



House of Representatives

General Assembly

File No. 308

February Session, 2010

Substitute House Bill No. 5403

House of Representatives, April 6, 2010

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 REVISIONS TO THE CODE OF ETHICS.

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

1 Section 1. Section 1-79 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2010*):

3 The following terms, when used in this part, shall have the
4 following meanings unless the context otherwise requires:

5 [(a)] (1) "Blind trust" means a trust established by a public official or
6 state employee or member of his immediate family for the purpose of
7 divestiture of all control and knowledge of assets.

8 [(b)] (2) "Business with which he is associated" means any sole
9 proprietorship, partnership, firm, corporation, trust or other entity
10 through which business for profit or not for profit is conducted in
11 which the public official or state employee or member of his
12 immediate family is a director, officer, owner, limited or general

13 partner, beneficiary of a trust or holder of stock constituting five per
14 cent or more of the total outstanding stock of any class, provided, a
15 public official or state employee, or member of his immediate family,
16 shall not be deemed to be associated with a not for profit entity solely
17 by virtue of the fact that the public official or state employee or
18 member of his immediate family is an unpaid director or officer of the
19 not for profit entity. "Officer" refers only to the president, executive or
20 senior vice president or treasurer of such business.

21 [(c)] (3) "Candidate for public office" means any individual who has
22 filed a declaration of candidacy or a petition to appear on the ballot for
23 election as a public official, or who has raised or expended money in
24 furtherance of such candidacy, or who has been nominated for
25 appointment to serve as a public official, but shall not include a
26 candidate for the office of senator or representative in Congress.

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

29 [(e)] (5) "Gift" means anything of value, which is directly and
30 personally received, unless consideration of equal or greater value is
31 given in return. "Gift" [shall] does not include:

32 [(1)] (A) A political contribution otherwise reported as required by
33 law or a donation or payment as described in subdivision (9) or (10) of
34 subsection (b) of section 9-601a;

35 [(2)] (B) Services provided by persons volunteering their time, if
36 provided to aid or promote the success or defeat of any political party,
37 any candidate or candidates for public office or the position of
38 convention delegate or town committee member or any referendum
39 question;

40 [(3)] (C) A commercially reasonable loan made on terms not more
41 favorable than loans made in the ordinary course of business;

42 [(4)] (D) A gift received from [(A)] (i) an individual's spouse, fiance
43 or fiancée, [(B)] (ii) the parent, brother or sister of such spouse or such

44 individual, or [(C)] (iii) the child of such individual or the spouse of
45 such child;

46 [(5)] (E) Goods or services [(A)] (i) which are provided to a state
47 agency or quasi-public agency [(i)] (I) for use on state or quasi-public
48 agency property, or [(ii)] (II) that support an event, and [(B)] (ii) which
49 facilitate state or quasi-public agency action or functions. As used in
50 this subdivision, "state property" means [(i)] (I) property owned by the
51 state or a quasi-public agency, or [(ii)] (II) property leased to a state
52 agency or quasi-public agency;

53 [(6)] (F) A certificate, plaque or other ceremonial award costing less
54 than one hundred dollars;

55 [(7)] (G) A rebate, discount or promotional item available to the
56 general public;

57 [(8)] (H) Printed or recorded informational material germane to
58 state action or functions;

59 [(9)] (I) Food or beverage or both, costing less than fifty dollars in
60 the aggregate per recipient in a calendar year, and consumed on an
61 occasion or occasions at which the person paying, directly or
62 indirectly, for the food or beverage, or his representative, is in
63 attendance;

64 [(10)] (J) Food or beverage or both, costing less than fifty dollars per
65 person and consumed at a publicly noticed legislative reception to
66 which all members of the General Assembly are invited and which is
67 hosted not more than once in any calendar year by a lobbyist or
68 business organization. For the purposes of such limit, [(A)] (i) a
69 reception hosted by a lobbyist who is an individual shall be deemed to
70 have also been hosted by the business organization which he owns or
71 is employed by, and [(B)] (ii) a reception hosted by a business
72 organization shall be deemed to have also been hosted by all owners
73 and employees of the business organization who are lobbyists. In
74 making the calculation for the purposes of such fifty-dollar limit, the

75 donor shall divide the amount spent on food and beverage by the
76 number of persons whom the donor reasonably expects to attend the
77 reception;

78 [(11)] (K) Food or beverage or both, costing less than fifty dollars per
79 person and consumed at a publicly noticed reception to which all
80 members of the General Assembly from a region of the state are
81 invited and which is hosted not more than once in any calendar year
82 by a lobbyist or business organization. For the purposes of such limit,
83 [(A)] (i) a reception hosted by a lobbyist who is an individual shall be
84 deemed to have also been hosted by the business organization which
85 he owns or is employed by, and [(B)] (ii) a reception hosted by a
86 business organization shall be deemed to have also been hosted by all
87 owners and employees of the business organization who are lobbyists.
88 In making the calculation for the purposes of such fifty-dollar limit, the
89 donor shall divide the amount spent on food and beverage by the
90 number of persons whom the donor reasonably expects to attend the
91 reception. As used in this subdivision, "region of the state" means the
92 established geographic service area of the organization hosting the
93 reception;

94 [(12)] (L) A gift, including but not limited to, food or beverage or
95 both, provided by an individual for the celebration of a major life
96 event, provided any such gift provided by an individual who is not a
97 member of the family of the recipient shall not exceed one thousand
98 dollars in value;

99 [(13)] (M) Gifts costing less than one hundred dollars in the
100 aggregate or food or beverage provided at a hospitality suite at a
101 meeting or conference of an interstate legislative association, by a
102 person who is not a registrant or is not doing business with the state of
103 Connecticut;

104 [(14)] (N) Admission to a charitable or civic event, including food
105 and beverage provided at such event, but excluding lodging or travel
106 expenses, at which a public official or state employee participates in
107 his or her official capacity, or at which a candidate for public office

108 participates in his or her capacity as a candidate, provided such
109 admission is provided by the primary sponsoring entity;

110 [(15)] (O) Anything of value provided by an employer of [(A)] (i) a
111 public official, [(B)] (ii) a state employee, [or (C)] (iii) a candidate for
112 public office, or (iv) a spouse of a public official or state employee, to
113 such official, employee, candidate or spouse, provided such benefits
114 are customarily and ordinarily provided to others in similar
115 circumstances;

116 [(16)] (P) Anything having a value of not more than ten dollars,
117 provided the aggregate value of all things provided by a donor to a
118 recipient under this subdivision in any calendar year shall not exceed
119 fifty dollars; or

120 [(17)] (Q) Training that is provided by a vendor for a product
121 purchased by a state or quasi-public agency which is offered to all
122 customers of such vendor.

123 [(f)] (6) "Immediate family" means any spouse, children or
124 dependent relatives who reside in the individual's household.

125 [(g)] (7) "Individual" means a natural person.

126 [(h)] (8) "Member of an advisory board" means any individual [(1)]
127 (A) appointed by a public official as an advisor or consultant or
128 member of a committee, commission or council established to advise,
129 recommend or consult with a public official or branch of government
130 or committee thereof, [(2)] (B) who receives no public funds other than
131 per diem payments or reimbursement for his actual and necessary
132 expenses incurred in the performance of his official duties, and [(3)]
133 (C) who has no authority to expend any public funds or to exercise the
134 power of the state.

135 [(i)] (9) "Person" means an individual, sole proprietorship, trust,
136 corporation, limited liability company, union, association, firm,
137 partnership, committee, club or other organization or group of
138 persons.

139 [(j)] (10) "Political contribution" has the same meaning as in section
140 9-601a except that for purposes of this part, the provisions of
141 subsection (b) of [that] said section shall not apply.

142 [(k)] (11) "Public official" means any state-wide elected officer, any
143 member or member-elect of the General Assembly, any person
144 appointed to any office of the legislative, judicial or executive branch
145 of state government by the Governor or an appointee of the Governor,
146 with or without the advice and consent of the General Assembly, any
147 public member or representative of the teachers' unions or state
148 employees' unions appointed to the Investment Advisory Council
149 pursuant to subsection (a) of section 3-13b, any person appointed or
150 elected by the General Assembly or by any member of either house
151 thereof, any member or director of a quasi-public agency and the
152 spouse of the Governor, but shall not include a member of an advisory
153 board, a judge of any court either elected or appointed or a senator or
154 representative in Congress.

155 [(l)] (12) "Quasi-public agency" means the Connecticut Development
156 Authority, Connecticut Innovations, Incorporated, Connecticut Health
157 and Education Facilities Authority, Connecticut Higher Education
158 Supplemental Loan Authority, Connecticut Housing Finance
159 Authority, [Connecticut] State Housing Authority, Connecticut
160 Resources Recovery Authority, Lower Fairfield County Convention
161 Center Authority, Capital City Economic Development Authority,
162 Bradley Board of Directors, Connecticut Transportation Strategy
163 Board, University of Connecticut Health Center Finance Corporation,
164 Tweed-New Haven Airport Authority and Connecticut Lottery
165 Corporation.

166 [(m)] (13) "State employee" means any employee in the executive,
167 legislative or judicial branch of state government, whether in the
168 classified or unclassified service and whether full or part-time, and any
169 employee of a quasi-public agency, but shall not include a judge of any
170 court, either elected or appointed.

171 [(n)] (14) "Trust" means a trust in which any public official or state

172 employee or member of his immediate family has a present or future
173 interest which exceeds ten per cent of the value of the trust or exceeds
174 fifty thousand dollars, whichever is less, but shall not include blind
175 trusts.

176 [(o)] (15) "Business organization" means a sole proprietorship,
177 corporation, limited liability company, association, firm or partnership,
178 other than a client lobbyist, which is owned by, or employs, one or
179 more individual lobbyists.

180 [(p)] (16) "Client lobbyist" means a person on behalf of whom
181 lobbying takes place and who makes expenditures for lobbying and in
182 furtherance of lobbying.

183 [(q)] (17) "Necessary expenses" means a public official's or state
184 employee's expenses for an article, appearance or speech or for
185 participation at an event, in his official capacity, which shall be limited
186 to necessary travel expenses, lodging for the nights before, of and after
187 the appearance, speech or event, meals and any related conference or
188 seminar registration fees.

189 [(r)] (18) "Lobbyist" and "registrant" shall be construed as defined in
190 section 1-91, as amended by this act.

191 [(s)] (19) "Legal defense fund" means a fund established for the
192 payment of legal expenses of a public official or state employee
193 incurred as a result of defending himself or herself in an
194 administrative, civil, criminal or constitutional proceeding concerning
195 matters related to the official's or employee's service or employment
196 with the state or a quasi-public agency.

197 [(t)] (20) "State agency" means any office, department, board,
198 council, commission, institution, constituent unit of the state system of
199 higher education, vocational-technical school or other agency in the
200 executive, legislative or judicial branch of state government.

