

**Proposed Substitute
Bill No. 503**

LCO No. 3144

**AN ACT REQUIRING APPROVAL OF STATE AGENCY SETTLEMENT
AND NONDISCLOSURE AGREEMENTS.**

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

1 Section 1. (NEW) (*Effective October 1, 2018*) (a) For the purposes of
2 this section, "state agency" means any department, board, council,
3 commission, institution or other executive branch agency of state
4 government, including, but not limited to, each constituent unit and
5 each public institution of higher education. On and after October 1,
6 2018, no state agency shall make any payment of one hundred
7 thousand dollars or more to an employee resigning or retiring from
8 employment with such state agency for the purposes of avoiding costs
9 associated with potential litigation or pursuant to a nondisclosure
10 agreement unless such agreement and payment has been approved by
11 the Attorney General in accordance with subsections (b) and (c) of this
12 section.

13 (b) On and after October 1, 2018, each state agency shall submit
14 notice of all proposed payments and agreements described in
15 subsection (a) of this section to the Attorney General for approval at
16 least thirty days prior to making any such payment or entering into
17 any such agreement. The Attorney General shall draft a summary of
18 the Attorney General's decision concerning such payment or
19 agreement, explaining the basis for his or her approval or disapproval
20 of such payment and agreement. The Attorney General shall give
21 notice electronically to the state agency of his or her decision to

22 approve or disapprove the proposed payment or agreement, in whole
23 or in part, not later than thirty calendar days after receipt. If the
24 Attorney General disapproves such payment or agreement, the agency
25 shall renegotiate such payment or agreement and submit the revised
26 payment or agreement to the Attorney General not later than fifteen
27 days after receipt of such disapproval.

28 (c) Not later than fifteen days after the Attorney General gives the
29 state agency notice of his or her decision, the Attorney General shall
30 submit an electronic copy of the summary of the decision prepared
31 pursuant to subsection (b) of this section to the speaker of the House of
32 Representatives; the president pro tempore of the Senate; the majority
33 leader of the House of Representatives; the majority leader of the
34 Senate; the minority leader of the House of Representatives; the
35 minority leader of the Senate, joint standing committee of the General
36 Assembly having cognizance of matters relating to government
37 administration and the joint standing committee of the General
38 Assembly having cognizance of the state agency that is the subject of
39 such decision, in accordance with the provisions of section 11-4a of the
40 general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2018</i>	New section