OLR Bill Analysis  
sHB 7328

AN ACT REVISIONING CERTAIN ETHICS CODE DEFINITIONS AND GIFT PROVISIONS.

SUMMARY

This bill expands the state codes of ethics for public officials, lobbyists, and state contractors to cover (1) certain businesses with which they are associated and (2) a broader range of public officials.

It also expands the law’s prohibition on accepting gifts from certain donors to also prohibit soliciting gifts from them. In addition, it changes the cap on gift giving between state supervisors and subordinate employees from $100 per gift to a total of $500 per year.

The bill also makes numerous technical and conforming changes, primarily to reflect gender neutrality.

EFFECTIVE DATE: October 1, 2019

EXPANDED COVERAGE FOR ASSOCIATED BUSINESSES

The state’s ethics codes generally:

1. require certain officials to file financial statements about “businesses with which they are associated”;

2. prohibit public officials and state employees from using their positions to obtain financial gain for such businesses;

3. prohibit people from offering such businesses anything of value based on an understanding that it would influence the official’s or employee’s vote, official action, or judgement;

4. prohibit such businesses from entering into certain contracts with the state;
5. make it a conflict of interest if certain officials believe that such businesses will derive a direct monetary gain or loss due to their official activity; and

6. prohibit a business with which a state contractor is associated from performing certain consultant services.

The bill expands all of these provisions to also apply to a second business held by the business with which the person is associated, if the first business (1) is the second business’s director, officer (anyone who exercises exclusive control over the business), limited or general partner, or trust beneficiary, or (2) holds at least 5% of the second business’s stock.

EXPANDED COVERAGE FOR PUBLIC OFFICIALS

The bill expands the public officials who are subject to the state code of ethics to include individuals appointed by any state-wide elected officer or his or her appointee. The bill also exempts from the code any person appointed by a judge who is exercising authority in a judicial matter. Existing law already exempts judges from the code.

GIFT RESTRICTIONS

**Gift Solicitations**

The bill extends the law’s prohibition on accepting gifts to also prohibit soliciting gifts from restricted donors. It prohibits a public official, state employee or candidate for public office, or a member of any such person’s staff or immediate family from knowingly soliciting, either directly or indirectly, any gift from a known registrant (i.e., lobbyist) or anyone known to be acting on such registrant’s behalf.

The bill similarly prohibits a public official or state employee from knowingly soliciting any gift from any person he or she knows or has reason to know is (1) doing business with or seeking to do business with the department or agency that employs the official or employee; (2) engaged in activities that the department or agency directly regulates; and (3) a prequalified state contractor for public works projects.
**Gift Value Cap**

The bill changes the cap on gift giving between state supervisors and subordinate employees. Current law prohibits a public official or state employee or member of such person’s immediate family from accepting any gifts costing at least $100 from a public official or state employee who is (1) under such person’s supervision or (2) such person’s supervisor. The bill instead sets this cap at $500 in the aggregate per calendar year.

**COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable
Yea 16  Nay 0  (03/20/2019)