201 Sec. 2. Section 1-80 of the general statutes is repealed and the
202 following is substituted in lieu thereof (*Effective October 1, 2010*):

203 (a) There shall be an Office of State Ethics that shall be an
204 independent state agency and shall constitute a successor agency to the
205 State Ethics Commission, in accordance with the provisions of sections
206 4-38d and 4-39. Said office shall consist of an executive director,
207 general counsel, ethics enforcement officer and such other staff as
208 hired by the executive director. Within the Office of State Ethics, there
209 shall be the Citizen's Ethics Advisory Board that shall consist of nine
210 members, appointed as follows: One member shall be appointed by the
211 speaker of the House of Representatives, one member by the president
212 pro tempore of the Senate, one member by the majority leader of the
213 Senate, one member by the minority leader of the Senate, one member
214 by the majority leader of the House of Representatives, one member by
215 the minority leader of the House of Representatives, and three
216 members by the Governor. [Members] Each member of the board shall
217 serve for a four-year [terms which shall commence on October 1, 2005]
218 term, except that (1) members first appointed for terms commencing
219 on October 1, 2005, shall have the following terms: The Governor shall
220 appoint two members for a term of three years and one member for a
221 term of four years; the majority leader of the House of Representatives,
222 minority leader of the House of Representatives and the speaker of the
223 House of Representatives shall each appoint one member for a term of
224 two years; the president pro tempore of the Senate, the majority leader
225 of the Senate and the minority leader of the Senate shall each appoint
226 one member for a term of four years, and (2) the term commencing
227 October 1, 2009, for the member appointed by the Governor and the
228 member appointed by the president pro tempore of the Senate, shall be
229 five years. Upon the expiration of such members' five-year terms, such
230 members may not be reappointed and any subsequent appointment to
231 the board by the Governor or president pro tempore of the Senate shall
232 be for a four-year term. No individual shall be appointed to more than
233 one four-year term as a member of the board. [, provided, members]
234 Members may not continue in office once their term has expired and
235 members first appointed may not be reappointed, provided they may
236 serve until a successor is appointed or adjudicate at a hearing under
237 subsection (b) of section 1-82 that commenced during such member's

238 term of office. No more than five members shall be members of the
239 same political party. The members appointed by the majority leader of
240 the Senate and the majority leader of the House of Representatives
241 shall be selected from a list of nominees proposed by a citizen group
242 having an interest in ethical government. The majority leader of the
243 Senate and the majority leader of the House of Representatives shall
244 each determine the citizen group from which each will accept such
245 nominations. One member appointed by the Governor shall be
246 selected from a list of nominees proposed by a citizen group having an
247 interest in ethical government. The Governor shall determine the
248 citizen group from which the Governor will accept such nominations.

249 (b) All members shall be electors of the state. No member shall be a
250 state employee. No member or employee of [such] said board shall (1)
251 hold or campaign for any public office; (2) have held public office or
252 have been a candidate for public office for a three-year period prior to
253 appointment; (3) hold office in any political party or political
254 committee or be a member of any organization or association
255 organized primarily for the purpose of influencing legislation or
256 decisions of public agencies; or (4) be an individual who is a registrant
257 as defined in [subsection (q) of] section 1-91, as amended by this act.
258 For purposes of this subsection, "public office" does not include the
259 offices of justice of the peace or notary public.

260 (c) Any vacancy on the board shall be filled by the appointing
261 authority having the power to make the original appointment. An
262 individual selected by the appointing authority to fill a vacancy shall
263 be eligible for appointment to one full four-year term thereafter. Any
264 vacancy occurring on the board shall be filled within thirty days.

265 (d) The board shall elect a chairperson who shall, except as
266 provided in subsection (b) of section 1-82 and subsection (b) of section
267 1-93, preside at meetings of the board and a vice-chairperson to
268 preside in the absence of the chairperson. Six members of the board
269 shall constitute a quorum. Except as provided in subdivision (3) of
270 subsection (a) of section 1-81, as amended by this act, subsections (a)

271 and (b) of section 1-82, subsection (b) of section 1-88, [subdivision (5)]
272 subsection (e) of section 1-92, as amended by this act, subsections (a)
273 and (b) of section 1-93 and subsection (b) of section 1-99, a majority
274 vote of the members shall be required for action of the board. The
275 chairperson or any three members may call a meeting.

276 (e) Any matter before the board, except hearings held pursuant to
277 the provisions of subsection (b) of section 1-82 or subsection (b) of
278 section 1-93, may be assigned by the board to two of its members to
279 conduct an investigation or hearing, as the case may be, to ascertain
280 the facts and report thereon to the board with a recommendation for
281 action.

282 (f) Members of the board shall be compensated at the rate of two
283 hundred dollars per day for each day they attend a meeting or hearing
284 and shall receive reimbursement for their necessary expenses incurred
285 in the discharge of their official duties.

286 (g) The board shall not be construed to be a board or commission
287 within the meaning of section 4-9a.

288 (h) The members and employees of the Citizen's Ethics Advisory
289 Board and the Office of State Ethics shall adhere to the following code
290 of ethics under which the members and employees shall: (1) Observe
291 high standards of conduct so that the integrity and independence of
292 the Citizen's Ethics Advisory Board and the Office of State Ethics may
293 be preserved; (2) respect and comply with the law and conduct
294 themselves at all times in a manner which promotes public confidence
295 in the integrity and impartiality of the board and the Office of State
296 Ethics; (3) be faithful to the law and maintain professional competence
297 in the law; (4) be unswayed by partisan interests, public clamor or fear
298 of criticism; (5) maintain order and decorum in proceedings of the
299 board and Office of State Ethics; (6) be patient, dignified and courteous
300 to all persons who appear in board or Office of State Ethics
301 proceedings and with other persons with whom the members and
302 employees deal in their official capacities; (7) refrain from making any
303 statement outside of a board or Office of State Ethics proceeding,

304 which would have a likelihood of prejudicing a board or Office of State
305 Ethics proceeding; (8) refrain from making any statement outside of a
306 board or Office of State Ethics proceeding that a reasonable person
307 would expect to be disseminated by means of public communication if
308 the member or employee should know that such statement would
309 have a likelihood of materially prejudicing or embarrassing a
310 complainant or a respondent; (9) preserve confidences of complainants
311 and respondents; (10) exercise independent professional judgment on
312 behalf of the board and Office of State Ethics; and (11) represent the
313 board and Office of State Ethics competently.

314 (i) No member or employee of the board or Office of State Ethics
315 may make a contribution, as defined in section 9-601a, to any person
316 subject to the provisions of this part.

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

320 (k) No former member of the board may represent any business or
321 person, other than himself or herself, before the board for a period of
322 one year following the end of such former member's service on the
323 board. No business or person that appears before the board shall
324 employ or otherwise engage the services of a former member of the
325 board for a period of one year following the end of such former
326 member's service on the board.

327 (l) No former member of the board may hold any other position in
328 state employment for a period of one year following the end of such
329 former member's service on the board, including, but not limited to,
330 service as a member on a state board or commission, service as a judge
331 of the Superior Court or service as a state agency commissioner.

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

335 (n) Each person appointed to the board shall sign a certification
336 indicating that such person is aware of the provisions contained in
337 subsections (b) and (h) to (l), inclusive, of this section. Each such
338 person shall file such certification with the Office of State Ethics prior
339 to taking the oath of office as a member of the board.

340 Sec. 3. Subsection (a) of section 1-81 of the general statutes is
341 repealed and the following is substituted in lieu thereof (*Effective*
342 *October 1, 2010*):

343 (a) The board and general counsel and staff of the Office of State
344 Ethics shall:

345 (1) Compile and maintain an index of all reports, advisory opinions,
346 informal staff letters, memoranda issued in accordance with subsection
347 (b) of section 1-82 and statements filed by and with the Office of State
348 Ethics to facilitate public access to such reports and advisory opinions,
349 informal staff letters, memoranda statements as provided by this part;

350 (2) Preserve advisory opinions and informal staff letters,
351 permanently; preserve memoranda issued in accordance with
352 subsection (b) of section 1-82 and statements and reports filed by and
353 with the board for a period of five years from the date of receipt;

354 (3) Upon the concurring vote of a majority of the board present and
355 voting, issue advisory opinions with regard to the requirements of this
356 part or part IV of this chapter, upon the request of any person subject
357 to the provisions of this part or part IV of this chapter, and publish
358 such advisory opinions in the Connecticut Law Journal. Advisory
359 opinions rendered by the board, until amended or revoked, shall be
360 binding on the board and shall be deemed to be final decisions of the
361 board for purposes of appeal to the superior court, in accordance with
362 the provisions of section 4-175 or 4-183. Any advisory opinion
363 concerning the person who requested the opinion and who acted in
364 reliance thereon, in good faith, shall be binding upon the board, and it
365 shall be an absolute defense in any criminal action brought under the
366 provisions of this part or part IV of this chapter, that the accused acted

367 in reliance upon such advisory opinion;

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

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

372 (6) Make legislative recommendations to the General Assembly and
373 report annually, [prior to April] not later than February fifteenth, to the
374 Governor summarizing the activities of the [commission] Office of
375 State Ethics;

376 (7) Meet not less than once per month with the office's executive
377 director and ethics enforcement officer; and

378 (8) The [commission] Office of State Ethics may enter into such
379 contractual agreements as may be necessary for the discharge of its
380 duties, within the limits of its appropriated funds and in accordance
381 with established procedures.

382 Sec. 4. Subsection (e) of section 1-82 of the general statutes is
383 repealed and the following is substituted in lieu thereof (*Effective from*
384 *passage*):

385 (e) No person shall take or threaten to take official action against an
386 individual for such individual's disclosure of information to the board
387 or the general counsel, ethics enforcement officer or staff of the Office
388 of State Ethics under the provisions of this part or section 1-101nn, as
389 amended by this act. After receipt of information from an individual
390 under the provisions of this part or section 1-101nn, as amended by
391 this act, the Office of State Ethics shall not disclose the identity of such
392 individual without such individual's consent unless the Office of State
393 Ethics determines that such disclosure is unavoidable during the
394 course of an investigation. No person shall be subject to civil liability
395 for any good faith disclosure that such person makes to the
396 [commission] Office of State Ethics.

397 Sec. 5. Subsection (a) of section 1-83 of the general statutes is
398 repealed and the following is substituted in lieu thereof (*Effective*
399 *October 1, 2010*):

400 (a) (1) All state-wide elected officers, members of the General
401 Assembly, department heads and their deputies, members of the
402 Gaming Policy Board, the executive director of the Division of Special
403 Revenue within the Department of Revenue Services, members or
404 directors of each quasi-public agency, members of the Investment
405 Advisory Council, state marshals and such members of the Executive
406 Department and such employees of quasi-public agencies as the
407 Governor shall require, shall file, under penalty of false statement, a
408 statement of financial interests for the preceding calendar year with the
409 Office of State Ethics on or before [the] May first [next in] following
410 any year in which they hold such [a] an office or position. Any such
411 individual who leaves his or her office or position shall file a statement
412 of financial interests covering that portion of the year during which
413 such individual held his or her office or position. The Office of State
414 Ethics shall notify such individuals of the requirements of this
415 subsection not later than thirty days after their departure from such
416 office or position. Such individuals shall file such statement [within]
417 not later than sixty days after receipt of the notification.

