



General Assembly

January Session, 2013

Committee Bill No. 727

LCO No. 4740



Referred to Committee on GOVERNMENT ADMINISTRATION
AND ELECTIONS

Introduced by:
(GAE)

**AN ACT CONCERNING CONFLICTS OF INTEREST UNDER THE
CODE OF ETHICS FOR PUBLIC OFFICIALS AND STATE
EMPLOYEES.**

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 Section 1-79 of the general statutes is repealed and the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, 2013*):

3 The following terms, when used in this part and section 2 of this act,
4 shall have the following meanings unless the context otherwise
5 requires:

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

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

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

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

28 (d) "Board" means the Citizen's Ethics Advisory Board established
29 in section 1-80.

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

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

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

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

43 (4) A gift received from (A) an individual's spouse, fiance or fiancée,

44 (B) the parent, brother or sister of such spouse or such individual, or
45 (C) the child of such individual or the spouse of such child;

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

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

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

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

59 (9) Food or beverage or both, costing less than fifty dollars in the
60 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) 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) a reception
69 hosted by a lobbyist who is an individual shall be deemed to have also
70 been hosted by the business organization which he owns or is
71 employed by, and (B) a reception hosted by a business organization
72 shall be deemed to have also been hosted by all owners and employees
73 of the business organization who are lobbyists. In making the

74 calculation for the purposes of such fifty-dollar limit, the donor shall
75 divide the amount spent on food and beverage by the number of
76 persons whom the donor reasonably expects to attend the reception;

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

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

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

102 (14) Admission to a charitable or civic event, including food and
103 beverage provided at such event, but excluding lodging or travel
104 expenses, at which a public official or state employee participates in
105 his official capacity, provided such admission is provided by the

106 primary sponsoring entity;

107 (15) Anything of value provided by an employer of (A) a public
108 official, (B) a state employee, or (C) a spouse of a public official or state
109 employee, to such official, employee or spouse, provided such benefits
110 are customarily and ordinarily provided to others in similar
111 circumstances;

112 (16) Anything having a value of not more than ten dollars, provided
113 the aggregate value of all things provided by a donor to a recipient
114 under this subdivision in any calendar year shall not exceed fifty
115 dollars;

116 (17) Training that is provided by a vendor for a product purchased
117 by a state or quasi-public agency which is offered to all customers of
118 such vendor; or

119 (18) Travel expenses, lodging, food, beverage and other benefits
120 customarily provided by a prospective employer, when provided to a
121 student at a public institution of higher education whose employment
122 is derived from such student's status as a student at such institution, in
123 connection with bona fide employment discussions.

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

126 (g) "Individual" means a natural person.

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

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

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

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

156 (l) "Quasi-public agency" means Connecticut Innovations,
157 Incorporated, and the Connecticut Health and Education Facilities
158 Authority, Connecticut Higher Education Supplemental Loan
159 Authority, Connecticut Housing Finance Authority, Connecticut
160 Housing Authority, Connecticut Resources Recovery Authority, Lower
161 Fairfield County Convention Center Authority, Capital Region
162 Development Authority, Connecticut Lottery Corporation, Connecticut
163 Airport Authority, Health Information Technology Exchange of
164 Connecticut, Connecticut Health Insurance Exchange and Clean
165 Energy Finance and Investment Authority.

166 (m) "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) "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) "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) "Client lobbyist" means a person on behalf of whom lobbying
181 takes place and who makes expenditures for lobbying and in
182 furtherance of lobbying.

183 (q) "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) "Lobbyist" and "registrant" shall be construed as defined in
190 section 1-91.

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

197 (t) "State agency" means any office, department, board, council,

198 commission, institution, constituent unit of the state system of higher
199 education, technical high school or other agency in the executive,
200 legislative or judicial branch of state government.

201 Sec. 2. (NEW) (*Effective October 1, 2013*) (a) Any member of the
202 General Assembly who receives one thousand dollars or more during
203 a calendar year from an entity regulated by the state, including any
204 state agency, shall not serve on any joint standing committee of the
205 General Assembly having cognizance of matters relating to such entity.

206 (b) Any public official or state employee of a state agency who
207 receives one thousand dollars or more during a calendar year from an
208 entity regulated by the state, including any state agency, shall not
209 serve on any regulatory body that oversees such entity and shall
210 recuse himself or herself from any executive decision that affects such
211 entity.

212 Sec. 3. Section 1-84 of the general statutes is amended by adding
213 subsection (s) as follows (*Effective October 1, 2013*):

214 (NEW) (s) No public official, state employee or member of the
215 immediate family of a public official or state employee shall receive
216 one thousand dollars or more during a calendar year from (1) a state
217 contractor that derives five per cent or more of its revenue from state
218 contracts or from any other person other than a state employee that
219 derives five per cent or more of his or her income from the state or any
220 state agency, (2) an organization for which five per cent or more of its
221 members who reside in this state are employed by the state or a
222 municipality, (3) a lobbyist or business organization that employs one
223 or more communicator lobbyists, (4) an individual who is restricted or
224 prohibited from contributing to a political candidate for the office of
225 state senator or state representative or a state constitutional office in
226 the maximum amount permitted for individuals, or (5) an agent of an
227 individual or entity described in subdivisions (1) to (4), inclusive, of
228 this subsection. For purposes of this subsection "state contractor" has
229 the same meaning as provided in section 9-612 and "organization" has

230 the same meaning as provided in section 9-601.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2013	1-79
Sec. 2	October 1, 2013	New section
Sec. 3	October 1, 2013	1-84

Statement of Purpose:

To amend what constitutes a substantial conflict of interest for public officials and state employees.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: SEN. MARKLEY, 16th Dist.

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