



House of Representatives

General Assembly

File No. 204

January Session, 2009

Substitute House Bill No. 6298

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 CERTAIN REVISIONS TO THE STATE CODES OF ETHICS.

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

1 Section 1. Subsection (q) of section 1-84 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2009*):

4 (q) No public official or state employee shall knowingly counsel,
5 authorize or otherwise sanction action that violates any provision of
6 this part.

7 Sec. 2. Subsection (l) of section 1-91 of the general statutes is
8 repealed and the following is substituted in lieu thereof (*Effective*
9 *January 1, 2010*):

10 (l) "Lobbyist" means a person who in lobbying and in furtherance of
11 lobbying makes or agrees to make expenditures, or receives or agrees
12 to receive compensation, reimbursement, or both, and such

13 compensation, reimbursement or expenditures are [two] three
14 thousand dollars or more in any calendar year or the combined
15 amount thereof is [two] three thousand dollars or more in any such
16 calendar year. Lobbyist shall not include:

17 (1) A public official, employee of a branch of state government or a
18 subdivision thereof, or elected or appointed official of a municipality
19 or his designee other than an independent contractor, who is acting
20 within the scope of his authority or employment;

21 (2) A publisher, owner or an employee of the press, radio or
22 television while disseminating news or editorial comment to the
23 general public in the ordinary course of business;

24 (3) An individual representing himself or another person before the
25 legislature or a state agency other than for the purpose of influencing
26 legislative or administrative action;

27 (4) Any individual or employee who receives no compensation or
28 reimbursement specifically for lobbying and who limits his activities
29 solely to formal appearances to give testimony before public sessions
30 of committees of the General Assembly or public hearings of state
31 agencies and who, if he testifies, registers his appearance in the records
32 of such committees or agencies;

33 (5) A member of an advisory board acting within the scope of his
34 appointment;

35 (6) A senator or representative in Congress acting within the scope
36 of his office;

37 (7) Any person who receives no compensation or reimbursement
38 specifically for lobbying and who spends no more than five hours in
39 furtherance of lobbying unless such person (A) exclusive of salary,
40 receives compensation or makes expenditures, or both, of [two] three
41 thousand dollars or more in any calendar year for lobbying or the
42 combined amount thereof is [two] three thousand dollars or more in
43 any such calendar year, or (B) expends fifty dollars or more for the

44 benefit of a public official in the legislative or executive branch, a
45 member of his staff or immediate family;

46 (8) A communicator lobbyist who receives or agrees to receive
47 compensation, reimbursement, or both, the aggregate amount of which
48 is less than [two] three thousand dollars from each client in any
49 calendar year.

50 Sec. 3. Section 1-94 of the general statutes is repealed and the
51 following is substituted in lieu thereof (*Effective January 1, 2010*):

52 A lobbyist shall register with the Office of State Ethics pursuant to
53 this part if it or he:

54 (1) Receives or agrees to receive compensation or reimbursement for
55 actual expenses, or both, in a combined amount of [two] three
56 thousand dollars or more in a calendar year for lobbying, whether that
57 receipt of compensation or reimbursement or agreement to receive
58 such compensation or reimbursement is solely for lobbying or the
59 lobbying is incidental to that person's regular employment; or

60 (2) Makes or incurs an obligation to make expenditures of [two]
61 three thousand dollars or more in a calendar year for lobbying.

62 Sec. 4. Section 1-95 of the general statutes is repealed and the
63 following is substituted in lieu thereof (*Effective January 1, 2010*):

64 (a) Each registrant shall file every two years with the Office of State
65 Ethics on a registration form signed under penalty of false statement
66 on or before January fifteenth of odd-numbered years or prior to the
67 commencement of lobbying whichever is later. If the registrant is not
68 an individual, an authorized officer or agent of the registrant shall sign
69 the form. Such registration shall be on a form prescribed by the board
70 and shall include:

71 (1) If the registrant is an individual, the registrant's name,
72 permanent address and temporary address while lobbying and the
73 name, address and nature of business of any person who compensates

74 or reimburses, or agrees to compensate or reimburse the registrant and
75 the terms of the compensation, reimbursement or agreement, but shall
76 not include the compensation paid to an employee for his involvement
77 in activities other than lobbying;

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

80 (3) If the registrant is an association, group of persons or an
81 organization, the name and address of the principal officers and
82 directors of such association, group of persons or organization. If the
83 registrant is formed primarily for the purpose of lobbying, it shall
84 disclose the name and address of any person contributing ~~[two]~~ three
85 thousand dollars or more to the registrant's lobbying activities in any
86 calendar year;

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

89 (5) The identification, with reasonable particularity, of areas of
90 legislative or administrative action on which the registrant expects to
91 lobby, including the names of executive agencies and quasi-public
92 agencies and, where applicable, solicitations for state contracts and
93 procurements.

