



General Assembly

**Substitute Bill No. 1040**

January Session, 2019



**AN ACT CONCERNING THE STATE EMPLOYEE CAMPAIGN.**

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

1 Section 1. Section 5-262 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) As used in this section:

4 [(1) "Federation" means a legally constituted grouping of not less  
5 than five affiliated nonprofit charitable member organizations that are  
6 exempt from taxation under Section 501(c)(3) of the Internal Revenue  
7 Code of 1986, or any subsequent corresponding internal revenue code  
8 of the United States, as from time to time amended, conducting a  
9 single, annual, consolidated effort to secure funds for distribution to its  
10 member agencies engaged in charitable and public health, welfare,  
11 environmental, conservation or service purposes.]

12 [(2)] (1) "Principal combined fund-raising organization" means a  
13 [federation,] charitable organization or consultant, as described in  
14 subdivision (2) of subsection (c) of this section, that is selected by the  
15 State Employee Campaign Committee to administer the State  
16 Employee Campaign under the direction and control of said  
17 committee.

18 [(3)] (2) "State Employee Campaign" means an annual campaign to

19 raise funds from state employees for charitable and public health,  
20 welfare, environmental, conservation or service purposes.

21 (b) [(1)] There is established a State Employee Campaign Committee  
22 consisting of: (1) The Comptroller, or the Comptroller's designee; (2)  
23 the Commissioner of Administrative Services, or the commissioner's  
24 designee; (3) the executive director of the Joint Committee on  
25 Legislative Management, or the executive director's designee; [ten state  
26 employees appointed in accordance with subdivision (2) of this  
27 subsection; two retired state employees, one appointed by the  
28 Governor and one appointed by the Comptroller; one nonvoting  
29 representative from each participating federation; and one nonvoting  
30 representative from the principal combined fund-raising organization  
31 selected pursuant to subdivision (3) of subsection (c) of this section] (4)  
32 two state employees, appointed by the Governor, one of whom is a  
33 representative of organized labor and one of whom will serve as the  
34 primary liaison between the committee and the department heads, as  
35 defined in section 4-5; (5) one state employee, appointed by the  
36 speaker of the House of Representatives; (6) one state employee,  
37 appointed by the president pro tempore of the Senate; and (7) two  
38 retired employees, appointed by the Comptroller. Not more than one  
39 state employee from any state agency shall be appointed to the  
40 committee. All [voting] appointed members of the State Employee  
41 Campaign Committee and their successors shall serve in accordance  
42 with the provisions of section 4-1a. The committee shall select one of  
43 its [voting] members to serve as chairperson.

44 [(2) The ten state employee members of the State Employee  
45 Campaign Committee shall be appointed as follows: Four by the  
46 Governor, two of whom shall be representatives of organized labor;  
47 one by the speaker of the House of Representatives; one by the  
48 majority leader of the House of Representatives; one by the minority  
49 leader of the House of Representatives; one by the president pro  
50 tempore of the Senate; one by the majority leader of the Senate; and  
51 one by the minority leader of the Senate.]

52 (c) (1) The State Employee Campaign Committee shall (A) exercise  
53 general supervision over all operations of the State Employee  
54 Campaign and take any actions necessary for achievement of  
55 campaign objectives; (B) have the authority, for purposes of complying  
56 with the provisions of this section and any regulations adopted under  
57 this section, to audit, investigate and report on the administration of  
58 the State Employee Campaign; and (C) be responsible for [(A)] the  
59 overall coordination of the State Employee Campaign, [selection of  
60 participating federations and approval of campaign materials to be  
61 used for the State Employee Campaign,] and [(B)] the selection and  
62 supervision of, and contracting with, a principal combined fund-  
63 raising organization to administer the State Employee Campaign.

64 (2) Each [federation,] charitable organization or consultant  
65 submitting an application to become the principal combined fund-  
66 raising organization for the State Employee Campaign shall  
67 demonstrate that such [federation,] charitable organization or  
68 consultant (A) has prior workplace campaign experience, including,  
69 but not limited to, (i) the development of financial procedures for  
70 processing and tracking contributions and expenditures, and (ii)  
71 [conducting] facilitating campaign operations, [such as a kick-off and  
72 other events for the State Employee Campaign,] (B) has staff necessary  
73 to administer the State Employee Campaign, and (C) will administer  
74 the State Employee Campaign equitably and fairly.

75 (3) If two or more [federations,] charitable organizations or  
76 consultants submit an application to become the principal combined  
77 fund-raising organization for the State Employee Campaign, the State  
78 Employee Campaign Committee shall, through a competitive process,  
79 select the lowest responsible qualified bidder, as defined in subsection  
80 (a) of section 4a-59. If only one [federation,] charitable organization or  
81 consultant submits such an application and meets the qualifications  
82 prescribed in subdivision (2) of this subsection, the State Employee  
83 Campaign Committee shall select such [federation,] charitable  
84 organization or consultant to become the principal combined fund-

85 raising organization.

86 [(4) The Comptroller, on behalf of the State Employee Campaign  
87 Committee, shall contract with the selected principal combined fund-  
88 raising organization to administer the State Employee Campaign.

