

Legislative History for Connecticut Act

PA15-43

SB849

House	4029-4043	14
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Transcripts from the Joint Standing Committee Public
Hearing(s) and/or Senate and House of Representatives
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**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2015**

**VOL.58
PART 12
3848 – 4199**

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[gavel] Have all the members voted? Have all the members voted? Please check the board to make sure your vote is properly cast. If all the members have voted, the machine'll be locked. Will the Clerk please take a tally.

And will the Clerk please announce the tally.

CLERK:

Senate Bill 856, in concurrence with the
Senate

Total Number Voting	146
Necessary for Passage	74
Those voting Yea	128
Those voting Nay	18
Absent and not voting	5

DEPUTY SPEAKER ALTOBELLO:

Thank you, Mr. Clerk. The bill passes in concurrence with the Senate. [gavel]

Would the Clerk please call Calendar 529.

CLERK:

On Page 37, House Calendar 529, Favorable Report of the Joint Standing Committee on Government Administration and Elections, Senate Bill No. 849, AN ACT REQUIRING STATEMENTS OF

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FINANCIAL INTEREST TO DISCLOSE LEASES OR CONTRACTS
WITH QUASI-PUBLIC AGENCIES.

DEPUTY SPEAKER ALTOBELLO:

Thank you, Mr. Clerk.

Representative Jutila, distinguished Chair of
the GAE Committee, 37th District. You have the
floor, sir. Please proceed.

REP. JUTILA (37th):

Thank you, Mr. Speaker. I move acceptance of
the Joint Committee's Favorable Report and passage
of the bill in concurrence with the Senate.

DEPUTY SPEAKER ALTOBELLO:

Question before the Chamber is acceptance of
the bill and passage in concurrence with the
Senate. Please proceed.

REP. JUTILA (37th):

Thank you, Mr. Speaker. This bill would
require filers of statements of financial interests
to report any leases or contracts they or an
associated business have with quasi-public
agencies. Mr. Speaker, currently only leases or
contracts with the state must be reported on the
statements of financial interests. Quasi-public
agencies are not included in the requirement

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currently. This bill would make that a requirement.

Mr. Speaker, the Clerk has an amendment. It's LCO 6967. I would ask that the Clerk please call the amendment and that I be granted leave to summarize.

DEPUTY SPEAKER ALTOBELLO:

Would the Clerk please call LCO 6967, previously designated Senate "A."

CLERK:

LCO No. 6967, designated Senate Amendment
Schedule "A," and offered by Senators Looney, Duff,
et al.

DEPUTY SPEAKER ALTOBELLO:

Representative Jutila has begged leave of the Chamber to summarize. Is there objection to summarization? Seeing none, please proceed, sir.

REP. JUTILA (37th):

Thank you, Mr. Speaker. This is an amendment that came down from the Senate with the bill. Under current law, securities in excess of \$5000 fair market value are required to be reported in the statements of financial interests. This bill would provide that in the case of certain

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retirement savings plans, individual retirement account plans, deferred compensation plans, and education savings plans, the individual securities would not hafta be disclosed but rather just the name of the particular retirement savings plan. And Mr. Speaker, I would move adoption.

DEPUTY SPEAKER ALTOBELLO:

The question before the Chamber is adoption of Senate "A." Will you remark? Will you remark on Senate "A?" Representative Smith of the 108th, you have the floor, sir.

REP. SMITH (108th):

Thank you, Mr. Speaker. Just a few questions to the proponent of the amendment.

DEPUTY SPEAKER ALTOBELLO:

Please proceed, sir.

REP. SMITH (108th):

Thank you. So Mr. Speaker, if I wasn't up here partaking in this great job as a legislator and was back home makin' money and I had a lotta money in my retirement account, a 401(k). Say I had a \$50,000 401 savings that consisted of several different securities such as IBM, Apple, all the nice, little stocks out there and a number of

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others all with different denominations. Under this amendment as proposed, would I only hafta list the 401(k) separately or would I still hafta list all the individual securities? Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Jutila.

