

General Assembly

Raised Bill No. 6931

January Session, 2025

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 Section 1-85 of the general statutes is repealed and the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 <u>"business with which he is associated", as provided in section 1-79.</u>
- 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] <u>such official's or employee's</u>
- 10 responsibilities as prescribed in the laws of this state, if [he] <u>such official</u>
- 11 <u>or employee</u> has reason to believe or expect that [he, his] <u>any of the</u>
- 12 <u>following persons will derive a direct monetary gain or suffer a direct</u>
- monetary loss, as the case may be, by reason of such official's or
- 14 <u>employee's official activity: The official or employee, or such official's or</u>

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

- (3) In the case of an elected state official, such official only has a substantial conflict regarding a matter concerning such elected official's nonstate employer or the nonstate employer of such official's spouse or a business with which the official is associated, if such official has actual knowledge, rather than has reason to believe or expect, that such nonstate employer or business will derive a direct monetary gain or suffer a direct monetary loss, as the case may be, by reason of such official's official activity.
- (4) A public official, including an elected state official, or state employee does not have an interest which is in substantial conflict with the proper discharge of [his] such official's or employee's duties in the public interest and of [his] such official's or employee's responsibilities as prescribed by the laws of this state, if any benefit or detriment accrues to [him, his] such official or employee, such official's or employee's spouse, [a] dependent child [,] or nonstate employer, the nonstate employer of the official's or employee's spouse or a business with which [he, his spouse or such dependent child] the public official or state employee is associated as a member of a profession, occupation or group to no greater extent than any other member of such profession, occupation or group. [A] Except as provided in subsection (b) of this section, a public official, including an elected state official, or state employee who has a substantial conflict may not take official action on 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 the nonstate employer of such official or the nonstate employer of such official's spouse, such official shall either excuse himself or herself from

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48 the matter or, prior to taking official action on the matter, prepare a 49 written statement signed under penalty of false statement describing the 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.

Sec. 2. Subsection (a) of section 1-86 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1*, 2025):

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(a) For purposes of this section, "business with which such public official or employee is associated" has the same meaning as "business with which he is associated", as provided in section 1-79. Any public official or state employee, other than an elected state official, who, in the discharge of such official's or employee's official duties, would be required to take an action that would affect a financial interest of such official or employee, such official's or employee's spouse, parent, brother, sister, child, [or] the spouse of a child, nonstate employer, nonstate employer of the official's or employee's spouse or a business with which such official or employee is associated, other than an interest of a de minimis nature, an interest that is not distinct from that of a substantial segment of the general public or an interest in substantial conflict with the performance of official duties, as defined in section 1-85, as amended by this act, has a potential conflict of interest. Under such circumstances, such official or employee shall, if such official or employee is a member of a state regulatory agency, either excuse himself or herself from the matter or, prior to taking official action on the matter, prepare a written statement signed under penalty of false statement describing the matter requiring action and the nature of the potential conflict and explaining why despite the potential conflict, such official or employee is able to vote [and] or otherwise participate fairly, objectively and in the public interest in such matter. Such public official or state employee shall [deliver] submit a copy of the statement to the

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Office of State Ethics and enter a copy of the statement in the journal or minutes of the agency <u>or</u>, <u>if such agency does not have a journal or minutes</u>, <u>submit the copy to such agency</u>. If such official or employee is not a member of a state regulatory agency, such official or employee shall, in the case of either a substantial or potential conflict, prepare a written statement signed under penalty of false statement describing the matter requiring action and the nature of the conflict and deliver a copy of the statement to such official's or employee's immediate superior, if any, who shall assign the matter to another employee, or if such official or employee has no immediate superior, such official or employee shall 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: | | |
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| Section 1 | October 1, 2025 | 1-85 |
| Sec. 2 | October 1, 2025 | 1-86(a) |

GOS Joint Favorable

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