



# House of Representatives

General Assembly

**File No. 700**

January Session, 2019

House Bill No. 7325

*House of Representatives, April 17, 2019*

The Committee on Government Administration and Elections reported through REP. FOX of the 148th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

## ***AN ACT CONCERNING STATE MARSHALS' STATEMENTS OF INCOME.***

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 Section 1-83 of the general statutes is repealed and the  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, 2019*):

3 (a) (1) All state-wide elected officers, members of the General  
4 Assembly, department heads and their deputies, members or directors  
5 of each quasi-public agency, members of the Investment Advisory  
6 Council [, state marshals] and such members of the Executive  
7 Department and such employees of quasi-public agencies as the  
8 Governor shall require, shall file, under penalty of false statement, a  
9 statement of financial interests for the preceding calendar year with the  
10 Office of State Ethics on or before the May first next in any year in  
11 which they hold such an office or position. If, in any year, May first  
12 falls on a weekend or legal holiday, such statement shall be filed not  
13 later than the next business day. 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 sixty  
18 days after their departure from such office or position. Such  
19 individuals shall file such statement not later than sixty days after  
20 receipt of the notification.

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

29 (b) (1) The statement of financial interests, except as provided in  
30 [subdivisions (2) and (3)] subdivision (2) of this subsection, shall  
31 include the following information for the preceding calendar year in  
32 regard to the individual required to file the statement and the  
33 individual's spouse and dependent children residing in the  
34 individual's household: (A) The names of all businesses with which  
35 associated; (B) all sources of income, including the name of each  
36 employer, with a description of the type of income received, in excess  
37 of one thousand dollars, without specifying amounts of income; (C)  
38 the name of securities in excess of five thousand dollars at fair market  
39 value owned by such individual, spouse or dependent children or held  
40 in the name of a corporation, partnership or trust for the benefit of  
41 such individual, spouse or dependent children; (D) the existence of any  
42 known blind trust and the names of the trustees; (E) all real property  
43 and its location, whether owned by such individual, spouse or  
44 dependent children or held in the name of a corporation, partnership  
45 or trust for the benefit of such individual, spouse or dependent  
46 children; (F) the names and addresses of creditors to whom the  
47 individual, the individual's spouse or dependent children,

48 individually, owed debts of more than ten thousand dollars; (G) any  
49 leases or contracts with the state or a quasi-public agency held or  
50 entered into by the individual or a business with which he or she was  
51 associated; and (H) the name of any of the following that is a partner  
52 or owner of, or has a similar business affiliation with, the business  
53 included under subparagraph (A) of this subdivision: (i) Any lobbyist,  
54 (ii) any person the individual filing the statement knows or has reason  
55 to know is doing business with or seeking to do business with the state  
56 or is engaged in activities that are directly regulated by the department  
57 or agency in which the individual is employed, or (iii) any business  
58 with which such lobbyist or person is associated.

59 [(2) The statement of financial interests filed by state marshals shall  
60 include only amounts and sources of income earned in their capacity  
61 as state marshals.]

62 [(3)] (2) In the case of securities in excess of five thousand dollars at  
63 fair market value held within (A) a retirement savings plan, as  
64 described in Section 401 of the Internal Revenue Code of 1986, or any  
65 subsequent corresponding internal revenue code of the United States,  
66 as amended from time to time, (B) a payroll deduction individual  
67 retirement account plan, as described in Section 408 or 408A of said  
68 Internal Revenue Code, (C) a governmental deferred compensation  
69 plan, as described in Section 457 of said Internal Revenue Code, or (D)  
70 an education savings plan, as described in Section 529 of said Internal  
71 Revenue Code, the names of such securities shall not be required to be  
72 disclosed in any statement of financial interests and only the name of  
73 such retirement savings plan, individual retirement account plan,  
74 deferred compensation plan or education savings plan holding such  
75 securities shall be required.

76 (c) The statement of financial interests filed pursuant to this section  
77 shall be a matter of public information, except the list of names, filed in  
78 accordance with subparagraph (F) of subdivision (1) of subsection (b)  
79 of this section shall be sealed and confidential and for the use of the  
80 Office of State Ethics only after a complaint has been filed under

81 section 1-82 and such complaint has been determined by a vote of the  
82 board to be of sufficient merit and gravity to justify the unsealing of  
83 such list or lists and not open to public inspection unless the  
84 respondent requests otherwise. If the board reports its findings to the  
85 Chief State's Attorney in accordance with subsection (c) of section 1-88,  
86 the board shall turn over to the Chief State's Attorney such relevant  
87 information contained in the statement as may be germane to the  
88 specific violation or violations or a prosecutorial official may subpoena  
89 such statement in a criminal action. Unless otherwise a matter of  
90 public record, the Office of State Ethics shall not disclose to the public  
91 any such subpoena which would be exempt from disclosure by the  
92 issuing agency.

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

97 Sec. 2. Section 6-38e of the general statutes is repealed and the  
98 following is substituted in lieu thereof (*Effective October 1, 2019*):

99 (a) Each state marshal shall file with the State Marshal Commission,  
100 under penalty of false statement, a statement of income for the  
101 preceding calendar year on or before the May first next in any year in  
102 which he or she holds the position of state marshal. Any state marshal  
103 who leaves or is removed from his or her position as a state marshal  
104 shall file a statement of income covering that portion of the year  
105 during which such individual held his or her position of state marshal  
106 not later than sixty days after his or her departure from the position.  
107 The statement of income shall be on a form prescribed by the State  
108 Marshal Commission and shall include only amounts and sources of  
109 income earned in the filer's capacity as a state marshal.

110 (b) The State Marshal Commission shall periodically review and  
111 audit the records and accounts of the state marshals. Upon the death or  
112 disability of a state marshal, the commission shall appoint a qualified  
113 individual to oversee and audit the records and accounts of such state

114 marshal and render an accounting to the commission. All information  
115 obtained by the commission from any audit conducted pursuant to this  
116 [section] subsection shall be confidential and shall not be subject to  
117 disclosure under the Freedom of Information Act, as defined in section  
118 1-200.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2019</i>	1-83
Sec. 2	<i>October 1, 2019</i>	6-38e

**GAE**      *Joint Favorable*

*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:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 20 \$</b>	<b>FY 21 \$</b>
State Ethics, Off.	GF - Potential Revenue Loss	Up to 1,000	Up to 1,000

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill transfers the requirement that state marshals annually file financial interest statements that identify the amounts and sources of income earned in their official office capacity from the Office of State Ethics (OSE) to the State Marshals Commission (SMC) within the Department of Administrative Services.

Under current law, OSE has authority to assess civil penalties and fines to state marshals for noncompliance of filing such statements. On average, OSE has assessed civil penalties of approximately \$1,000 annually. It is anticipated that SMC does not have the authority to assess civil penalties or fines for late filings or noncompliance, which would result in a potential revenue loss up to \$1,000 annually.

**The Out Years**

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

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**OLR Bill Analysis**

**HB 7325**

***AN ACT CONCERNING STATE MARSHALS' STATEMENTS OF INCOME.***

**SUMMARY**

Existing law requires state marshalls to annually file financial interest statements that identify the amounts and sources of income earned in their official capacity. This bill requires state marshalls to file the statement with the State Marshal Commission in the Department of Administrative Services, instead of the Office of State Ethics. In doing so, it eliminates OSE's authority to fine marshalls for noncompliance.

EFFECTIVE DATE: October 1, 2019

**COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable

Yea 16 Nay 0 (04/01/2019)