REP. JUTILA (37th):

Through you, Mr. Speaker, I'm not sure that I understand the question. I think the distinguished ranking member - in his hypothetical, he would not be a legislator but rather would be back home engaging in some kind of private activity? Is that correct? Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Smith.

REP. SMITH (108th):

It was a poorly phrased question, Mr. Speaker. So I'm still a legislator so I don't have the money to put in my 401(k). But if I was a legislator who had money to put in my 401(k) and had \$50,000 worth of securities all broken up into different type of securities, IBM, Apple, etc., would, under this amendment, I then hafta disclose each of the

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different securities? Or only the fact that I have a 401(k) with \$50,000? Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Jutila.

REP. JUTILA (37th):

Through you, Mr. Speaker, and I thank the good representative for that clarification. Currently, a legislator, who is fortunate enough to have the amounts of investments that the good representative is describing even if they're in retirement savings plan under the internal revenue code, he would hafta report each individual security within the plan that is over \$5000 in amount. What this amendment does is eliminate that requirement and require him only to report the name of the particular retirement savings plan. Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Smith.

REP. SMITH (108th):

I thank the good Chairman for his answer. I think it's an answer we should all be happy with, ladies and gentlemen of the Chamber. As you know, the government can be very intrusive. They like to

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look at everything we do. They like to look at our finances.

This is a bill that limits the disclosure on what we hafta actually put on paper. We just hafta indicate that there's - if you fall within the one to four of these categories, the 401(k) and the other ones that're listed in the amendment, you just simply need to disclose that you have that type of an investment account as opposed to the different stocks that you may own within that account. So I applaud the Chairman for bringin' this out and I encourage my colleagues to support it. Thank you, Mr. Chairman - Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Thank you, Representative Smith.

Representative O'Neill of the 69th District.

Nice to see you in the Chamber today, sir, as always.

Further on Senate "A?" Further on Senate "A?"
If not, I'll try your minds. All those in favor,
please signify by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER ALTOBELLO:

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Opposed? The ayes have it. Senate "A" is
adopted. [gavel]

Further on the bill as amended? Further on
the bill as amended? Representative Smith of the
108th.

REP. SMITH (108th):

Thank you.

DEPUTY SPEAKER ALTOBELLO:

You have the floor.

REP. SMITH (108th):

Thank you, Mr. Speaker. Just one quick
question on the bill as amended. The change from
just goin' from a - to a quasi-public agency is a
new change and I'm just wonderin' if the Chairman
could explain the rationale behind that for the
Chamber.

DEPUTY SPEAKER ALTOBELLO:

Representative Jutila.

REP. JUTILA (37th):

Thank you, Mr. Speaker. It - there are
several quasi-public agencies that if one did have
a connection to them, a particular interest, a
lease or a contract in this case, that that could
present the same type of conflict of interest that

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would be the case with any other state agency. So I think it's a good addition to the current filing requirements and would hope that it would be supported. Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Smith.

REP. SMITH (108th):

Thank you, Mr. Speaker, and just one followup question. The good Chairman and I had a chance over the past few days during some of the long debates to look at the definition of quasi-agency and it happens to be in statute and it seems to identify those particular agencies that are, in fact, deemed to be quasi-agencies. And I just wanted to make sure that those are the agencies that, in fact, we are talkin' about with this particular bill as amended. Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Jutila.

REP. JUTILA (37th):

Yes. Thank you, Mr. Speaker. Through you, yes. They are those particular agencies and they

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are identified in Section 1-79 (12) of the general statutes. Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Smith.

REP. SMITH (108th):

I thank the Chairman for his response. He's always on the ball. I ask my colleagues to support the bill. Thank you.

DEPUTY SPEAKER ALTOBELLO:

Thank you, Representative Smith.

Representative Lavielle of the 143rd. You have the floor, madam.

REP. LAVIELLE (143rd):

Mr. Speaker, good afternoon.

DEPUTY SPEAKER ALTOBELLO:

Good afternoon, madam.

REP. LAVIELLE (143rd):

Nice to see you.