94 (b) Each registrant shall pay a reasonable fee not in excess of the cost
95 of administering the registration form provided for in subsection (a) of
96 this section plus the cost of collecting, filing, copying and distributing
97 the information filed by registrants under section 1-96, but not less
98 than twenty-five dollars. A registrant who commences lobbying in an
99 even-numbered year shall file with the Office of State Ethics, on or
100 before January fifteenth of such even-numbered year or prior to the
101 commencement of lobbying, whichever is later, a registration form
102 signed under penalty of false statement and shall pay one-half of the
103 biennial registration fee established by the board.

104 (c) Each registrant shall file a notice of termination within thirty

105 days after he ceases the activity that required his registration, provided
106 the registrant does not intend to resume the activity during the
107 biennial period for which he is registered; but termination shall not
108 relieve him of the reporting requirements of section 1-96 for the period
109 preceding the date his notice of termination is received by the Office of
110 State Ethics or for the period commencing on such date and ending on
111 December thirty-first of the year in which termination occurs.

112 (d) In addition to the requirements of subsections (a) to (c),
113 inclusive, of this section, the registration of a: (1) Client lobbyist, as
114 defined in section 1-91, as amended by this act, shall include: (A) The
115 name of such company or association, (B) the nature of such company
116 or association, (C) the primary business address of such company or
117 association, (D) the name of the person responsible for oversight of
118 such client lobbyist's lobbying activities, (E) the job title of such person
119 and any applicable contact information for such person, including, but
120 not limited to, phone number, facsimile number, electronic mail
121 address and business mailing address; and (2) communicator lobbyist,
122 as defined in section 1-91, as amended by this act, shall include the
123 name of the person with whom such communicator lobbyist has
124 primary contact for each client of such communicator lobbyist and any
125 applicable contact information for such person, including, but not
126 limited to, phone number, facsimile number, electronic mail address
127 and business mailing address.

128 Sec. 5. Section 12-557d of the general statutes is repealed and the
129 following is substituted in lieu thereof (*Effective October 1, 2009*):

130 (a) There shall be a Gaming Policy Board within the Department of
131 Revenue Services for administrative purposes only. Said board shall
132 consist of five members appointed by the Governor with the advice
133 and consent of both houses of the General Assembly. Not more than
134 three members of said board in office at any one time shall be members
135 of the same political party. On or before July 1, 1979, the Governor
136 shall nominate three members who shall serve until July 1, 1981, and
137 two members who shall serve until July 1, 1983. The General Assembly

138 shall confirm or reject such nominations in the manner prescribed by
139 section 4-7 before adjournment sine die of the 1979 regular session,
140 except that if the nominations cannot be acted on by both houses of the
141 General Assembly during said regular session, the General Assembly
142 shall confirm or reject the nominations at a special session which shall
143 be called, notwithstanding sections 2-6 and 2-7, immediately following
144 adjournment sine die of the 1979 session reconvened in accordance
145 with article third of the amendments to the Constitution of
146 Connecticut, except that if no session is held pursuant to said article,
147 the General Assembly shall meet in special session, notwithstanding
148 sections 2-6 and 2-7, not later than August 1, 1979, to confirm or reject
149 such nominations. Any special session called pursuant to this section
150 shall be held for the sole purpose of confirming or rejecting the initial
151 nominations made by the Governor to the board. Thereafter members
152 shall serve for a term of four years and the procedure prescribed by
153 section 4-7 shall apply to such appointments, except that the Governor
154 shall submit such nominations on or before May first, and both houses
155 shall confirm or reject the nominations before adjournment sine die.
156 Members shall receive fifty dollars per day for each day they are
157 engaged in the business of the board and shall be reimbursed for
158 necessary expenses incurred in the performance of their duties. The
159 executive director shall serve on the board ex officio without voting
160 rights.

161 (b) To insure the highest standard of legalized gambling regulation
162 at least four of the board members shall have training or experience in
163 at least one of the following fields: Corporate finance, economics, law,
164 accounting, law enforcement, computer science or the pari-mutuel
165 industry. At least two of these fields shall be represented on the board
166 at any one time.

167 (c) No board member shall accept any form of employment by a
168 business organization regulated under this chapter for a period of two
169 years following the termination of his service as a board member. The
170 provisions of sections 1-82 and 1-82a shall apply to an alleged violation
171 of this subsection and the provisions of section 1-88 shall apply to a

172 finding pursuant to section 1-82 of a violation of this subsection.

173 (d) No board member shall engage in any oral ex parte
174 communications with any representative, agent, officer or employee of
175 any business organization regulated under this chapter concerning any
176 matter pending or impending before the board.

177 (e) The members of the board shall not participate actively in
178 political management and campaigns. Such activity includes holding
179 office in a political party, political organization or political club,
180 campaigning for a candidate in a partisan election by making speeches,
181 writing on behalf of a candidate, soliciting votes in support of or in
182 opposition to a candidate and making contributions of time and
183 money to political parties.

