



House of Representatives

General Assembly

File No. 216

January Session, 2009

Substitute House Bill No. 6293

House of Representatives, March 25, 2009

The Committee on Government Administration and Elections reported through REP. SPALLONE of the 36th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING STATEMENTS OF FINANCIAL INTERESTS UNDER THE CODE OF ETHICS.

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

1 Section 1. Section 1-83 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2009*):

3 (a) (1) All state-wide elected officers, members of the General
4 Assembly, department heads and their deputies, [members of the
5 Gaming Policy Board,] division heads, legislative chiefs of staff, any
6 state employee whose primary responsibilities include participating in
7 the award of contracts for goods or services valued at ten thousand
8 dollars or more, the Governor's chief of staff and the Lieutenant
9 Governor's chief of staff, members of the Gaming Policy Board, all
10 agency procurement officers, members and employees of the State
11 Properties Review Board and nonclerical employees of the Department
12 of Public Works' unit that is responsible for the acquisition, leasing and
13 selling of real property, as described in section 4b-4, as amended by

14 this act, the executive director of the Division of Special Revenue
15 within the Department of Revenue Services, members or directors of
16 each quasi-public agency, members of the Investment Advisory
17 Council, state marshals and such members of the Executive
18 Department and such employees of quasi-public agencies as the
19 Governor shall require, shall file, under penalty of false statement, a
20 statement of financial interests for the preceding calendar year with the
21 Office of State Ethics on or before the May first next in any year in
22 which they hold such a position. Any such individual who leaves his
23 or her office or position shall file a statement of financial interests
24 covering that portion of the year during which such individual held
25 his or her office or position. The Office of State Ethics shall notify such
26 individuals of the requirements of this subsection not later than thirty
27 days after their departure from such office or position. Such
28 individuals shall file such statement within sixty days after receipt of
29 the notification.

30 (2) Each state agency, department, board and commission shall
31 develop and implement, in cooperation with the Office of State Ethics,
32 an ethics statement as it relates to the mission of the agency,
33 department, board or commission. The executive head of each such
34 agency, department, board or commission shall be directly responsible
35 for the development and enforcement of such ethics statement and
36 shall file a copy of such ethics statement with the Department of
37 Administrative Services and the Office of State Ethics.

38 (b) (1) The statement of financial interests, except as provided in
39 subdivision (2) of this subsection, shall include the following
40 information for the preceding calendar year in regard to the individual
41 required to file the statement and the individual's spouse and
42 dependent children residing in the individual's household: (A) The
43 names of all businesses with which associated; (B) all sources of
44 income, including the name of each employer, with a description of
45 each source, in excess of one thousand dollars, without specifying
46 amounts of income; (C) the name of securities in excess of five
47 thousand dollars at fair market value owned by such individual,

48 spouse or dependent children or held in the name of a corporation,
49 partnership or trust for the benefit of such individual, spouse or
50 dependent children; (D) the existence of any known blind trust and the
51 names of the trustees; (E) all real property and its location, whether
52 owned by such individual, spouse or dependent children or held in the
53 name of a corporation, partnership or trust for the benefit of such
54 individual, spouse or dependent children; (F) the names and addresses
55 of creditors to whom the individual, the individual's spouse or
56 dependent children, individually, owed debts of more than ten
57 thousand dollars; (G) any leases or contracts with the state held or
58 entered into by the individual or a business with which he or she was
59 associated; and (H) a description of any partnership, joint ownership
60 or similar business affiliation between (i) a business included under
61 subparagraph (A) of this subdivision with which the individual filing
62 the statement, the individual's spouse or a dependent child of the
63 individual is associated, and (ii) a lobbyist, a person that the individual
64 filing the statement knows or has reason to know is doing business
65 with or seeking to do business with the state or is engaged in activities
66 that are directly regulated by the department or agency in which the
67 individual is employed, or a business with which such lobbyist or
68 person is associated.

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

72 (c) The statement of financial interests filed pursuant to this section
73 shall be a matter of public information, except the list of names, filed in
74 accordance with subparagraph (F) of subdivision (1) of subsection (b)
75 of this section shall be sealed and confidential and for the use of the
76 Office of State Ethics only after a complaint has been filed under
77 section 1-82 and such complaint has been determined by a vote of the
78 board to be of sufficient merit and gravity to justify the unsealing of
79 such list or lists and not open to public inspection unless the
80 respondent requests otherwise. If the board reports its findings to the
81 Chief State's Attorney in accordance with subsection (c) of section 1-88,

82 the board shall turn over to the Chief State's Attorney such relevant
83 information contained in the statement as may be germane to the
84 specific violation or violations or a prosecutorial official may subpoena
85 such statement in a criminal action. Unless otherwise a matter of
86 public record, the Office of State Ethics shall not disclose to the public
87 any such subpoena which would be exempt from disclosure by the
88 issuing agency.