418 (2) Each state agency, department, board and commission shall
419 develop and implement, in cooperation with the Office of State Ethics,
420 an ethics statement as it relates to the mission of the agency,
421 department, board or commission. The executive head of each such
422 agency, department, board or commission shall be directly responsible
423 for the development and enforcement of such ethics statement and
424 shall file a copy of such ethics statement with the Department of
425 Administrative Services and the Office of State Ethics.

426 Sec. 6. Subsection (c) of section 1-84 of the 2010 supplement to the
427 general statutes is repealed and the following is substituted in lieu
428 thereof (*Effective October 1, 2010*):

429 (c) No public official or state employee shall wilfully and knowingly

430 disclose, for financial gain, to any other person, confidential
431 information acquired by him in the course of and by reason of his
432 official duties or employment and no public official or state employee
433 shall use his public office or position or any confidential information
434 received through his holding such public office or position to obtain
435 financial gain for himself, his spouse, child, child's spouse, parent,
436 brother or sister, employer other than the state or a business with
437 which he is associated.

438 Sec. 7. Subsection (j) of section 1-84 of the 2010 supplement to the
439 general statutes is repealed and the following is substituted in lieu
440 thereof (*Effective October 1, 2010*):

441 (j) No public official, state employee or candidate for public office,
442 or a member of any such person's staff or immediate family shall
443 knowingly accept any gift, as defined in [subsection (e) of] subdivision
444 (5) of section 1-79, as amended by this act, from a person known to be a
445 registrant or anyone known to be acting on behalf of a registrant.

446 Sec. 8. Subsection (m) of section 1-84 of the 2010 supplement to the
447 general statutes is repealed and the following is substituted in lieu
448 thereof (*Effective October 1, 2010*):

449 (m) No public official or state employee shall knowingly accept,
450 directly or indirectly, any gift, as defined in [subsection (e)]
451 subdivision (5) of section 1-79, as amended by this act, from any
452 person the public official or state employee knows or has reason to
453 know: (1) Is doing business with or seeking to do business with the
454 department or agency in which the public official or state employee is
455 employed; (2) is engaged in activities which are directly regulated by
456 such department or agency; or (3) is prequalified under section 4a-100.
457 No person shall knowingly give, directly or indirectly, any gift or gifts
458 in violation of this provision. For the purposes of this subsection, the
459 exclusion to the term "gift" in [subdivision (12) of subsection (e)]
460 subparagraph (L) of subdivision (5) of section 1-79, as amended by this
461 act, for a gift for the celebration of a major life event shall not apply.
462 Any person prohibited from making a gift under this subsection shall

463 report to the Office of State Ethics any solicitation of a gift from such
464 person by a state employee or public official.

465 Sec. 9. Subsection (q) of section 1-84 of the 2010 supplement to the
466 general statutes is repealed and the following is substituted in lieu
467 thereof (*Effective October 1, 2010*):

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

471 Sec. 10. Section 1-84b of the 2010 supplement to the general statutes
472 is amended by adding subsection (l) as follows (*Effective October 1,*
473 *2010*):

474 (NEW) (l) Each executive branch or quasi-public agency official or
475 employee, prior to entering such service or employment, respectively,
476 shall sign a certification containing the prohibitions set forth in
477 subsections (a) to (f), inclusive, of this section and indicating that such
478 official or employee is aware of the prohibitions contained in said
479 subsections.

480 Sec. 11. Section 1-84c of the general statutes is repealed and the
481 following is substituted in lieu thereof (*Effective October 1, 2010*):

482 Nothing in this chapter shall prohibit the donation of goods or
483 services, as described in [subdivision (5) of subsection (e)]
484 subparagraph (E) of subdivision (5) of section 1-79, as amended by this
485 act, to a state agency or quasi-public agency, the donation of the use of
486 facilities to facilitate state agency or quasi-public agency action or
487 functions or the donation of real property to a state agency or quasi-
488 public agency. As used in this section, "state agency" and "quasi-public
489 agency" have the same meanings as provided in section 1-79, as
490 amended by this act.

491 Sec. 12. Section 1-85 of the general statutes is repealed and the
492 following is substituted in lieu thereof (*Effective October 1, 2010*):

493 A public official, including an elected state official, or state
494 employee has an interest which is in substantial conflict with the
495 proper discharge of his duties or employment in the public interest
496 and of his responsibilities as prescribed in the laws of this state, if he
497 has reason to believe or expect that he, his spouse, a dependent child,
498 his employer other than the state or a business with which he is
499 associated will derive a direct monetary gain or suffer a direct
500 monetary loss, as the case may be, by reason of his official activity. A
501 public official, including an elected state official, or state employee
502 does not have an interest which is in substantial conflict with the
503 proper discharge of his duties in the public interest and of his
504 responsibilities as prescribed by the laws of this state, if any benefit or
505 detriment accrues to him, his spouse, a dependent child, his employer
506 other than the state or a business with which he, his spouse or such
507 dependent child is associated as a member of a profession, occupation
508 or group to no greater extent than any other member of such
509 profession, occupation or group. A public official, including an elected
510 state official or state employee who has a substantial conflict may not
511 take official action on the matter.

512 Sec. 13. Subsection (a) of section 1-86 of the general statutes is
513 repealed and the following is substituted in lieu thereof (*Effective*
514 *October 1, 2010*):

515 (a) Any public official or state employee, other than an elected state
516 official, who, in the discharge of such official's or employee's official
517 duties, would be required to take an action that would affect a
518 financial interest of such official or employee, such official's or
519 employee's spouse, parent, brother, sister, child or the spouse of a
520 child, employer other than the state or a business with which such
521 official or employee is associated, other than an interest of a de
522 minimis nature, an interest that is not distinct from that of a substantial
523 segment of the general public or an interest in substantial conflict with
524 the performance of official duties as defined in section 1-85, as
525 amended by this act, has a potential conflict of interest. Under such
526 circumstances, such official or employee shall, if such official or

527 employee is a member of a state regulatory agency, either excuse
528 himself or herself from the matter or prepare a written statement
529 signed under penalty of false statement describing the matter
530 requiring action and the nature of the potential conflict and explaining
531 why despite the potential conflict, such official or employee is able to
532 vote and otherwise participate fairly, objectively and in the public
533 interest. Such public official or state employee shall deliver a copy of
534 the statement to the Office of State Ethics and enter a copy of the
535 statement in the journal or minutes of the agency. If such official or
536 employee is not a member of a state regulatory agency, such official or
537 employee shall, in the case of either a substantial or potential conflict,
538 prepare a written statement signed under penalty of false statement
539 describing the matter requiring action and the nature of the conflict
540 and deliver a copy of the statement to such official's or employee's
541 immediate superior, if any, who shall assign the matter to another
542 employee, or if such official or employee has no immediate superior,
543 such official or employee shall take such steps as the Office of State
544 Ethics shall prescribe or advise.

545 Sec. 14. Subsection (d) of section 1-88 of the general statutes is
546 repealed and the following is substituted in lieu thereof (*Effective*
547 *October 1, 2010*):

548 (d) Any person who knowingly acts in such person's financial
549 interest in violation of section 1-84, as amended by this act, 1-85, as
550 amended by this act, 1-86, as amended by this act, [or] 1-86d, 1-86e or
551 1-101nn, as amended by this act, or any person who knowingly
552 receives a financial advantage resulting from a violation of any of said
553 sections shall be liable for damages in the amount of such advantage. If
554 the board determines that any person may be so liable, it shall
555 immediately inform the Attorney General of that possibility.

556 Sec. 15. Section 1-91 of the general statutes is repealed and the
557 following is substituted in lieu thereof (*Effective October 1, 2010*):

558 When used in this part, unless the context otherwise requires:

559 [(a)] (1) "Administrative action" means any action or nonaction of
560 any executive agency of the state with respect to the proposal, drafting,
561 development, consideration, amendment, adoption or repeal of any
562 rule, regulation or utility rate, and any action or nonaction of any
563 executive agency or quasi-public agency, as defined in section 1-79, as
564 amended by this act, regarding a contract, grant, award, purchasing
565 agreement, loan, bond, certificate, license, permit or any other matter
566 which is within the official jurisdiction or cognizance of such an
567 agency.

568 [(b)] (2) "Candidate for public office" means any person who has
569 filed a declaration of candidacy or a petition to appear on the ballot for
570 election as a public official, or who has raised or expended money in
571 furtherance of such candidacy, or who has been nominated for
572 appointment to serve as a public official; but shall not include a
573 candidate for the office of senator or representative in Congress.

574 [(c)] (3) "Board" means the Citizen's Ethics Advisory Board
575 established under section 1-80, as amended by this act.

576 [(d)] (4) "Compensation" means any value received or to be received
577 by a person acting as a lobbyist, whether in the form of a fee, salary or
578 forbearance.

579 [(e)] (5) "Executive agency" means a commission, board, agency, or
580 other body or official in the executive branch of the state government
581 and any independent body of the state government that is not a part of
582 the legislative or judicial branch.

583 [(f)] (6) "Expenditure" means any advance, conveyance, deposit,
584 distribution, transfer of funds, loan, payment, unless expressly
585 excluded; any payments for telephone, mailing, postage, printing and
586 other clerical or office services and materials; any paid
587 communications, costing fifty dollars or more in any calendar year,
588 disseminated by means of any printing, broadcasting or other
589 medium, provided such communications refer to pending
590 administrative or legislative action; any contract, agreement, promise

591 or other obligation; any solicitation or solicitations, costing fifty dollars
592 or more in the aggregate for any calendar year, of other persons to
593 communicate with a public official or state employee for the purpose
594 of influencing any legislative or administrative act and any pledge,
595 subscription of money or anything of value. "Expenditure" [shall] does
596 not include the payment of a registrant's fee pursuant to section 1-95,
597 as amended by this act, any expenditure made by any club, committee,
598 partnership, organization, business, union, association or corporation
599 for the purpose of publishing a newsletter or other release to its
600 members, shareholders or employees, or contributions, membership
601 dues or other fees paid to associations, nonstock corporations or tax-
602 exempt organizations under Section 501(c) of the Internal Revenue
603 Code of 1986, or any subsequent corresponding internal revenue code
604 of the United States, as from time to time amended.

