



# Senate

General Assembly

**File No. 296**

February Session, 2010

Substitute Senate Bill No. 289

*Senate, April 6, 2010*

The Committee on Government Administration and Elections reported through SEN. SLOSSBERG of the 14th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING THE ONLINE SUBMISSION AND POSTING OF STATEMENTS OF FINANCIAL INTERESTS.***

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

1 Section 1. Section 1-83 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2010*):

3 (a) (1) All state-wide elected officers, members of the General  
4 Assembly, department heads and their deputies, members of the  
5 Gaming Policy Board, the executive director of the Division of Special  
6 Revenue within the Department of Revenue Services, members or  
7 directors of each quasi-public agency, members of the Investment  
8 Advisory Council, state marshals and such members of the Executive  
9 Department and such employees of quasi-public agencies as the  
10 Governor shall require, shall file, under penalty of false statement, a  
11 statement of financial interests for the preceding calendar year with the  
12 Office of State Ethics on or before the May first next in any year in  
13 which they hold such a position. Any such individual who leaves his

14 or her office or position shall file a statement of financial interests  
15 covering that portion of the year during which such individual held  
16 his or her office or position. The Office of State Ethics shall notify such  
17 individuals of the requirements of this subsection not later than thirty  
18 days after their departure from such office or position. Such  
19 individuals shall file such statement within sixty days after receipt of  
20 the notification. On and after October 1, 2010, each statement of  
21 financial interests shall be filed electronically using the software  
22 created by the Office of State Ethics for such purpose or another  
23 software that meets the specifications prescribed by said office.

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

32 (b) (1) The statement of financial interests, except as provided in  
33 subdivision (2) of this subsection, shall include the following  
34 information for the preceding calendar year in regard to the individual  
35 required to file the statement and the individual's spouse and  
36 dependent children residing in the individual's household: (A) The  
37 names of all businesses with which associated; (B) all sources of  
38 income, including the name of each employer, with a description of  
39 each source, in excess of one thousand dollars, without specifying  
40 amounts of income; (C) the name of securities in excess of five  
41 thousand dollars at fair market value owned by such individual,  
42 spouse or dependent children or held in the name of a corporation,  
43 partnership or trust for the benefit of such individual, spouse or  
44 dependent children; (D) the existence of any known blind trust and the  
45 names of the trustees; (E) all real property and its location, whether  
46 owned by such individual, spouse or dependent children or held in the  
47 name of a corporation, partnership or trust for the benefit of such

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

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

66 (c) (1) The statement of financial interests filed pursuant to this  
67 section shall be a matter of public information, except the list of names,  
68 filed in accordance with subparagraph (F) of subdivision (1) of  
69 subsection (b) of this section shall be sealed and confidential and for  
70 the use of the Office of State Ethics only after a complaint has been  
71 filed under section 1-82 and such complaint has been determined by a  
72 vote of the board to be of sufficient merit and gravity to justify the  
73 unsealing of such list or lists and not open to public inspection unless  
74 the respondent requests otherwise. If the board reports its findings to  
75 the Chief State's Attorney in accordance with subsection (c) of section  
76 1-88, the board shall turn over to the Chief State's Attorney such  
77 relevant information contained in the statement as may be germane to  
78 the specific violation or violations or a prosecutorial official may  
79 subpoena such statement in a criminal action. Unless otherwise a  
80 matter of public record, the Office of State Ethics shall not disclose to  
81 the public any such subpoena which would be exempt from disclosure

82 by the issuing agency.

83 (2) On and after January 1, 2012, the Office of State Ethics shall make  
84 all statements of financial interests filed on or after said date pursuant  
85 to this section available through the Internet and shall provide a  
86 computer terminal at the office for the use of the public to access such  
87 statements.

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

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2010	1-83

**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.

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**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 11 \$	FY 12 \$
Office of State Ethics	GF - Cost	20,000	None

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill requires all statements of financial interest to be submitted electronically and for the Office of State Ethics (OSE) to begin posting statement of financial interests online. To do so, OSE must contract with an IT consultant at an approximate cost of up to \$20,000 in FY 11.

**The Out Years**

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

**OLR Bill Analysis****sSB 289*****AN ACT CONCERNING THE ONLINE SUBMISSION AND POSTING OF STATEMENTS OF FINANCIAL INTERESTS.*****SUMMARY:**

Beginning October 1, 2010, this bill requires state officials and employees who must file an annual statement of financial interests to submit it electronically. Beginning January 1, 2012, it requires the Office of State Ethics (OSE) to (1) make newly submitted statements available through the Internet and (2) provide a computer terminal in its office through which the public may access them. Under the bill, state officials and employees must submit their electronic statements using OSE-created software, or alternative software meeting OSE-prescribed specifications.

By law, statements of financial interests are considered public records. With one exception, the information they contain must be made available to anyone who submits a Freedom of Information request to the OSE. The names and addresses of creditors to whom the individual or his or her spouse or dependent children owe more than \$10,000 remains sealed and confidential.

EFFECTIVE DATE: October 1, 2010

**BACKGROUND*****Online Filing System***

The OSE rolled out an online filing system in 2009 for statements of financial interests. That year, about 77% of submissions were electronic.

***Statements of Financial Interest***

By law, certain officials must file with OSE, by May 1, annually, a

statement of financial interests for the preceding calendar year. The law applies to state elected officials; department heads and their deputies; Gaming Policy Board members; State Contracting Standards Board and State Properties Review Board members; the Division of Special Revenue executive director; quasi-public agency directors and members; Investment Advisory Council members; state marshals; non-clerical employees of the Department of Public Works unit responsible for acquiring, leasing, and selling real property; and any executive branch members or quasi-public agency employees the governor specifies.

Statements of financial interests must generally include:

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

agency; or business associated with the lobbyist or person.

**COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 15 Nay 0 (03/18/2010)