
OLR Bill Analysis

SB 1154 (File 498, as amended by Senate "A")*

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE AUDITORS OF PUBLIC ACCOUNTS.

SUMMARY

This bill explicitly exempts from disclosure under the Freedom of Information Act (FOIA) whistleblower complaints filed with the state auditors or under the False Claims Act. Existing law already exempts records of an investigation (see BACKGROUND). It also expands this FOIA exemption to exempt from disclosure the name of any person, instead of only the name of an employee, who provides information on whistleblower investigations and complaints and False Claims Act violations. Both the whistleblower law (CGS § 4-61dd) and False Claims Act (CGS § 4-275 et seq.) allow any person (and not just employees) to provide information to the state auditors or attorney general, as applicable. The state auditors and the attorney general may not disclose a person's identity who made a complaint unless the person consents or the disclosure is unavoidable (§ 1).

The bill also requires the local legislative body (or the board of selectmen in a municipality governed by a board) or regional board of education, as applicable, to hold a public meeting on an audit that is non-compliant or shows certain irregularities before submitting a corrective action plan (§ 3).

Finally, the bill makes minor changes that replace statutory references to "comprehensive annual financial reports" with "annual comprehensive financial reports" (§§ 4-8).

*Senate Amendment "A" (1) eliminates provisions from the underlying bill that would have authorized periodic background checks for licensed school bus and student transportation drivers; (2) specifies

that the name of any person providing information for a complaint regarding state agencies to the state auditors, not just employee names', is protected from disclosure; and (3) makes a technical change.

EFFECTIVE DATE: October 1, 2023

§ 3 — PUBLIC HEARINGS FOR MUNICIPAL AUDITS

Under existing law, an independent auditor must file a copy of annual municipal financial audits with the Office of Policy and Management, among other entities (CGS § 7-393). If the secretary finds (1) that the audit was not properly prepared and the entity did not have permission to file a non-compliant report or (2) evidence of unsound or irregular financial practices, management letter comments, or lack of standard internal controls, then he must report his findings to certain officials. Depending on the entity, the report must be provided to the Municipal Finance Advisory Commission, the auditors, and to the (1) Chief Executive Officer (CEO) and clerk of the municipality, (2) superintendent of schools for a regional school district, or (3) CEO of the audited agency.

The bill requires that the local legislative body (or board of selectmen in a municipality governed by a board) or regional board of education (if the report involves a school district), to hold a public meeting to discuss the secretary's findings and potential causes of the audit's noted discrepancies. The corrective action plan must consider what was discussed at the meeting. The CEO or superintendent must then attest to and explain the secretary's findings and submit a written corrective action plan.

BACKGROUND

Related Case

In a contested case decided in 2022, the Freedom of Information Commission (FOIC) dismissed a FOIA complaint that sought the record of a particular whistleblower complaint; FOIC concluded that disclosing the complaint would reveal the whistleblower's identity. However, the commission's dismissal order stated that it should not be construed as concluding that all whistleblower complaints are exempt from

disclosure. Rather, FOIC ruled that these determinations must be made on a case-by-case basis (FIC 2019-0710).

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable

Yea 16 Nay 3 (03/22/2023)