605 [(g)] (Z) "Gift" means anything of value, which is directly and
606 personally received, unless consideration of equal or greater value is
607 given in return. "Gift" [shall] does not include:

608 [(1)] (A) A political contribution otherwise reported as required by
609 law or a donation or payment described in subdivision (9) or (10) of
610 subsection (b) of section 9-601a;

611 [(2)] (B) Services provided by persons volunteering their time, if
612 provided to aid or promote the success or defeat of any political party,
613 any candidate or candidates for public office or the position of
614 convention delegate or town committee member or any referendum
615 question;

616 [(3)] (C) A commercially reasonable loan made on terms not more
617 favorable than loans made in the ordinary course of business;

618 [(4)] (D) A gift received from [(A)] (i) the individual's spouse, fiance
619 or fiancée, [(B)] (ii) the parent, brother or sister of such spouse or such
620 individual, or [(C)] (iii) the child of such individual or the spouse of
621 such child;

622 [(5)] (E) Goods or services [(A)] (i) which are provided to a state
623 agency or quasi-public agency [(i)] (I) for use on state or quasi-public
624 agency property, or [(ii)] (II) that support an event, and [(B)] (ii) which
625 facilitate state or quasi-public agency action or functions. As used in
626 this subdivision, "state property" means [(i)] property owned by the
627 state or a quasi-public agency, or [(ii)] property leased to a state or
628 quasi-public agency;

629 [(6)] (F) A certificate, plaque or other ceremonial award costing less
630 than one hundred dollars;

631 [(7)] (G) A rebate, discount or promotional item available to the
632 general public;

633 [(8)] (H) Printed or recorded informational material germane to
634 state action or functions;

635 [(9)] (I) Food or beverage or both, costing less than fifty dollars in
636 the aggregate per recipient in a calendar year, and consumed on an
637 occasion or occasions at which the person paying, directly or
638 indirectly, for the food or beverage, or his representative, is in
639 attendance;

640 [(10)] (J) Food or beverage or both, costing less than fifty dollars per
641 person and consumed at a publicly noticed legislative reception to
642 which all members of the General Assembly are invited and which is
643 hosted not more than once in any calendar year by a lobbyist or
644 business organization. For the purposes of such limit, [(A)] (i) a
645 reception hosted by a lobbyist who is an individual shall be deemed to
646 have also been hosted by the business organization which he owns or
647 is employed by, and [(B)] (ii) a reception hosted by a business
648 organization shall be deemed to have also been hosted by all owners
649 and employees of the business organization who are lobbyists. In
650 making the calculation for the purposes of such fifty-dollar limit, the
651 donor shall divide the amount spent on food and beverage by the
652 number of persons whom the donor reasonably expects to attend the
653 reception;

654 [(11)] (K) Food or beverage or both, costing less than fifty dollars per
655 person and consumed at a publicly noticed reception to which all
656 members of the General Assembly from a region of the state are
657 invited and which is hosted not more than once in any calendar year
658 by a lobbyist or business organization. For the purposes of such limit,
659 [(A)] (i) a reception hosted by a lobbyist who is an individual shall be
660 deemed to have also been hosted by the business organization which
661 he owns or is employed by, and [(B)] (ii) a reception hosted by a
662 business organization shall be deemed to have also been hosted by all
663 owners and employees of the business organization who are lobbyists.
664 In making the calculation for the purposes of such fifty-dollar limit, the
665 donor shall divide the amount spent on food and beverage by the
666 number of persons whom the donor reasonably expects to attend the
667 reception. As used in this [subdivision] subparagraph, "region of the
668 state" means the established geographic service area of the
669 organization hosting the reception;

670 [(12)] (L) A gift, including, but not limited to, food or beverage or
671 both, provided by an individual for the celebration of a major life
672 event, provided any such gift provided by an individual who is not a
673 member of the family of the recipient shall not exceed one thousand
674 dollars in value;

675 [(13)] (M) Gifts costing less than one hundred dollars in the
676 aggregate or food or beverage provided at a hospitality suite at a
677 meeting or conference of an interstate legislative association, by a
678 person who is not a registrant or is not doing business with the state of
679 Connecticut;

680 [(14)] (N) Admission to a charitable or civic event, including food
681 and beverage provided at such event, but excluding lodging or travel
682 expenses, at which a public official or state employee participates in
683 his or her official capacity, or at which a candidate for public office
684 participates in his or her capacity as a candidate, provided such
685 admission is provided by the primary sponsoring entity;

686 [(15)] (O) Anything of value provided by an employer of [(A)] (i) a

687 public official, [(B)] (ii) a state employee, or [(C)] (iii) a spouse of a
688 public official, [or] state employee or candidate for public office, to
689 such official, employee, candidate or spouse, provided such benefits
690 are customarily and ordinarily provided to others in similar
691 circumstances;

692 [(16)] (P) Anything having a value of not more than ten dollars,
693 provided the aggregate value of all things provided by a donor to a
694 recipient under this subdivision in any calendar year shall not exceed
695 fifty dollars; or

696 [(17)] (Q) Training that is provided by a vendor for a product
697 purchased by a state or quasi-public agency which is offered to all
698 customers of such vendor.

699 [(h)] (8) "Immediate family" means any spouse, dependent children
700 or dependent relatives who reside in the individual's household.

701 [(i)] (9) "Individual" means a natural person.

702 [(j)] (10) "Legislative action" means introduction, sponsorship,
703 consideration, debate, amendment, passage, defeat, approval, veto,
704 overriding of a veto or any other official action or nonaction with
705 regard to any bill, resolution, amendment, nomination, appointment,
706 report, or any other matter pending or proposed in a committee or in
707 either house of the legislature, or any matter which is within the
708 official jurisdiction or cognizance of the legislature.

709 [(k)] (11) "Lobbying" means communicating directly or soliciting
710 others to communicate with any official or his staff in the legislative or
711 executive branch of government or in a quasi-public agency, for the
712 purpose of influencing any legislative or administrative action except
713 that the term "lobbying" does not include [(1)] (A) communications by
714 or on behalf of a party to, or an intervenor in, a contested case, as
715 described in regulations adopted by the commission in accordance
716 with the provisions of chapter 54, before an executive agency or a
717 quasi-public agency, as defined in section 1-79, as amended by this act,

718 [(2)] (B) communications by a representative of a vendor or by an
719 employee of the registered client lobbyist which representative or
720 employee acts as a salesperson and does not otherwise engage in
721 lobbying regarding any administrative action, [(3)] (C)
722 communications by an attorney made while engaging in the practice of
723 law and regarding any matter other than legislative action as defined
724 in [subsection (j)] subdivision (10) of this section or the proposal,
725 drafting, development, consideration, amendment, adoption or repeal
726 of any rule or regulation, or [(4)] (D) other communications exempted
727 by regulations adopted by the commission in accordance with the
728 provisions of chapter 54.

729 [(1)] (12) "Lobbyist" means a person who in lobbying and in
730 furtherance of lobbying makes or agrees to make expenditures, or
731 receives or agrees to receive compensation, reimbursement, or both,
732 and such compensation, reimbursement or expenditures are [two]
733 three thousand dollars or more in any calendar year or the combined
734 amount thereof is [two] three thousand dollars or more in any such
735 calendar year. Lobbyist shall not include:

736 [(1)] (A) A public official, employee of a branch of state government
737 or a subdivision thereof, or elected or appointed official of a
738 municipality or his designee other than an independent contractor,
739 who is acting within the scope of his authority or employment;

740 [(2)] (B) A publisher, owner or an employee of the press, radio or
741 television while disseminating news or editorial comment to the
742 general public in the ordinary course of business;

743 [(3)] (C) An individual representing himself or another person
744 before the legislature or a state agency other than for the purpose of
745 influencing legislative or administrative action;

746 [(4)] (D) Any individual or employee who receives no compensation
747 or reimbursement specifically for lobbying and who limits his
748 activities solely to formal appearances to give testimony before public
749 sessions of committees of the General Assembly or public hearings of

750 state agencies and who, if he testifies, registers his appearance in the
751 records of such committees or agencies;

752 [(5)] (E) A member of an advisory board acting within the scope of
753 his appointment;

754 [(6)] (F) A senator or representative in Congress acting within the
755 scope of his office;

756 [(7)] (G) Any person who receives no compensation or
757 reimbursement specifically for lobbying and who spends no more than
758 five hours in furtherance of lobbying unless such person [(A)] (i)
759 exclusive of salary, receives compensation or makes expenditures, or
760 both, of [two] three thousand dollars or more in any calendar year for
761 lobbying or the combined amount thereof is [two] three thousand
762 dollars or more in any such calendar year, or [(B)] (ii) expends fifty
763 dollars or more for the benefit of a public official in the legislative or
764 executive branch, a member of his staff or immediate family;

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

769 [(m)] (13) "Member of an advisory board" means any person
770 appointed by a public official as an advisor or consultant or member of
771 a committee, commission or council established to advise, recommend
772 or consult with a public official or branch of government or committee
773 thereof and who receives no public funds other than per diem
774 payments or reimbursement for his actual and necessary expenses
775 incurred in the performance of his official duties and who has no
776 authority to expend any public funds or to exercise the power of the
777 state.

778 [(n)] (14) "Person" means an individual, a business, corporation,
779 limited liability company, union, association, firm, partnership,
780 committee, club or other organization or group of persons.

781 [(o)] (15) "Political contribution" has the same meaning as in section
782 9-601a except that for purposes of this part, the provisions of
783 subsection (b) of [that] said section shall not apply.

784 [(p)] (16) "Public official" means any state-wide elected state officer,
785 any member or member-elect of the General Assembly, any person
786 appointed to any office of the legislative, judicial or executive branch
787 of state government by the Governor, with or without the advice and
788 consent of the General Assembly, the spouse of the Governor and any
789 person appointed or elected by the General Assembly or any member
790 of either house thereof; but shall not include a member of an advisory
791 board or a senator or representative in Congress.

792 [(q)] (17) "Registrant" means a person who is required to register
793 pursuant to section 1-94, as amended by this act.

794 [(r)] (18) "Reimbursement" means any money or thing of value
795 received or to be received in the form of payment for expenses as a
796 lobbyist, not including compensation.

797 [(s)] (19) "State employee" means any employee in the executive,
798 judicial or legislative branch of state government, whether in the
799 classified or unclassified service and whether full or part-time.

800 [(t)] (20) "Business organization" means a sole proprietorship,
801 corporation, limited liability company, association, firm or partnership,
802 other than a client lobbyist, which is owned by, or employs one or
803 more individual lobbyists.

804 [(u)] (21) "Client lobbyist" means a [lobbyist] person on behalf of
805 whom lobbying takes place and who makes expenditures for lobbying
806 and in furtherance of lobbying.

807 [(v)] (22) "Communicator lobbyist" means a lobbyist who
808 communicates directly or solicits others to communicate with an
809 official or his staff in the legislative or executive branch of government
810 or in a quasi-public agency for the purpose of influencing legislative or
811 administrative action.

812 [(w)] (23) "State agency" means any office, department, board,
813 council, commission, institution, constituent unit of the state system of
814 higher education, vocational-technical school or other agency in the
815 executive, legislative or judicial branch of state government.

816 [(x)] (24) "Quasi-public agency" means quasi-public agency, as
817 defined in section 1-79, as amended by this act.

818 Sec. 16. Subsection (a) of section 1-92 of the general statutes is
819 repealed and the following is substituted in lieu thereof (*Effective*
820 *October 1, 2010*):

821 (a) The Citizen's Ethics Advisory Board shall adopt regulations, in
822 accordance with chapter 54, to carry out the purposes of this part. Such
823 regulations shall not be deemed to govern the conduct of any judge
824 trial referee in the performance of such judge trial referee's duties
825 pursuant to this chapter. Not later than January 1, 1992, the board shall
826 adopt regulations which further clarify the meaning of the terms
827 "directly and personally received" and "major life event", as used in
828 [subsection (e)] subdivision (5) of section 1-79, as amended by this act,
829 and [subsection (g)] subdivision (7) of section 1-91, as amended by this
830 act.