DEPUTY SPEAKER ALTOBELLO:

Indeed. Nice to see you.

REP. LAVIELLE (143rd):

I rise in support of the bill and I just have a couple of questions, if I may?

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DEPUTY SPEAKER ALTOBELLO:

Please proceed, madam.

REP. LAVIELLE (143rd):

Thank you very much, Mr. Speaker. The quasi-public agencies that we're discussing and several have come up over the course of this session, actually. And I wondered if the good Chair of GAE could just talk a bit about how the folks, who are the decision-makers at these quasi-public agencies, obtain their roles? Are they appointed by the executive branch? Are they legislative appointees? Are they in some other way hired? How does that generally work? Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Jutila.

REP. JUTILA (37th):

Through you, Mr. Speaker, I - there are quite a few agencies and, if you look at the definition, there's probably at least a dozen and I would not wanna fathom a guess off the top of my head of how they're appointed in each of those cases. Through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Lavielle.

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REP. LAVIELLE (103rd):

Thank you, Mr. Speaker. I believe, though, that some are - their governing boards or their executives are appointed by the executive branch - by the Governor or by legislative leaders in certain cases? I believe, for example, the Port Authority, the Airport Authority - agencies like that. Is that correct? Is that - does that happen I guess is my question? Through you, Mr. Speaker.

DEPUTY SPEAKER ALTOBELLO:

Representative Jutila.

REP. JUTILA (37th):

Through you, Mr. Speaker, you know, through my experience with many of the bills that we've passed here that have set up the framework for governing some of these type of agencies, I would think that that's a pretty good assumption. That that's generally how the appointments would be made, through you.

DEPUTY SPEAKER ALTOBELLO:

Representative Lavielle.

REP. LAVIELLE (103rd):

Thank you, Mr. Speaker, and I thank the gentleman for his answers. I know that some of

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those that I've encountered through various pieces of legislation are, in fact, governed by appointees of one or the other branches of the government. And for that reason, I think that the possibilities for let's just say something - an arrangement that ought to be disclosed in a financial filing are pretty numerous. And I think that, for that reason, this is an excellent development. I'm - I am very supportive of the bill.

I think that the omission of the quasi-public agencies for the filings of financial interest has been a pretty glaring one. And I - you can imagine if a number of people are appointed by, say, the Governor. Say there were 10, 12 of them and they are making all the decisions for an agency and then someone who is elected or involved in the government has a lease or a contract with that particular quasi-public agency. There could be reasons beyond the normal ones for votes and conflict of interest and RFPs that aren't strictly competitive. So I do stand in very strong support of this bill and I hope others will support it as well. Thank you, Mr. Speaker.

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DEPUTY SPEAKER ALTOBELLO:

Thank you, Representative Lavielle.

Further on the bill as amended? Further on the bill as amended? If not, staff and guests please retire to the Well of the House. Members take your seats. The machine'll be opened.

CLERK:

[bell ringing] The House of Representatives is voting by roll. Members to the Chamber. The House of Representatives is voting by roll. Members to the Chamber immediately.

[pause]

DEPUTY SPEAKER ALTOBELLO:

[gavel] Have all the members voted? Have all the members voted? Please check the board to make sure your vote is properly cast. If all the members have voted, the machine will be locked. Would the Clerk please take a tally.

And would the Clerk please announce the tally.

CLERK:

Senate Bill 849, amended by Senate "A" and in concurrence with the Senate

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Total Number Voting	147
Necessary for Passage	74
Those voting Yea	147
Those voting Nay	0
Absent and not voting	4

DEPUTY SPEAKER ALTOBELLO:

The bill passes in concurrence with the
Senate. [gavel]

Are there any announcements or introductions?

Representative Aresimowicz of the 30th District.

You have the floor, sir.

REP. ARESIMOWICZ (30th):

Thank you very much, Mr. Speaker. Mr.
Speaker, good afternoon. I rise for the purposes
of an announcement, sir.