89 (d) Any individual who is unable to provide information required
90 under the provisions of subdivision (1) of subsection (b) of this section
91 by reason of impossibility may petition the board for a waiver of the
92 requirements.

93 Sec. 2. Section 4b-4 of the general statutes is repealed and the
94 following is substituted in lieu thereof (*Effective October 1, 2009*):

95 (a) No employee of the Properties Review Board shall hold another
96 state or municipal position, nor shall any such employee or any
97 nonclerical employee in the unit in the Department of Public Works
98 which is responsible for acquiring, leasing and selling real property on
99 behalf of the state, be directly involved in any enterprise which does
100 business with the state or be directly or indirectly involved in any
101 enterprise concerned with real estate acquisition or development. Each
102 member and employee of the State Properties Review Board shall file,
103 with the board and with the Office of State Ethics, and each such
104 employee of the department shall file, with the department and with
105 the Office of State Ethics, [a financial statement indicating all sources of
106 business income of such person in excess of one thousand dollars, and
107 the name of any business with which he is associated, which shall have
108 the same meaning as defined in section 1-79] a statement of financial
109 interests, as described in section 1-83, as amended by this act. [Such
110 statement shall be a public record. Financial statements for the
111 preceding calendar year shall be filed with the commission on or
112 before April fifteenth of each year if the employee or member held
113 such a position during the preceding calendar year] Such statements
114 for the preceding calendar year shall be filed with the Office of State

115 Ethics, in accordance with section 1-83, as amended by this act.

116 (b) The provisions of sections 1-82, 1-82a and 1-88 shall apply to any
117 alleged violation of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2009</i>	1-83
Sec. 2	<i>October 1, 2009</i>	4b-4

GAE *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

This bill expands the statements of financial interest filing requirements to those state employees and public officials who have significant decision-making or influential authority and are not currently required to file with the Office of State Ethics. This will have no fiscal impact to the state.

OLR Bill Analysis**sHB 6293*****AN ACT CONCERNING STATEMENTS OF FINANCIAL INTERESTS UNDER THE CODE OF ETHICS.*****SUMMARY:**

This bill expands the requirement to file an annual statement of financial interests with the Office of State Ethics (OSE) to the following state officials and employees:

1. division heads;
2. chiefs of staff to legislators, the governor, and the lieutenant governor;
3. employees whose primary responsibilities include awarding contracts valued at \$10,000 or more;
4. non-clerical employees of the Department of Public Works' unit responsible for acquiring, leasing, and selling real property; and
5. agency procurement officers.

It also requires State Properties Review Board members and employees to complete the same statement of financial interests as other state officials and employees and file it at the same time. Currently, these members and employees file a truncated statement with OSE and the board annually on April 15 if they held the position during the preceding calendar year.

EFFECTIVE DATE: October 1, 2009

BACKGROUND***Statement of Financial Interests***

By law, certain officials must file with OSE, by May 1, annually, a statement of financial interests for the preceding calendar year. The law applies to state elected officials, department heads and their deputies, Gaming Policy Board members, State Contracting Standards Board members, Division of Special Revenue executive director, quasi-public agency directors and members, Investment Advisory Council members, state marshals, and any executive branch members or quasi-public agency employees the governor specifies.

Statements of Financial Interests must include:

1. the names of associated businesses;
2. all sources of income, including the name of each employer, with a description of each source in excess of \$1,000, without specifying the income amounts;
3. the names of securities in excess of \$5,000 owned by the individual, his or her spouse and children, or held in a corporation, partnership, or trust for them;
4. a list of all real property and its location and whether its owned by the individual, his or her spouse or children, or held in a corporation, partnership, or trust for them;
5. the existence of any known blind trusts and trustees' names;
6. the names and addresses of creditors owed more than \$10,000;
7. any state leases or contracts entered into by the individual or an associated business; and
8. a description of any partnership, joint ownership, or similar business affiliation between an associated business and a registered lobbyist, person doing or seeking to do business with the state; business engaged in activities regulated by the filer's agency; or business associated with the lobbyist or person.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 15 Nay 0 (03/06/2009)