831 Sec. 17. Subsection (e) of section 1-92 of the general statutes is
832 repealed and the following is substituted in lieu thereof (*Effective*
833 *October 1, 2010*):

834 (e) Upon the concurring vote of a majority of its members present
835 and voting, the board shall issue advisory opinions with regard to the
836 requirements of this part or part III of this chapter, upon the request of
837 any person, subject to the provisions of this part or part III of this
838 chapter, and publish such advisory opinions in the Connecticut Law
839 Journal. Advisory opinions rendered by the board, until amended or
840 revoked, shall be binding on the board and shall be deemed to be final
841 decisions of the board for purposes of appeal to the superior court, in
842 accordance with the provisions of section 4-175 or 4-183. Any advisory
843 opinion concerning any person subject to the provisions of this part

844 who requested the opinion and who acted in reliance thereon, in good
845 faith, shall be binding upon the board, and it shall be an absolute
846 defense in any criminal action brought under the provisions of this
847 part or part III of this chapter that the accused acted in reliance upon
848 such advisory opinion.

849 Sec. 18. Section 1-94 of the general statutes is repealed and the
850 following is substituted in lieu thereof (*Effective July 1, 2010*):

851 (a) A lobbyist shall register with the Office of State Ethics pursuant
852 to this part if it or he:

853 (1) Receives or agrees to receive compensation or reimbursement for
854 actual expenses, or both, in a combined amount of [two] three
855 thousand dollars or more in a calendar year for lobbying, whether that
856 receipt of compensation or reimbursement or agreement to receive
857 such compensation or reimbursement is solely for lobbying or the
858 lobbying is [incidental to that] within the scope of such person's
859 regular employment; or

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

862 (b) Any person who lobbies in the scope of such person's regular
863 employment shall maintain a record of his or her time and
864 expenditures in furtherance of lobbying for the purpose of reporting
865 and potential registration with the Office of State Ethics.

866 Sec. 19. Section 1-95 of the general statutes is repealed and the
867 following is substituted in lieu thereof (*Effective July 1, 2010*):

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

875 (1) If the registrant is an individual, the registrant's name,
876 permanent address and temporary address while lobbying and the
877 name, address and nature of business of any person who compensates
878 or reimburses, or agrees to compensate or reimburse the registrant and
879 the terms of the compensation, reimbursement or agreement, but shall
880 not include the compensation paid to an employee for his involvement
881 in activities other than lobbying;

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

884 (3) If the registrant is an association, group of persons or an
885 organization, the name and address of the principal officers and
886 directors of such association, group of persons or organization. If the
887 registrant is formed primarily for the purpose of lobbying, it shall
888 disclose the name and address of any person contributing [two] three
889 thousand dollars or more to the registrant's lobbying activities in any
890 calendar year;

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

893 (5) The identification, with reasonable particularity, of areas of
894 legislative or administrative action on which the registrant expects to
895 lobby, including the names of executive agencies and quasi-public
896 agencies and, where applicable, solicitations for state contracts and
897 procurements.

898 (b) Each registrant shall pay a reasonable fee not in excess of the cost
899 of administering the registration form provided for in subsection (a) of
900 this section plus the cost of collecting, filing, copying and distributing
901 the information filed by registrants under section 1-96, as amended by
902 this act, but not less than twenty-five dollars. A registrant who
903 commences lobbying in an even-numbered year shall file with the
904 Office of State Ethics, on or before January fifteenth of such even-
905 numbered year or prior to the commencement of lobbying, whichever
906 is later, a registration form signed under penalty of false statement and

907 shall pay one-half of the biennial registration fee established by the
908 board.

909 (c) Each registrant shall file a notice of termination within thirty
910 days after he ceases the activity that required his registration, provided
911 the registrant does not intend to resume the activity during the
912 biennial period for which he is registered; but termination shall not
913 relieve him of the reporting requirements of section 1-96, as amended
914 by this act, for the period preceding the date his notice of termination
915 is received by the Office of State Ethics or for the period commencing
916 on such date and ending on December thirty-first of the year in which
917 termination occurs.

918 (d) In addition to the requirements of subsections (a) to (c),
919 inclusive, of this section, the registration of a: (1) Client lobbyist, as
920 defined in section 1-91, as amended by this act, shall include: (A) The
921 name of such company or association, (B) the nature of such company
922 or association, (C) the primary business address of such company or
923 association, (D) the name of the person responsible for oversight of
924 such client lobbyist's lobbying activities, (E) the job title of such person
925 and any applicable contact information for such person, including, but
926 not limited to, phone number, facsimile number, electronic mail
927 address and business mailing address; and (2) communicator lobbyist,
928 as defined in section 1-91, as amended by this act, shall include the
929 name of the person with whom such communicator lobbyist has
930 primary contact for each client of such communicator lobbyist and any
931 applicable contact information for such person, including, but not
932 limited to, phone number, facsimile number, electronic mail address
933 and business mailing address.

934 Sec. 20. Section 1-96 of the general statutes is repealed and the
935 following is substituted in lieu thereof (*Effective October 1, 2010*):

936 (a) Each client lobbyist registrant shall file with the Office of State
937 Ethics between the first and tenth day of April, July and January a
938 financial report, signed under penalty of false statement. The April and
939 July reports shall cover its lobbying activities during the previous

940 calendar quarter and the January report shall cover its lobbying
941 activities during the previous two calendar quarters. In addition to
942 such reports, each client lobbyist registrant which attempts to
943 influence legislative action shall file, under penalty of false statement,
944 interim monthly reports of its lobbying activities for each month the
945 General Assembly is in regular session, except that no monthly report
946 shall be required for any month in which it neither expends nor agrees
947 to expend one hundred dollars or more in furtherance of lobbying.
948 Such interim monthly reports shall be filed with the Office of State
949 Ethics no later than the tenth day of the month following the last day
950 of the month reported. If the client lobbyist registrant is not an
951 individual, an authorized officer or agent of the client lobbyist
952 registrant shall sign the form. A communicator lobbyist for a
953 municipality or any subdivision of a municipality, a branch of state
954 government or any subdivision of state government or a quasi-public
955 agency shall file the reports described in this subsection utilizing the
956 client lobbyist reporting schedule.

957 (b) Each individual communicator lobbyist registrant and each
958 business organization communicator lobbyist registrant shall file
959 annually with the Office of State Ethics between the first and tenth day
960 of January a report or reports, signed under penalty of false statement,
961 reporting the amounts of compensation and reimbursement received
962 from each of his clients during the previous year. In addition, each
963 individual communicator lobbyist registrant and each business
964 organization communicator lobbyist registrant shall: (1) Report the
965 fundamental terms of contracts, agreements or promises to pay or
966 receive compensation or reimbursement or to make expenditures in
967 furtherance of lobbying, including the categories of work to be
968 performed and the dollar value or compensation rate of the contract, at
969 the time of registration; (2) report, in accordance with the schedule set
970 forth in subsection (a) of this section, any amendments to these
971 fundamental terms, including any agreements to subcontract lobbying
972 work; and (3) report, in accordance with the provisions of subsection
973 (a) of this section, any expenditures for the benefit of a candidate for
974 public office, a public official or state employee in the legislative or

975 executive branch, [or] a member of the staff or immediate family of
976 such candidate, official or employee which are unreimbursed and
977 required to be itemized. Such report shall not include any expenditures
978 for the benefit of a candidate for public office, public official or state
979 employee in the legislative or executive branch who is (A) the spouse,
980 fiancée or fiancé of the individual communicator lobbyist making the
981 expenditure, (B) the parent, brother or sister of such spouse or such
982 individual communicator lobbyist, or (C) the child of such individual
983 communicator lobbyist or the spouse of such child. Such report shall
984 not include the disclosure of food and beverage provided by a
985 communicator lobbyist registrant to a candidate for public office, a
986 public official or state employee in the legislative or executive branch,
987 or a member of [his] the staff or immediate family of such candidate,
988 official or employee, at a major life event, as defined by the Citizen's
989 Ethics Advisory Board, of the registrant. All such information shall be
990 reported under penalty of false statement.

991 (c) An individual communicator lobbyist registrant shall file a
992 separate report for each person from whom he received compensation
993 or reimbursement. Notwithstanding any provision of this subsection to
994 the contrary, a business organization to which one or more individual
995 communicator lobbyist registrants belong may file a single report for
996 each client lobbyist in lieu of any separate reports that individual
997 registrants are required to file pursuant to this subsection.

998 (d) Each registrant who files a notice of termination under
999 subsection (c) of section 1-95, as amended by this act, shall file with the
1000 Office of State Ethics a financial report, under penalty of false
1001 statement, between the first and tenth day of January of the year
1002 following termination.

1003 (e) Each client lobbyist registrant financial report shall be on a form
1004 prescribed by the board and shall state expenditures made and the
1005 fundamental terms of contracts, agreements or promises to pay
1006 compensation or reimbursement or to make expenditures in
1007 furtherance of lobbying. Any such fundamental terms shall be

1008 reported once in the monthly, quarterly or post-termination report
1009 next following the entering into of such contract. Such financial report
1010 shall include an itemized statement of each expenditure of ten dollars
1011 or more per person for each occasion made by the reporting registrant
1012 or a group of registrants which includes the reporting registrant for the
1013 benefit of a candidate for public office, a public official or state
1014 employee in the legislative or executive branch, a member of [his] the
1015 staff or immediate family of such candidate, official or employee,
1016 itemized by date, beneficiary, amount and circumstances of the
1017 transaction. The requirement of an itemized statement shall not apply
1018 to an expenditure made by a reporting registrant or a group of
1019 registrants which includes the reporting registrant for (1) the benefit of
1020 the members of the General Assembly at an event that is a reception to
1021 which all such members are invited or all members of a region of the
1022 state, as such term is used in [subdivision (11) of subsection (g)]
1023 subdivision (7) of section 1-91, as amended by this act, are invited,
1024 unless the expenditure is thirty dollars or more per person, or (2)
1025 benefits personally and directly received by a candidate for public
1026 office, public official or state employee at a charitable or civic event at
1027 which the public official or state employee participates in his or her
1028 official capacity, or at which the candidate for public office participates
1029 in his or her capacity as a candidate, unless the expenditure is thirty
1030 dollars or more per person, per event. If the compensation is required
1031 to be reported for an individual whose lobbying is [incidental to his]
1032 within the scope of such person's regular employment, it shall be
1033 sufficient to report a prorated amount based on the value of the time
1034 devoted to lobbying. On the first financial report following registration
1035 each client lobbyist registrant shall include any expenditures incident
1036 to lobbying activities which were received or expended prior to
1037 registration and not previously reported to the Office of State Ethics.