DEPUTY SPEAKER ALTOBELLO:

Please proceed, sir. We're happy to - wow,
what a group you have. Please proceed.

REP. ARESIMOWICZ (30th):

I do have a group here with me, Mr. Speaker.
I'm joined by Representative Sampson,
Representative Adinolfi, and Representative Zoni
and we wanted to announce and introduce to the
Chamber. We're joined by some special guests here

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Will you remark? Will you remark? If not, I'll try your minds. All in favor of Senate "A" please say aye.

SENATORS:

Aye.

THE CHAIR:

Opposed? Senate "A" is adopted. Senator Bartolomeo? Oh, Senator Duff. Senator Duff.

SENATOR DUFF:

Thank you, Madam President. I'd like to refer this item to the Education Committee please.

THE CHAIR:

So ordered, sir. Mr. Clerk.

CLERK:

On Page 2, Calendar 86, Senate Bill No. 849, AN ACT REQUIRING STATEMENTS OF FINANCIAL INTEREST TO DISCLOSE LEASES OR CONTRACTS WITH QUASI-PUBLIC AGENCIES. Favorable Report of the Committee on Government Administration and Elections.

THE CHAIR:

Good afternoon, Senator Cassano.

SENATOR CASSANO:

Good afternoon, Madam Chair. How are you today?

THE CHAIR:

I'm great, and you?

SENATOR CASSANO:

Good.

THE CHAIR:

Now that they're not playing drums outside, much better.

SENATOR CASSANO:

I'd like to move acceptance of the Joint Committee's Favorable Report and move passage of the bill.

THE CHAIR:

Motion is on acceptance and passage. Will you remark, sir?

SENATOR CASSANO:

It's a very simple bill. What it does is, we have requirements now for filing statements of financial interest if you are having leases or contracts with state agencies. This would expand that to have that same interaction with quasi-public agencies.

I believe the Clerk has an amendment, LCO 6967.

THE CHAIR:

Mr. Clerk.

CLERK:

LCO No. 6967, Senate "A," offered by Senators Looney, Duff, et al.

THE CHAIR:

Senator Cassano.

SENATOR CASSANO:

Yes. It is a very basic amendment, Madam President.

THE CHAIR:

Move for adoption please, sir.

SENATOR CASSANO:

I move adoption of the amendment.

THE CHAIR:

Motion is on adoption. Will you remark, sir?

SENATOR CASSANO:

It requires, when we name securities, that we just name the fund not individual securities. You are now required to file any possessions that you have under Section 529 of the Internal Revenue Code. The names of such securities shall not be required to be disclosed in any statement of financial interest.

And the name of such retirement savings plans, individual retirement accounts, deferred compensation plans and so on, you do not have to detail them. You just have to total them and say what they are.

THE CHAIR:

Will you remark further on this amendment? Will you remark further on this amendment? If not, I will try your minds. All in favor of Senate "A" please say aye.

SENATORS:

Aye.

THE CHAIR:

Opposed? Senate "A" is adopted. Senator Cassano.

SENATOR CASSANO:

Yes. If there's no discussion, I would ask it be placed on the Consent Calendar.

THE CHAIR:

Senator McLachlan. Senator McLachlan?

SENATOR MCLACHLAN:

Thank you, Madam President. I stand for the purpose of support for this bill. I'm very happy to see that we're equalizing the reporting requirements across all parts of state government, and encourage adoption. Thank you, Madam President.

THE CHAIR:

Thank you. Any other comments or questions? If not -

SENATOR MCLACHLAN:

Stand on, Madam President, I'd ask that it be placed on the Consent Calendar. Thank you.

THE CHAIR:

Seeing no objection, placed on the Consent Calendar.
Mr. Clerk.

CLERK:

On Page 14, Calendar 328, Substitute for Senate Bill No. 1069, AN ACT AMENDING THE CHARTER OF THE METROPOLITAN DISTRICT COMMISSION IN HARTFORD COUNTY AND EXTENDING THE MATURITY DATE FOR MUNICIPAL SEWAGE SYSTEM BONDS. Favorable Report of the Committee on Planning and Development, and there's an amendment.

