

General Assembly

January Session, 2025

Raised Bill No. 6931

LCO No. **4441**

Referred to Committee on GOVERNMENT OVERSIGHT

Introduced by: (GOS)

AN ACT CONCERNING CONFLICTS OF INTEREST DUE TO AN EMPLOYER OTHER THAN THE STATE UNDER THE STATE CODE OF ETHICS.

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

- 1 Section 1. Section 1-85 of the general statutes is repealed and the 2 following is substituted in lieu thereof (*Effective October 1, 2025*):
- 3 (a) (1) For purposes of this section, "business with which the public
 4 official or state employee is associated" has the same meaning as
 5 "business with which he is associated", as provided in section 1-79.
- 6 (2) A public official, including an elected state official, or state 7 employee has an interest which is in substantial conflict with the proper 8 discharge of [his] such official's or employee's duties or employment in 9 the public interest and of [his] such official's or employee's 10 responsibilities as prescribed in the laws of this state, if [he] such official 11 or employee has reason to believe or expect that [he, his] any of the 12 following persons will derive a direct monetary gain or suffer a direct 13 monetary loss, as the case may be, by reason of such official's or 14 employee's official activity: The official or employee, or such official's or

15 <u>employee's</u> spouse, [a] dependent child [, or a business with which he is 16 associated will derive a direct monetary gain or suffer a direct monetary 17 loss, as the case may be, by reason of his official activity] <u>or nonstate</u> 18 <u>employer or the nonstate employer of the official's or employee's</u> 19 <u>spouse, or a business with which the public official or state employee is</u> 20 associated, except as provided in subdivision (3) of this subsection.

21 (3) In the case of an elected state official, such official only has a 22 substantial conflict regarding a matter concerning such elected official's 23 nonstate employer or the nonstate employer of such official's spouse or 24 a business with which the official is associated, if such official has actual 25 knowledge, rather than has reason to believe or expect, that such 26 nonstate employer or business will derive a direct monetary gain or 27 suffer a direct monetary loss, as the case may be, by reason of such 28 official's official activity.

29 (4) A public official, including an elected state official, or state 30 employee does not have an interest which is in substantial conflict with 31 the proper discharge of [his] such official's or employee's duties in the 32 public interest and of [his] such official's or employee's responsibilities 33 as prescribed by the laws of this state, if any benefit or detriment accrues 34 to [him, his] such official or employee, such official's or employee's 35 spouse, [a] dependent child [,] or nonstate employer, the nonstate 36 employer of the official's or employee's spouse or a business with which 37 [he, his spouse or such dependent child] the public official or state 38 employee is associated as a member of a profession, occupation or 39 group to no greater extent than any other member of such profession, occupation or group. [A] Except as provided in subsection (b) of this 40 41 section, a public official, including an elected state official, or state 42 employee who has a substantial conflict may not take official action on 43 the matter.

- (b) If an elected state official has a substantial conflict regarding a
 matter that concerns a direct monetary gain or direct monetary loss for
- 46 <u>the nonstate employer of such official or the nonstate employer of such</u>

47 official's spouse, such official shall either excuse himself or herself from 48 the matter or, prior to taking official action on the matter, prepare a written statement signed under penalty of false statement describing the 49 50 matter requiring action, the nature of the conflict and explaining why, 51 despite the conflict, such official is able to vote or otherwise participate 52 fairly, objectively and in the public interest in such matter. Such official 53 shall submit a copy of such statement to the Office of State Ethics and 54 enter a copy of the statement in the journal or minutes of the state 55 agency to which such official has been elected, or, if such agency does 56 not have a journal or minutes, submit the copy to such agency. 57 Sec. 2. Subsection (a) of section 1-86 of the general statutes is repealed 58 and the following is substituted in lieu thereof (*Effective October 1, 2025*): (a) For purposes of this section, "business with which such public 59 60 official or employee is associated" has the same meaning as "business 61 with which he is associated", as provided in section 1-79. Any public 62 official or state employee, other than an elected state official, who, in the 63 discharge of such official's or employee's official duties, would be 64 required to take an action that would affect a financial interest of such 65 official or employee, such official's or employee's spouse, parent, 66 brother, sister, child, [or] the spouse of a child, nonstate employer, nonstate employer of the official's or employee's spouse or a business 67 68 with which such official or employee is associated, other than an interest 69 of a de minimis nature, an interest that is not distinct from that of a 70 substantial segment of the general public or an interest in substantial 71 conflict with the performance of official duties, as defined in section 1-72 85, as amended by this act, has a potential conflict of interest. Under 73 such circumstances, such official or employee shall, if such official or 74 employee is a member of a state regulatory agency, either excuse himself 75 or herself from the matter or, prior to taking official action on the matter, 76 prepare a written statement signed under penalty of false statement 77 describing the matter requiring action and the nature of the potential 78 conflict and explaining why despite the potential conflict, such official 79 or employee is able to vote [and] or otherwise participate fairly,

80 objectively and in the public interest in such matter. Such public official 81 or state employee shall [deliver] submit a copy of the statement to the 82 Office of State Ethics and enter a copy of the statement in the journal or 83 minutes of the agency or, if such agency does not have a journal or 84 minutes, submit the copy to such agency. If such official or employee is 85 not a member of a state regulatory agency, such official or employee 86 shall, in the case of either a substantial or potential conflict, prepare a 87 written statement signed under penalty of false statement describing the 88 matter requiring action and the nature of the conflict and deliver a copy 89 of the statement to such official's or employee's immediate superior, if 90 any, who shall assign the matter to another employee, or if such official 91 or employee has no immediate superior, such official or employee shall 92 take such steps as the Office of State Ethics shall prescribe or advise.

This act shall take effect as follows and shall amend the following sections:			
Section 1	October 1, 2025	1-85	
Sec. 2	October 1, 2025	1-86(a)	

Statement of Purpose:

To apply substantial conflict of interest provisions in the state code of ethics for public officials and state employees to conflicts involving the public official's or state employee's nonstate employer or spouse's nonstate employer.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]