1038 (f) The Citizen's Ethics Advisory Board shall, by regulations
1039 adopted in accordance with chapter 54, establish minimum amounts
1040 for each item required to be reported, below which reporting may be
1041 made in the aggregate. The provisions of this subsection shall not
1042 apply to expenditures made for the benefit of a public official or a

1043 member of such person's staff or immediate family.

1044 (g) Each former registrant shall (1) report receipts or expenditures
1045 incident to lobbying activities during his period of registration which
1046 are received or expended following termination of registration and (2)
1047 report each expenditure of ten dollars or more per person for each
1048 occasion made by him for the benefit of a candidate, a public official or
1049 state employee in the legislative or executive branch or a member of
1050 [such official's] the immediate family or staff of such candidate, official
1051 or employee which occurs within six months after termination of
1052 registration.

1053 (h) The Office of State Ethics shall, [within] not later than thirty days
1054 after receipt of a financial report which contains the name of a
1055 candidate for public office, a public official or state employee in the
1056 legislative or executive branch or a member of [such official's] the staff
1057 or immediate family of such candidate, official or employee, send a
1058 written notice to such candidate, public official or employee, of the
1059 filing of the report and the name of the person who filed it.

1060 Sec. 21. Section 1-96d of the general statutes is repealed and the
1061 following is substituted in lieu thereof (*Effective October 1, 2010*):

1062 Each registrant or business organization that hosts a legislative
1063 reception to which all members are invited, or all members of a region
1064 in the state, as such term is used in subparagraph (K) of subdivision
1065 [(11) of subsection (g)] (7) of section 1-91, as amended by this act, are
1066 invited, shall include in its invitation or any published notice of such
1067 reception whether the registrant or business organization reasonably
1068 expects such expenditures to be reportable pursuant to subsection (e)
1069 of section 1-96, as amended by this act.

1070 Sec. 22. Subsection (a) of section 1-97 of the general statutes is
1071 repealed and the following is substituted in lieu thereof (*Effective*
1072 *October 1, 2010*):

1073 (a) No registrant or anyone acting on behalf of a registrant shall

1074 knowingly give a gift, as defined in [subsection (g)] subdivision (7) of
1075 section 1-91, as amended by this act, to any state employee, public
1076 official, candidate for public office or a member of any such person's
1077 staff or immediate family. Nothing in this section shall be construed to
1078 permit any activity prohibited under section 53a-147 or 53a-148.

1079 Sec. 23. Subsection (a) of section 1-100b of the general statutes is
1080 repealed and the following is substituted in lieu thereof (*Effective*
1081 *October 1, 2010*):

1082 (a) The Office of State Ethics, upon a finding that a communicator
1083 lobbyist has violated the provisions of subsection [(i)] (h) of section 9-
1084 610, may suspend [said] such lobbyist's registration for a period of not
1085 more than the remainder of the term of such registration and may
1086 prohibit [said] such lobbyist from engaging in the profession of
1087 lobbyist for a period of not more than three years.

1088 Sec. 24. Subsection (c) of section 1-100b of the general statutes is
1089 repealed and the following is substituted in lieu thereof (*Effective from*
1090 *passage*):

1091 (c) The Office of State Ethics shall make any finding under
1092 subsection (a) or (b) of this section in accordance with the same
1093 procedure set forth in section 1-93 for a finding by the [commission]
1094 board of a violation of part II of chapter 10.

1095 Sec. 25. Subsection (c) of section 1-101nn of the general statutes is
1096 repealed and the following is substituted in lieu thereof (*Effective*
1097 *October 1, 2010*):

1098 (c) Any person who [violates] is found in violation of any provision
1099 of this section by the Office of State Ethics pursuant to section 1-82, as
1100 amended by this act, may be deemed a nonresponsible bidder by a
1101 state agency, board, commission or institution or quasi-public agency.

1102 Sec. 26. Section 2-16a of the general statutes is repealed and the
1103 following is substituted in lieu thereof (*Effective October 1, 2010*):

1104 No state representative or state senator who is elected at the 1994
1105 state election or any election thereafter shall engage in the profession
1106 of lobbyist, as that term is defined in [subsection (l)] subdivision (12) of
1107 section 1-91, as amended by this act, until one year after the expiration
1108 of the term for which such state representative or state senator was
1109 elected.

1110 Sec. 27. Subsection (b) of section 3-13l of the general statutes is
1111 repealed and the following is substituted in lieu thereof (*Effective*
1112 *October 1, 2010*):

1113 (b) For purposes of this section:

1114 (1) "Finder's fee" means compensation in the form of cash, cash
1115 equivalents or other things of value paid to or received by a third party
1116 in connection with an investment transaction to which the state, any
1117 political subdivision of the state or any quasi-public agency, as defined
1118 in section 1-120, is a party for any services, and includes, but is not
1119 limited to, any fee paid for lobbying, as defined in [subsection (k)]
1120 subdivision (11) of section 1-91, as amended by this act, and as defined
1121 by the Citizen's Ethics Advisory Board, in consultation with the
1122 Treasurer, in the regulations adopted under subparagraph (C)(ii) of
1123 subdivision (3) of this subsection or as prescribed by the Treasurer
1124 until such regulations are adopted.

1125 (2) "Finder's fee" does not mean (A)(i) compensation earned for the
1126 rendering of investment services, as defined in subsection (f) of section
1127 9-612, or for acting as a licensed real estate broker or real estate sales
1128 person under the provisions of section 20-312, or under a comparable
1129 statute of the jurisdiction in which the subject property is located, or
1130 (ii) marketing fees or due diligence fees earned by the payee in
1131 connection with the offer, sale or purchase of any security or
1132 investment interest, in accordance with criteria prescribed under
1133 subparagraph (C)(ii) of subdivision (3) of this subsection, (B)
1134 compensation paid to (i) persons who are investment professionals
1135 engaged in the ongoing business of representing investment services
1136 providers, or (ii) third parties for services connected to the issuance of

1137 debt by the state, any political subdivision of the state or any quasi-
1138 public agency, as defined in section 1-120, and (C) any compensation
1139 which is so defined by the regulations adopted under subparagraph
1140 (C)(ii) of subdivision (3) of this subsection, or any compensation which
1141 meets criteria prescribed by the Treasurer until such regulations are
1142 adopted. As used in this section, "offer" and "sale" have the meaning
1143 provided in section 36b-3.

1144 (3) "Investment professional" means an individual or firm whose
1145 primary business is bringing together institutional funds and
1146 investment opportunities and who (A) is a broker-dealer or investment
1147 adviser agent licensed or registered (i) under the Connecticut Uniform
1148 Securities Act; (ii) in the case of an investment adviser agent, with the
1149 Securities and Exchange Commission, in accordance with the
1150 Investment Advisors' Act of 1940; or (iii) in the case of a broker-dealer,
1151 with the National Association of Securities Dealers in accordance with
1152 the Securities Exchange Act of 1934, or (B) is licensed under section 20-
1153 312, or under a comparable statute of the jurisdiction in which the
1154 subject property is located, or (C) (i) furnishes an investment manager
1155 with marketing services including, but not limited to, developing an
1156 overall marketing strategy focusing on more than one institutional
1157 fund, designing or publishing marketing brochures or other
1158 presentation material such as logos and brands for investment
1159 products, responding to requests for proposals, completing due
1160 diligence questionnaires, identifying a range of potential investors, or
1161 such other services as may be identified in regulations adopted under
1162 clause (ii) of this subparagraph; and (ii) meets criteria prescribed (I) by
1163 the Treasurer until regulations are adopted under this subparagraph,
1164 or (II) by the Citizen's Ethics Advisory Board, in consultation with the
1165 Treasurer, in regulations adopted in accordance with the provisions of
1166 chapter 54. Prior to adopting such regulations, the Citizen's Ethics
1167 Advisory Board shall transmit the proposed regulations to the
1168 Treasurer not later than one hundred twenty days before any period
1169 for public comment on such regulations commences and shall consider
1170 any comments or recommendations the Treasurer may have regarding
1171 such regulations. In developing such regulations, the Citizen's Ethics

1172 Advisory Board shall ensure that the state will not be competitively
1173 disadvantaged by such regulations relative to any legitimate financial
1174 market.

1175 Sec. 28. Section 4-250 of the general statutes is repealed and the
1176 following is substituted in lieu thereof (*Effective October 1, 2010*):

1177 As used in sections 4-250 to 4-252, as amended by this act:

1178 (1) "Gift" has the same meaning as provided in section 1-79, as
1179 amended by this act, except that the exclusion in [subdivision (12) of
1180 subsection (e)] subparagraph (L) of subdivision (5) of [said] section 1-
1181 79, as amended by this act, for a gift for the celebration of a major life
1182 event shall not apply;

1183 (2) "Quasi-public agency", "public official" and "state employee"
1184 have the same meanings as provided in section 1-79, as amended by
1185 this act;

1186 (3) "State agency" means any office, department, board, council,
1187 commission, institution or other agency in the executive, legislative or
1188 judicial branch of state government;

1189 (4) "Large state contract" means an agreement or a combination or
1190 series of agreements between a state agency or a quasi-public agency
1191 and a person, firm or corporation, having a total value of more than
1192 five hundred thousand dollars in a calendar or fiscal year, for (A) a
1193 project for the construction, alteration or repair of any public building
1194 or public work, (B) services, including, but not limited to, consulting
1195 and professional services, (C) the procurement of supplies, materials or
1196 equipment, (D) a lease, or (E) a licensing arrangement. The term "large
1197 state contract" shall not include a contract between a state agency or a
1198 quasi-public agency and a political subdivision of the state;

1199 (5) "Principals and key personnel" means officers, directors,
1200 shareholders, members, partners and managerial employees; and

1201 (6) "Participated substantially" means participation that is direct,

1202 extensive and substantive, and not peripheral, clerical or ministerial.

1203 Sec. 29. Subsection (b) of section 4e-34 of the general statutes is
1204 repealed and the following is substituted in lieu thereof (*Effective*
1205 *October 1, 2010*):

1206 (b) Causes for such disqualification shall include the following:

1207 (1) Conviction of, or entry of a plea of guilty or nolo contendere or
1208 admission to, the commission of a criminal offense as an incident to
1209 obtaining or attempting to obtain a public or private contract or
1210 subcontract, or in the performance of such contract or subcontract;

1211 (2) Conviction of, or entry of a plea of guilty or nolo contendere or
1212 admission to, the violation of any state or federal law for
1213 embezzlement, theft, forgery, bribery, falsification or destruction of
1214 records, receiving stolen property or any other offense indicating a
1215 lack of business integrity or business honesty which affects
1216 responsibility as a state contractor;

1217 (3) Conviction of, or entry of a plea of guilty or nolo contendere or
1218 admission to, a violation of any state or federal antitrust, collusion or
1219 conspiracy law arising out of the submission of bids or proposals on a
1220 public or private contract or subcontract;

1221 (4) Accumulation of two or more suspensions pursuant to section
1222 4e-35 within a twenty-four-month period;

1223 (5) A wilful, negligent or reckless failure to perform in accordance
1224 with the terms of one or more contracts or subcontracts, agreements or
1225 transactions with state contracting agencies;

1226 (6) A history of failure to perform or of unsatisfactory performance
1227 on one or more public contracts, agreements or transactions with state
1228 contracting agencies;

1229 (7) A wilful violation of a statutory or regulatory provision or
1230 requirement applicable to a contract, agreement or transaction with

1231 state contracting agencies;

1232 (8) A wilful or egregious violation of the ethical standards set forth
1233 in sections 1-84, as amended by this act, [and] 1-86e [,] and 1-101nn, as
1234 amended by this act, as determined by the Citizen's Ethics Advisory
1235 Board; or

1236 (9) Any other cause or conduct the board determines to be so
1237 serious and compelling as to affect responsibility as a state contractor,
1238 including, but not limited to:

1239 (A) Disqualification by another state for cause;

1240 (B) The fraudulent or criminal conduct of any officer, director,
1241 shareholder, partner, employee or other individual associated with a
1242 contractor, bidder or proposer of such contractor, bidder or proposer,
1243 provided such conduct occurred in connection with the individual's
1244 performance of duties for or on behalf of such contractor, bidder or
1245 proposer and such contractor, bidder or proposer knew or had reason
1246 to know of such conduct;

1247 (C) The existence of an informal or formal business relationship
1248 with a contractor who has been disqualified from bidding or
1249 proposing on state contracts of any state contracting agency.