THE CHAIR:

Senator Duff.

SENATOR DUFF:

Thank you, Madam President. I'd like to pass temporarily on that item.

THE CHAIR:

So ordered. Mr. Clerk.

CLERK:

On Page 35, Calendar 318, Substitute for Senate Bill No. 699, AN ACT ESTABLISHING A MINIMUM AGE FOR TOWING ANY PERSON BY VESSEL AND REQUIRING THE COMPLETION OF

and then we'll take a vote on that afterwards. Thank you.

THE CHAIR:

Mr. Clerk.

CLERK:

On Page 3, Calendar -

THE CHAIR:

It's a new Consent Calendar should be two bills on it?

CLERK:

On Page 2, Calendar 86, Senate Bill No. 849. Page 9, Calendar 246, Senate Bill 502. And on Page 35, Calendar 318, Senate Bill 699.

THE CHAIR:

Thank you. Mr. Clerk, would you call for a roll call vote on the Second Consent Calendar.

CLERK:

An immediate Roll Call has been ordered in the Senate.
An immediate Roll Call on Consent Calendar No. 2 has been called in the Senate.

THE CHAIR:

If all members have voted, all members have voted, the machine will be closed. Mr. Clerk, will you please call a tally.

CLERK:

On Consent Calendar No. 2

Total Number Voting	33
Necessary for Adoption	18
Those voting Yea	33
Those voting Nay	0
Absent/not voting	3

THE CHAIR:

The Consent Calendar passes. The Senate will stand at ease.

(Chamber at ease.)

THE CHAIR:

Senator Duff. The Senate come back to order.

SENATOR DUFF:

Thank you, Madam President. Does the Clerk have any other business on his desk?

THE CHAIR:

Mr. Clerk. Senate Agenda 2?

CLERK:

There is no other business on my desk.

THE CHAIR:

Senate Agenda 2, sir? Found it.

CLERK:

I have Senate Agenda No. 2 dated Thursday, May 7, 2015.

THE CHAIR:

Senator Duff.

SENATOR DUFF:

Thank you, Mr. Clerk and thank you, Madam President. I move that all items on Senate Agenda No. 2 dated Thursday, May 7, 2015, be acted upon as indicated and that the Agenda be incorporated by reference in the Senate Journal and Transcript.

THE CHAIR:

**JOINT
STANDING
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HEARINGS**

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Carol thank you for (inaudible) you have a good idea now from (inaudible). Welcome.

CAROL CARSON: Thank you. Thank you I do have a good idea because we have in fact met with both COST and CCM to discuss that proposal and I believe we will be able to continue to talk about it as we move forward.

Good afternoon Chairman Cassano. My chairman's name is Chiusano. I keep tripping over that. Chairman Jutila, Ranking Members McLachlan and Smith and distinguished committee members. Thank you for this opportunity to provide testimony concerning Senate Bills 847, 849 and 850 as well as House Bill 6670, which are proposals recommended by the Citizens Ethics Advisory Board at the Office of State Ethics. I've included full summaries of each bill in my written testimony and I will not repeat them fully although I will say some of the things that have in fact already been said in my brief address this morning.

Senate Bill 847 is our priority one legislation for the 2015 legislative session and I want to thank the committee for raising the bill.

The primary purpose of the bill is to create a code of ethics for municipal employees, employees and officials. In sum, the bill establishes a single statute governing municipal ethics under the administration of the Office of State Ethics. The bill is based on the State Code of Ethics but is simplified to meet municipal needs and has some significant differences.

First, the proposal does not include a code of ethics for lobbyists who may lobby municipalities. Second, the proposal makes the filing of statements of financial interests a requirement only in instances where the governing board of the

often appointed by the mayor or first selectman. Their enforcement authority can be limited or non-existent and given municipal budgetary stresses, so are their resources in most cases. In particular, a number of Connecticut cities and towns have faced budget busting costs of half a million dollars or more when faced with investigating and enforcing a single often politically charged allegation of a violation.