184 Sec. 6. Subsection (k) of section 16-2 of the general statutes is
185 repealed and the following is substituted in lieu thereof (*Effective*
186 *October 1, 2009*):

187 (k) No commissioner of the authority shall, for a period of one year
188 following the termination of his or her service as a commissioner,
189 accept employment: (1) By a public service company or by any person,
190 firm or corporation engaged in lobbying activities with regard to
191 governmental regulation of public service companies; (2) by a certified
192 telecommunications provider or by any person, firm or corporation
193 engaged in lobbying activities with regard to governmental regulation
194 of persons, firms or corporations so certified; or (3) by an electric
195 supplier or by any person, firm or corporation engaged in lobbying
196 activities with regard to governmental regulation of electric suppliers.
197 No such commissioner who is also an attorney shall in any capacity,
198 appear or participate in any matter, or accept any compensation
199 regarding a matter, before the authority, for a period of one year
200 following the termination of his or her service as a commissioner. The
201 provisions of sections 1-82 and 1-82a shall apply to an alleged violation
202 of this subsection and the provisions of section 1-88 shall apply to a
203 finding pursuant to section 1-82 of a violation of this subsection.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2009</i>	1-84(q)
Sec. 2	<i>January 1, 2010</i>	1-91(l)
Sec. 3	<i>January 1, 2010</i>	1-94
Sec. 4	<i>January 1, 2010</i>	1-95
Sec. 5	<i>October 1, 2009</i>	12-557d
Sec. 6	<i>October 1, 2009</i>	16-2(k)

Statement of Legislative Commissioners:

In sections 3 and 4, the effective dates were changed for consistency within the bill, and in section 5(c) and the last sentence of section 6, the reference to the application of section 1-88 was rephrased for accuracy.

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:

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Office of State Ethics	GF - Revenue Loss	Minimal	Minimal

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill increases the expenditure threshold for lobbyists to register with the Office of State Ethics from \$2,000 to \$3,000. Lobbyist registration fees are currently \$150 in the odd years, covering a two year period, and \$75 in the even years. Based on 2008 data, this increase in threshold would affect 45 registrants, resulting in a revenue loss of \$3,375 in FY 10 and \$6,750 in FY 11.

The bill also limits gift giving between supervisors and a subordinate to \$100 per calendar year as opposed to several individual gifts each under \$100. This has no fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

Source: Office of State Ethics

OLR Bill Analysis

sHB 6298

AN ACT CONCERNING CERTAIN REVISIONS TO THE STATE CODES OF ETHICS.

SUMMARY:

This bill (1) increases, from \$2,000 to \$3,000 in a calendar year, the monetary threshold that triggers lobbyist registration with the Office of State Ethics (OSE) and (2) requires OSE to enforce the revolving door provisions applicable to former Gaming Policy Board members and former Public Utilities Control Authority commissioners.

The bill requires specific intent before a public official or state employee may be found in violation of the State Ethics Code for counseling, authorizing, or otherwise sanctioning actions that the code prohibits. It accomplishes this by specifying that a violation occurs only when these officials or employees act “knowingly.” By law, people who intentionally violate the code are guilty of a class A misdemeanor for a first violation (or a class D felony if the violator derived a financial benefit of at least \$1,000 from the violation) and a class D felony for two or more violations.

EFFECTIVE DATE: October 1, 2009, except the provisions raising the thresholds for lobbyist registration are effective January 1, 2010.

LOBBYIST REGISTRATION

Under current law, a person must register with OSE if he or she (1) receives, spends, or agrees to receive or spend at least \$2,000 in a calendar year and (2) seeks to influence legislative or administrative action by communicating with or soliciting others to communicate with a state legislative, executive, or quasi-public agency official or employee. The bill increases the income and expenditure thresholds from \$2,000 to \$3,000.

REVOLVING DOOR PROVISIONS

The bill requires the OSE to enforce the existing law’s revolving door provisions applicable to former Gaming Policy Board members and former Public Utilities Control Authority commissioners. The office must handle complaints alleging revolving door violations in the same way it handles other complaints it receives. Any complaint or investigation of an alleged violation is confidential unless a judge trial referee makes a probable cause determination. In that case, the Citizen’s Ethics Advisory Board must initiate a hearing to determine whether a violation has been committed. If it finds that one has, the board may order the violator to cease and desist the activity, pay a civil penalty of up to \$10,000 for each violation, or both.

By law, Gaming Policy Board members cannot accept employment with a business that the Division of Special Revenue regulates for two years after leaving the board. Public Utilities Control Authority commissioners cannot accept employment for one year after leaving the authority with any (1) public service company, certified telecommunications provider, electric supplier or (2) person or business engaged in lobbying activities concerning government regulation of these entities.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 15 Nay 0 (03/06/2009)