1250 Sec. 30. Section 12-557d of the 2010 supplement to the general
1251 statutes is repealed and the following is substituted in lieu thereof
1252 (*Effective October 1, 2010*):

1253 (a) There shall be a Gaming Policy Board within the Division of
1254 Special Revenue. Said board shall consist of five members appointed
1255 by the Governor with the advice and consent of both houses of the
1256 General Assembly. Not more than three members of said board in
1257 office at any one time shall be members of the same political party. On
1258 or before July 1, 1979, the Governor shall nominate three members
1259 who shall serve until July 1, 1981, and two members who shall serve
1260 until July 1, 1983. The General Assembly shall confirm or reject such
1261 nominations in the manner prescribed by section 4-7 before

1262 adjournment sine die of the 1979 regular session, except that if the
1263 nominations cannot be acted on by both houses of the General
1264 Assembly during said regular session, the General Assembly shall
1265 confirm or reject the nominations at a special session which shall be
1266 called, notwithstanding sections 2-6 and 2-7, immediately following
1267 adjournment sine die of the 1979 session reconvened in accordance
1268 with article third of the amendments to the Constitution of
1269 Connecticut, except that if no session is held pursuant to said article,
1270 the General Assembly shall meet in special session, notwithstanding
1271 sections 2-6 and 2-7, not later than August 1, 1979, to confirm or reject
1272 such nominations. Any special session called pursuant to this section
1273 shall be held for the sole purpose of confirming or rejecting the initial
1274 nominations made by the Governor to the board. Thereafter members
1275 shall serve for a term of four years and the procedure prescribed by
1276 section 4-7 shall apply to such appointments, except that the Governor
1277 shall submit such nominations on or before May first, and both houses
1278 shall confirm or reject the nominations before adjournment sine die.
1279 Members shall receive fifty dollars per day for each day they are
1280 engaged in the business of the board and shall be reimbursed for
1281 necessary expenses incurred in the performance of their duties. The
1282 executive director shall serve on the board ex officio without voting
1283 rights.

1284 (b) To insure the highest standard of legalized gambling regulation
1285 at least four of the board members shall have training or experience in
1286 at least one of the following fields: Corporate finance, economics, law,
1287 accounting, law enforcement, computer science or the pari-mutuel
1288 industry. At least two of these fields shall be represented on the board
1289 at any one time.

1290 (c) No board member shall accept any form of employment by a
1291 business organization regulated under this chapter for a period of two
1292 years following the termination of his service as a board member. The
1293 provisions of sections 1-82, as amended by this act, 1-82a and 1-88, as
1294 amended by this act, shall apply to any alleged violation of this
1295 subsection.

1296 (d) No board member shall engage in any oral ex parte
1297 communications with any representative, agent, officer or employee of
1298 any business organization regulated under this chapter concerning any
1299 matter pending or impending before the board.

1300 (e) The members of the board shall not participate actively in
1301 political management and campaigns. Such activity includes holding
1302 office in a political party, political organization or political club,
1303 campaigning for a candidate in a partisan election by making speeches,
1304 writing on behalf of a candidate, soliciting votes in support of or in
1305 opposition to a candidate and making contributions of time and
1306 money to political parties.

1307 (f) The Division of Special Revenue shall provide staff support for
1308 the board.

1309 Sec. 31. Subsection (k) of section 16-2 of the general statutes is
1310 repealed and the following is substituted in lieu thereof (*Effective*
1311 *October 1, 2010*):

1312 (k) No commissioner of the authority shall, for a period of one year
1313 following the termination of his or her service as a commissioner,
1314 accept employment: (1) By a public service company or by any person,
1315 firm or corporation engaged in lobbying activities with regard to
1316 governmental regulation of public service companies; (2) by a certified
1317 telecommunications provider or by any person, firm or corporation
1318 engaged in lobbying activities with regard to governmental regulation
1319 of persons, firms or corporations so certified; or (3) by an electric
1320 supplier or by any person, firm or corporation engaged in lobbying
1321 activities with regard to governmental regulation of electric suppliers.
1322 No such commissioner who is also an attorney shall in any capacity,
1323 appear or participate in any matter, or accept any compensation
1324 regarding a matter, before the authority, for a period of one year
1325 following the termination of his or her service as a commissioner. The
1326 provisions of sections 1-82, as amended by this act, 1-82a and 1-88, as
1327 amended by this act, shall apply to any alleged violation of this
1328 subsection.

1329 Sec. 32. (NEW) (*Effective July 1, 2010*) The Office of State Ethics shall
 1330 adopt regulations, in accordance with the provisions of chapter 54 of
 1331 the general statutes, to establish guidelines for the determination of
 1332 when lobbying is within the scope of a person's regular employment,
 1333 as described in sections 1-94 and 1-96 of the general statutes, as
 1334 amended by this act. Such regulations shall, at a minimum, address the
 1335 distinction between a person who is specifically directed by such
 1336 person's employer to lobby and a person who is not specifically
 1337 directed by such person's employer to lobby.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2010</i>	1-79
Sec. 2	<i>October 1, 2010</i>	1-80
Sec. 3	<i>October 1, 2010</i>	1-81(a)
Sec. 4	<i>from passage</i>	1-82(e)
Sec. 5	<i>October 1, 2010</i>	1-83(a)
Sec. 6	<i>October 1, 2010</i>	1-84(c)
Sec. 7	<i>October 1, 2010</i>	1-84(j)
Sec. 8	<i>October 1, 2010</i>	1-84(m)
Sec. 9	<i>October 1, 2010</i>	1-84(q)
Sec. 10	<i>October 1, 2010</i>	1-84b
Sec. 11	<i>October 1, 2010</i>	1-84c
Sec. 12	<i>October 1, 2010</i>	1-85
Sec. 13	<i>October 1, 2010</i>	1-86(a)
Sec. 14	<i>October 1, 2010</i>	1-88(d)
Sec. 15	<i>October 1, 2010</i>	1-91
Sec. 16	<i>October 1, 2010</i>	1-92(a)
Sec. 17	<i>October 1, 2010</i>	1-92(e)
Sec. 18	<i>July 1, 2010</i>	1-94
Sec. 19	<i>July 1, 2010</i>	1-95
Sec. 20	<i>October 1, 2010</i>	1-96
Sec. 21	<i>October 1, 2010</i>	1-96d
Sec. 22	<i>October 1, 2010</i>	1-97(a)
Sec. 23	<i>October 1, 2010</i>	1-100b(a)
Sec. 24	<i>from passage</i>	1-100b(c)
Sec. 25	<i>October 1, 2010</i>	1-101nn(c)
Sec. 26	<i>October 1, 2010</i>	2-16a
Sec. 27	<i>October 1, 2010</i>	3-131(b)

Sec. 28	<i>October 1, 2010</i>	4-250
Sec. 29	<i>October 1, 2010</i>	4e-34(b)
Sec. 30	<i>October 1, 2010</i>	12-557d
Sec. 31	<i>October 1, 2010</i>	16-2(k)
Sec. 32	<i>July 1, 2010</i>	New section

Statement of Legislative Commissioners:

In section 12, "his employer other than the state" was substituted for "his other employer" for consistency with amending language in sections 6 and 13.

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 11 \$	FY 12 \$
Office of State Ethics	GF - Revenue Loss	6,750	3,375

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill decreases revenue from the registration fees that lobbyists must pay by increasing the expenditure threshold at which lobbyists must register with the Office of State Ethics. By increasing the expenditure threshold for lobbyists to register with the Office of State Ethics from \$2,000 to \$3,000, it is expected that approximately 45 lobbyists would no longer have to pay the registration fee, resulting in a revenue loss of \$6,750 in FY 11 and \$3,375 in FY 12. Lobbyist registration fees are currently \$150 in the odd years and \$75 in the even years.

In addition, the bill makes several changes to the State Code of Ethics, which do not result in a fiscal impact.

The Out Years

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

OLR Bill Analysis

sHB 5403

AN ACT CONCERNING REVISIONS TO THE CODE OF ETHICS.

SUMMARY:

This bill makes numerous changes to the State Code of Ethics. It raises the income and expenditure thresholds that require a person to register as a lobbyist and specifies that only people who lobby within the scope of regular employment must register. With certain exceptions, it extends the scope of lobbyists' financial reports to include expenditures made for the benefit of a candidate for public office or a state employee, and it extends certain gift exceptions to include candidates for public office.

The bill authorizes the Citizens Ethics Advisory Board to interpret all parts of the code. The bill allows justices of the peace and notaries public to serve on the board and makes certain changes to board members' terms of office. It expands the matters that create a conflict of interest under the code by prohibiting public officials and employees from taking certain actions that benefit their outside employers. It also requires specific intent before a public official or state employee may be found in violation of the code for counseling, authorizing, or otherwise sanctioning actions that the code prohibits.

The bill also makes contractors, consultants, and certain other people who violate the law on unethical bidding or contracting practices to advance their own financial interests liable for damages in the amount of the financial advantage and requires the Office of State Ethics (OSE) to immediately inform the attorney general of the violation.

The bill requires OSE to enforce the revolving door provisions applicable to former Gaming Policy Board members and former Public

Utilities Control Authority commissioners. It also requires OSE to submit its annual activity report to the governor two months earlier, by February 15 rather than April 15.

The bill expands the grounds for contractor disqualification by the State Contracting Standards Board (SCSB) but also accords contractors, potential contractors, and consultants due process before they are prohibited from bidding on state contracts because of alleged past unethical bidding practices. Lastly, it makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2010, except (1) technical corrections changing commission to OSE or Citizens Ethics Advisory Board, as appropriate, for purposes of whistleblower protection under the Ethics Code and finding code violations are effective upon passage; and (2) provisions on lobbyist registration are effective July 1, 2010.