In addition to decreasing the corruption tax, creating a single municipal ethics code will save municipalities money in several ways.

First, municipalities will not face unexpected costs that can equal the cost of salaries of teachers, firefighters, police officers, because the Office of State Ethics will investigate and prosecute violations. Second, the Office of State Ethics, as it does for state officials and employees, will provide no cost education to municipalities. Research shows that increased education equals increased compliance. Third, the Office of State Ethics again, as it does for state officials and employees, will provide free legal advice that potentially will save towns hundreds of thousands of dollars of legal fees now paid to outside counsels.

I'd like to move on now briefly to summarize the three remaining bills that are on the agenda today. Senate Bill 849 would require filers of statements of financial interest to report any leases or contracts they or their businesses have with quasi-public agencies. Currently, only leases of contracts with the state must be reported.

Senate Bill 850 makes several changes to the Code of Ethics for lobbyists including among others increasing the threshold for lobbyist registrations from \$2,000.00 to \$3,000.00. This

CAROL CARSON: Sure. The issue was that the language of the statute, which says, and I'm going to paraphrase, lobbying is communicating directly with public officials in the executive and administrative branches to influence government action, or soliciting others to so communicate.

We had, as you know, a challenge over whether that applied in a certain situation and we ended up resolving it, but not before the Attorney General issued a written opinion where he said that the language was overly broad and vague. So, we think that -- and recommended--the Attorney General also recommended that the General Assembly address this issue. It has been proposed a number of years. It hasn't moved forward. Which isn't unusual with ethics bills as you well know.

SENATOR MCLACHLAN: Thank you. Thank you Mr. Chairman.

SENATOR CASSANO: Yes, thank you. I had to run down to Transportation Committee for a minute.

Bill 849, why are we adding the statement of financial interests? And I ask that going back to the earlier discussion by both CCM and COST how difficult it is to get people to volunteer to do anything and so on and here we've got another -- another burden on some people to have to file -- they don't want their financial interests as a part of a statement so they're not going to participate. So, why do we add that?

CAROL CARSON: You men in 8-- I'm a little confused. 849 would require people that are already required to file to report any leases or contracts with quasi-public agencies. Are you talking about 849 or 847?

SENATOR CASSANO: Yeah, 849 is the --

CAROL CARSON: So 849 doesn't change the number of filers in any way. It requires filers who are currently required to file, or it would require them, to disclose one more thing, which is any contracts they have with quasi-public agencies. Currently, they only report contracts with state agencies.

SENATOR CASSANO: All public agencies and the -- I had one other question, where was it? Do you want to see if there's anyone else (inaudible).

REP. JUTILA: Other questions? Any other questions?

SENATOR CASSANO: I'll think of it and get back to you.

CAROL CARSON: You know where I work.

REP. JUTILA: I guess you're off the hook on that one for now. The Senator will catch up with you. Thank you Carol for your testimony. Appreciate it. Next up will be Representative Lavielle.

REP. LAVIELLE: Good afternoon Senator Cassano, Representative Jutila, Senator McLachlan, Representative Smith and members of the Committee. I am here with Marla Cowden who is a registrar of voters from Westport and wanted to introduce her. The testimony is going to be on Senate Bill 848 and I will just simply tell you that this is the bill about the consolidation of polling places for primaries, something that I have advocated for for a long time. There are some matters in this bill that relate to making sure that if this is made possible that it is technically possible to do it and that there are no procedural barriers in the way, that if it's done it has to be really done well. So, I will let Ms. Cowden speak to you about those particulars. Thank you very much.

