
Sec. 22	<i>July 1, 2005</i>	1-96a(b)
Sec. 23	<i>July 1, 2005</i>	1-96b
Sec. 24	<i>July 1, 2005</i>	1-98
Sec. 25	<i>July 1, 2005</i>	1-99
Sec. 26	<i>July 1, 2005</i>	1-101
Sec. 27	<i>July 1, 2005</i>	1-96c
Sec. 28	<i>July 1, 2005</i>	1-96e
Sec. 29	<i>July 1, 2005</i>	1-99(a)
Sec. 30	<i>July 1, 2005</i>	4-9a
Sec. 31	<i>July 1, 2005</i>	4b-4(a)
Sec. 32	<i>July 1, 2005</i>	5-266a(b)
Sec. 33	<i>July 1, 2005</i>	3-13l
Sec. 34	<i>July 1, 2005</i>	New section
Sec. 35	<i>from passage</i>	New section