LOBBYIST PROVISIONS

Registration

The bill increases, from \$2,000 to \$3,000, the income and expenditure thresholds that require a person to register as a lobbyist with OSE. Under current law, a person must register with OSE if he or she receives, spends, or agrees to receive or spend at least \$2,000 in a calendar year to lobby.

The bill potentially limits the number of people required to register as lobbyists by specifying that a person who meets the income and expenditure thresholds must register if lobbying is within the scope of his or her regular employment, not simply incidental to regular employment as current law requires. Additionally, the bill requires anyone who lobbies within the scope of regular employment to maintain a record of time and expenditures spent on lobbying and OSE to adopt regulations establishing guidelines for determining when lobbying is within the scope of a person's regular employment. At a minimum, the regulations must address the distinction between a person who lobbies at the specific direction of his or her employer and

a person who is not specifically directed to lobby by his or her employer.

Reporting

The bill requires lobbyists to report any expenditures made for the benefit of a candidate for public office or a state employee in the legislative or executive branch or for the benefit of such person's staff or immediate family. Under current law, lobbyists must only report expenditures benefitting executive or legislative public officials or their staff or immediate family. The bill extends to candidates for office and state employees an exemption for food or beverage at a major life event. This exemption currently exists for public officials. A major life event includes (1) a ceremony commemorating an individual's induction into religious adulthood such as a confirmation or bar mitzvah; (2) a wedding; (3) a funeral; (4) the birth or adoption of a child; and (5) retirement from public service or state employment (Conn. Agencies Reg., § 1-92-53).

Additionally, the bill creates a new reporting exemption if a public official, candidate, or state employee is the (1) spouse, fiancée, or fiancé of the lobbyist; (2) parent, brother, or sister of either the lobbyist or the lobbyist's spouse; or (3) child of the lobbyist or spouse of the lobbyist's child.

The bill also requires client lobbyists and former registrants to report itemized expenditures of \$10 or more that are made for the benefit of a candidate for public office, a state employee, or the candidate or employee's immediate family or staff. Under current law, this reporting requirement only applies to expenditures made for the benefit of a public official or the official's staff or immediate family. Former registrants must report these expenditures, both under current law and the bill, if they occur within six months after terminating registration.

Under the law, unchanged by the bill, the requirement does not apply to food or drinks valued at less than \$30 provided at a legislative

reception or benefits provided at a charitable or civic event that the candidate attends in his or her official capacity.

The bill also extends to candidates and state employees a requirement for OSE to provide notification when a gift is made by a lobbyist. Under current law, unchanged by the bill, if OSE receives a financial report from a lobbyist that discloses a gift made to a public official or the official's staff or immediate family, it must, within 30 days of receiving the report, notify the public official in writing and provide the name of the person who filed the report.

Gifts

With several exceptions, the law prohibits public officials, candidates for public office, and state employees from accepting gifts (generally anything of value over \$10) from lobbyists. It also prohibits public officials and state employees from accepting gifts from people doing, or seeking to do, business with their agency; people engaged in activities regulated by their agency; or prequalified state contractors. The law also prohibits these people from giving gifts to public officials and employees.

This bill extends two existing gift exemptions to include candidates for public office. It (1) allows candidates to receive admission, food, and beverage at a charitable or civic event provided they appear in their official capacity as candidates and admission is provided by the primary sponsoring entity, and (2) allows candidates and their spouses to receive anything of value provided by their employer if it is customarily and ordinarily provided to others in similar circumstances. Under current law, these exemptions apply to public officials and state employees, and the second exemption also applies to the spouses of such individuals.

REVOLVING DOOR PROVISIONS

Requirement to Sign Certificate

Prior to state service, the bill requires executive and quasi-public agency officials and employees to indicate their awareness of post-

employment restrictions by signing a certificate that contains most of the ones applicable to them. Under the bill, the certificate does not contain the ban against (1) working for a party to a contract that a quasi-public agency director or member helped negotiate or (2) lobbying if convicted of a corrupt practice.

Gaming Policy Board and PUC Commissioners

The bill requires 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. By law, Gaming Policy Board members cannot accept employment for two years after leaving the board with a business that the Division of Special Revenue regulates. By law, 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.

ACTIONS BENEFITTING A PERSON'S OTHER EMPLOYER

This bill expands the matters that create a conflict of interest under the Code of Ethics by prohibiting public officials and employees from taking certain actions that benefit their outside employer. Currently, public officials and employees are generally prohibited from taking actions that benefit their spouse, dependent children, sibling, or businesses with which they are associated.

Specifically, the bill prohibits them from (1) using their office, position, or confidential information received because of it to obtain a financial benefit for their other employer or (2) taking official action that would cause their other employer to derive a direct monetary gain or loss greater than any other member of the same profession, occupation, or group. However, the bill, like current law, allows unelected officials and employees to take official action under certain conditions. Unelected officials and employees in a regulatory agency

may either recuse themselves or prepare a written statement under penalty of false statement for the agency journal or minutes and OSE that describes the matter requiring action, the potential conflict, and why they are able to vote despite it. Other unelected officials and employees must prepare a written statement under penalty of false statement that describes the matter requiring action and the potential conflict and deliver a copy to their immediate supervisor or OSE if they do not have an immediate supervisor.

STATE CONTRACTORS AND CONSULTANTS

Due Process

The bill requires OSE to find a violation before contractors or consultants may be deemed nonresponsible bidders. This means OSE must investigate complaints of wrongdoing, offer respondents the opportunity for a hearing, and make a decision based on the evidence.

By law, state agencies, boards, commissions, institutions, and quasi-public agencies may treat as nonresponsible bidders (and thus ineligible to win a state contract) prequalified contractors, large state construction or procurement contractors, consultants on state contracts, and people seeking those positions if they:

1. solicit from public officials or state employees information that is not available to other bidders in order to gain a competitive advantage;
2. intentionally, willfully, or recklessly defraud the state by charging an agency, board, commission, institution, or quasi-public agency for work not performed or goods not provided;
3. intentionally or willfully violate or circumvent competitive bidding and ethics laws; or
4. provide or direct someone else to provide information or donated goods and services to a state or quasi-public agency, its procurement staff, or a member of a bid selection committee with intent to unduly influence the award of a state contract.

The law also allows state agencies, boards, commissions, institutions, and quasi-public agencies to treat consultants as nonresponsible bidders if they help negotiate a state contract and then they or the businesses with which they are associated serve as contractors, subcontractors, or consultants on the project, or as consultants to anyone seeking the contract.

Penalties for Violations

The bill makes contractors and consultants who violate the above-stated law on unethical bidding practices to advance their own financial interests liable for the amount of the financial advantage and requires OSE to immediately inform the attorney general of the violation.

It subjects state consultants and independent contractors to the same penalty if they benefit financially from (1) abusing their contractual authority, (2) accepting another state contract that impairs their judgment on the first contract, or (3) accepting anything of value on the understanding that a person acting on the state's behalf would be influenced. Lastly, it subjects to the same penalty anyone who gives anything of value to a state consultant or independent contractor with the understanding that the consultant or contractor, on behalf of the state, would be influenced.

Contractor Disqualification

The bill gives the SCSB the authority to disqualify a contractor who is deemed a nonresponsible bidder. By law, SCSB can disqualify a contractor from bidding on, applying for, or participating as a contractor or subcontractor on a state contract for up to five years. Currently, the board may disqualify a contractor for any cause or conduct it determines a serious and compelling showing of the contractor's irresponsibility.

CITIZENS ETHICS ADVISORY BOARD

The bill allows justices of the peace and notaries public to serve on the board by excluding them from the Code of Ethics' definition of

“public official.” By law, board members and OSE employees may not (1) hold or campaign for public office or have held or campaigned for public office in the three years prior to appointment; (2) hold office in a political party or committee; or (3) be a registered lobbyist or a member of a lobbying organization.

Interpreting the State Ethics Code

The bill authorizes the Citizens Advisory Board to interpret all parts of the Code of Ethics by giving it explicit authority to issue advisory opinions on parts III and IV, miscellaneous lobbyist provisions and ethical considerations concerning bidding and state contracts, respectively. By law, OSE’s board and staff generally have the authority to (1) respond to inquiries and provide advice regarding the code and (2) enforce it.

The bill also requires specific intent before a public official or state employee may be found in violation of the Code of Ethics 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, punishable by up to one year in prison, a \$2,000 fine, or both, 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. A class D felony is punishable by up to five years in prison, a \$5,000 fine, or both.

Board Members’ Terms

The bill allows board members to continue serving past the end of their terms (1) until a successor is appointed or (2) to finish adjudicating a case.

The bill also re-staggers the terms of the board members in order to prevent more than three terms from expiring in a single year. By law, each board member is appointed to one four-year term. Under current law, once every four years, four members’ terms expire. Under the bill,

two members appointed to terms beginning October 1, 2009 will serve one five-year term, and subsequent appointments to those positions are for four years. The result of this re-staggering is that, in any four-year period, the board will have three years with two vacancies to fill and one year with three vacancies to fill.

Member Certification

The bill requires board members to certify that they are aware of (1) the qualifications for board members, (2) provisions in the Code of Ethics that are applicable to members, and (3) the prohibitions on members' conduct.

QUASI-PUBLIC AGENCIES

This bill subjects members and employees of the University of Connecticut Health Center Finance Corporation and Tweed-New Haven Airport Authority to the State Ethics Code. This means these people (1) must, among other things, comply with the code and (2) are prohibited from taking certain actions while employed by these entities and after they leave their employ. The Office of State Ethics has jurisdiction over them for the purpose of enforcing the code.

The bill also subjects them to (1) prohibitions against disclosing confidential information to bidders on state contracts, (2) gift affidavit and certification requirements under the law covering large state contracts, and (3) the law on pension revocations. The bill also makes a technical change, adding the Bradley Board of Directors and the Transportation Strategy Board to the list of quasi-public agencies in CGS § 1-79 (CGS §§ 13b-57e and 15-101mm already make them quasi-public agencies by reference).

BACKGROUND

Revolving Door

The Code of Ethics contains several revolving door provisions by which executive and quasi-public agency officials and employees must abide when they leave state service. Generally, it prohibits them from:

1. representing anyone, other than the state, concerning any matter in which (a) they personally and substantially participated while in state service and (b) the state has a substantial interest;
2. representing anyone for one year after state service, other than the state, for compensation before the agency in which he or she served concerning any matter in which the state has a substantial interest; and
3. accepting employment for one year after service with a state contractor that has a contract valued at \$50,000 or more if they supervised or had a substantial role in negotiating or awarding the contract.

The code also prohibits certain former public officials and state employees who held positions with significant decision-making or supervisory responsibilities from seeking or accepting employment for one year after leaving state service with a business subject to regulation by their agency.

With respect to the Citizen’s Ethics Advisory Board, the code prohibits members from (1) holding any other position in state government for one year after service, including membership on a state board or commission, or service as a superior court judge or agency commissioner and (2) representing anyone, other than themselves, before the board within one year after service. It also prohibits anyone who appears before the board from hiring a member within that one year.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute
Yea 14 Nay 0 (03/18/2010)