89 (d) (1) Any federation that did not participate in the most recently  
90 completed State Employee Campaign and wishes to participate in the  
91 next State Employee Campaign shall apply to the State Employee  
92 Campaign Committee not later than January fifteenth after the most  
93 recently completed State Employee Campaign for approval to  
94 participate in the next State Employee Campaign. Such application  
95 shall contain information required by regulations adopted by the office  
96 of the Comptroller in accordance with chapter 54, pursuant to  
97 subsection (h) of this section. The committee shall review such  
98 application and notify the federation of the committee's decision not  
99 later than May fifteenth. If a federation's application is denied, such  
100 federation may appeal the decision of the committee in accordance  
101 with the procedures set forth in such regulations adopted by the office  
102 of the Comptroller.

103 (2) On or before January fifteenth, each federation which  
104 participated in the most recently completed State Employee Campaign  
105 and wishes to participate in the next State Employee Campaign shall  
106 submit to the State Employee Campaign Committee a letter of intent to  
107 participate in the next State Employee Campaign. On or before April  
108 fifteenth, each such federation shall apply to the State Employee  
109 Campaign Committee for approval to participate in the next State  
110 Employee Campaign. Such application shall contain information  
111 required by regulations adopted by the office of the Comptroller in  
112 accordance with chapter 54, pursuant to subsection (h) of this section.  
113 The committee shall review such application and notify the federation  
114 of the committee's decision not later than May fifteenth. If a  
115 federation's application is denied, such federation may appeal the  
116 decision of the committee in accordance with the procedures set forth  
117 in such regulations adopted by the office of the Comptroller.]

118        (d) In order to be included in the State Employee Campaign, a  
119        charitable organization shall (1) have a written policy of  
120        nondiscrimination and be in compliance with all requirements of law  
121        regarding nondiscrimination, equal employment opportunity and  
122        public accommodation with respect to its programs, clients, officers,  
123        employees and volunteers; (2) use the funds contributed to the State  
124        Employee Campaign by state employees for their stated purpose  
125        within the state and not use more than fifteen per cent of such funds  
126        for the charitable organization's administrative costs; (3) be exempt  
127        from taxation pursuant to Section 501(c)(3) of the Internal Revenue  
128        Code of 1986, or any subsequent corresponding internal revenue code  
129        of the United States, as amended from time to time; and (4)  
130        demonstrate that its programs are located within and serve the state,  
131        as evidenced by the presence in the state of at least one staffed facility  
132        at which goods or services may be obtained.

133        (e) The Comptroller, upon written request of any state officer or  
134        employee, shall deduct, each pay period, from the salary or wages of  
135        such officer or employee the amount of money designated by such  
136        officer or employee for payment to the [participating federation or  
137        federations] charitable organization indicated by the officer or  
138        employee. Upon collecting such deductions, the Comptroller shall  
139        transmit them to the principal combined fund-raising organization  
140        selected pursuant to subdivision (3) of subsection (c) of this section,  
141        together with a list of officers and employees contributing to each  
142        [federation or such federation's member agencies] charitable  
143        organization, provided the identity of any officer or employee who has  
144        communicated in writing that such employee or officer desires to  
145        remain anonymous shall not be so transmitted. Such principal  
146        combined fund-raising organization shall, each month after receiving  
147        funds from the Comptroller, distribute the funds among the other  
148        [federations for further distribution to the member agencies of the  
149        federations] charitable organizations.

150        (f) Prior to the annual commencement of the State Employee

151 Campaign, the principal combined fund-raising organization shall  
152 submit for the approval of the State Employee Campaign Committee  
153 an itemized budget of anticipated administrative expenses, which  
154 budget shall not include campaign expenses. Following the annual  
155 conclusion of the State Employee Campaign, the principal combined  
156 fund-raising organization shall recover an amount not to exceed one  
157 hundred ten per cent of its preapproved actual administrative  
158 expenses from the gross payroll deduction receipts of the campaign in  
159 accordance with procedures set forth in regulations adopted by the  
160 [office of the Comptroller] State Employee Campaign Committee,  
161 pursuant to subsection (h) of this section. Undesignated funds raised  
162 through the campaign shall be distributed among the participating  
163 [federations] charitable organization in proportion to the amount of  
164 funds designated for each [federation] charitable organization.

165 (g) Not later than March first annually, the principal combined  
166 fund-raising organization shall submit to the Auditors of Public  
167 Accounts for audit a financial report of such principal combined fund-  
168 raising organization's activities relating to the State Employee  
169 Campaign payroll deductions made during the previous calendar  
170 year. The principal combined fund-raising organization shall submit a  
171 copy of such financial report to the office of the Comptroller.

172 (h) The [Comptroller] State Employee Campaign Committee shall  
173 [(1)] adopt regulations in accordance with the provisions of chapter 54  
174 to carry out the purposes of this section, [, (2) exercise general  
175 supervision over all operations of the State Employee Campaign and  
176 take any steps necessary to ensure achievement of campaign  
177 objectives, and (3) have the authority, for purposes of compliance with  
178 this section and any regulations adopted pursuant to this section, to  
179 audit, investigate and report on the administration of the State  
180 Employee Campaign, the principal combined fund-raising  
181 organization that administers the campaign and any federation or  
182 federation member organization that participates in the campaign.]

183 (i) Not later than July 1, 2016, and not later than April first annually

184 thereafter, the State Employee Campaign Committee shall conduct a  
185 comprehensive review of the State Employee Campaign and submit to  
186 the Governor, the Comptroller and the General Assembly, in  
187 accordance with section 11-4a, a report on the results of the most  
188 recently completed State Employee Campaign and recommendations  
189 for improvements in the next State Employee Campaign.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>from passage</i>	5-262
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**Statement of Legislative Commissioners:**

In Section 1(b), "appointed" was added before "members" for accuracy.

**GAE**      *Joint Favorable Subst.*