MARLA COWDEN: Thank you. My name again is Marla Cowden



STATE OF CONNECTICUT
OFFICE OF STATE ETHICS

**TESTIMONY PRESENTED BEFORE THE GOVERNMENT ADMINISTRATION
AND ELECTIONS COMMITTEE**

February 6, 2015

*Statement of Carol Carson, Executive Director
Office of State Ethics*

✓ Senate Bill 847 – AAC a Code of Ethics for Municipal Officials and Employees

✓ Senate Bill 849 – AA Requiring Statements of Financial Interest to Disclose Contracts with Quasi-Public Agencies

✓ Senate Bill 850 – AA Amending the Code of Ethics for Lobbyists to Redefine “Lobbying” and “Expenditure”, Define “Grass Roots Lobbying” and Raise the Threshold for Lobbyist Registration

✓ House Bill 6670 – AAC Revisions to the Codes of Ethics

Good afternoon, Senator Cassano, Representative Jutila, Ranking Members Senator McLachlan and Representative Smith, and distinguished Committee members. Thank you for this opportunity to provide testimony concerning Senate Bills 847, 849 and 850 and House Bill 6670, which are proposals recommended by the Citizen’s Ethics Advisory Board of the Office of State Ethics and which the Office of State Ethics supports.

Senate Bill 847 is our Priority 1 legislation for the 2015 legislative session and I want to thank the Committee for raising this bill. The primary purpose of this legislation is to create a Code of Ethics for Municipal Employees and Officials and to place municipal ethics under the jurisdiction of the OSE.

In sum, the bill establishes a single statute governing municipal ethics under the administration of the Office of State Ethics. The bill is based on the State Code of Ethics but is simplified to meet municipal needs and has some significant differences. First, the proposal does not include a Code of Ethics for Lobbyists who may lobby municipalities. Second, the proposal makes the filing of Statements of Financial Interests a requirement only in instances where the governing board of the municipality adopts such a requirement. Like the state Code of Ethics, the

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The bill extends various prohibitions to municipal employees and officials, including substantial and potential conflicts of interests, accepting or giving gifts, entering into contracts unless the contract has been awarded through an open and public process and post-employment restrictions. Municipal employees and officials may not represent third parties but would be allowed to represent themselves in their own interest or the individual interest of an immediate family member before any municipal board. Municipal consultants and independent contractors would face restrictions similar to those in the state Code of Ethics.

Senate Bill 849 would require filers of Statements of Financial Interests to report any leases or contracts they or their business has with quasi-public agencies. Currently only leases of contracts with the state must be reported.

Senate Bill 850 makes several changes to the Code of Ethics for Lobbyists including, among others, increasing the threshold registrations from \$2,000 to \$3,000, which was last increased in 1997. The Bill also clarifies provisions related to grassroots lobbying by adding language that outlines explicitly the meaning of "soliciting others to communicate with any official or his staff in the legislative or executive branch of government or in a quasi-public agency, for the purpose of influencing any legislative or administrative action." It also increases the number of exemptions to reportable expenditures by lobbyists, such as communication with members of associations, parishes, unions and other organizations as well as travel costs for such members. This bill is necessary to address the constitutional concerns raised in a 2009 opinion of the Attorney General. In that opinion, the Attorney General concluded that the Code's definitions of "lobbyist" and "lobbying" were overly broad and vague and recommended that the General Assembly address these concerns.

House Bill 6670 makes a number of changes that provide clarity and consistency to the Code of Ethics including limiting gift-giving between superiors and subordinates to \$100 annually; making explicit that the OSE Enforcement Division has authority to enforce Part IV of the Code of Ethics, violation of which may result in a contractor being disqualified; and including quasi-public agencies in prohibited activities involving consultants and independent contractors.

Finally, at the recommendation of the Auditors of Public Accounts in their *2014 Report to the Connecticut General Assembly*, the Office of State Ethics recommends that **Senate Bill 6670** include the following language, which would add human resources managers to the list of "mandated reporters," who are senior employees in agencies who are required to refer allegations of violations of the Code of Ethics to the Office of State Ethics:

Sec. 1-101pp. Reporting of ethics violations by agency commissioners and persons in charge of state agency procurement and contracting. Any commissioner, deputy commissioner, state agency or quasi-public agency head or deputy, person in charge of human resources within a state agency or quasi-public agency, or person in charge of state agency or quasi-public agency procurement and contracting who has reasonable cause to believe that a