PA 26-66—HB 5532
Government Administration and Elections Committee

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE OFFICE OF STATE ETHICS FOR REVISIONS TO THE STATE CODES OF ETHICS, REDEFINING "GIFT" FOR PURPOSES OF SAID CODES AND INCREASING VARIOUS MONETARY THRESHOLDS IN SAID CODES

SUMMARY: This act makes various changes to the state ethics laws. Specifically, it amends the Code of Ethics for Public Officials by (1) adjusting disclosure requirements for tax-sheltered annuity retirement plans on public statements of financial interest (§ 2) and (2) raising the code's financial thresholds (for example, the dollar limit for an allowable gift). It also reduces the quorum requirement for the nine-member Citizen's Ethics Advisory Board from six to five (§ 1).

Relatedly, the code places limits on gifts that may be given to and received by public officials and state employees, subject to various exemptions. The act additionally exempts admission to one intercollegiate sporting event in the state per calendar year if hosted by a higher education constituent unit and given by the unit to an official or employee and up to one guest (§ 4).

EFFECTIVE DATE: October 1, 2026, except that the quorum requirement change is effective upon passage.

STATEMENTS OF FINANCIAL INTERESTS

Existing law requires all state-wide elected officers, General Assembly members, department heads and deputies, quasi-public agency members or directors, Investment Advisory Council members, and other governor-designated officials to file statements of financial interest with the Office of State Ethics (OSE).

These statements must include, among other things, the name of securities with a fair market value over $5,000 owned by the official or his or her spouse or dependent children, or held in the name of a corporation, partnership, or trust for their benefit. Under the act, if these securities are a tax-sheltered annuity retirement plan under federal tax law (a "403(b) plan"), then only the name of the retirement savings plan must be disclosed and not the name of the securities. Existing law makes a similar allowance for other savings plans allowed under federal tax law (for example, 401(k) retirement savings plans, 529 education savings plans).

FINANCIAL THRESHOLDS

The state ethics codes generally prohibit public officials, candidates, and state employees from soliciting or accepting (and lobbyists from giving) various gifts if they are worth more than a certain amount. The codes also impose various prohibitions, requirements, and other conditions on certain items and actions if they are worth more than a certain amount.

The act increases these financial thresholds in the ethics codes as shown in the table below. More specifically, it increases the thresholds that determine whether (1) something is a gift subject to various prohibitions under the codes and (2) other various prohibitions, requirements, and conditions apply to an item or action (for example, the minimum value of an expenditure that must be reported on client lobbyist registrant financial reports).

Gifts (§§ 4 & 6)

The act increases the value thresholds that determine whether something is a "gift" subject to various prohibitions under the Code of Ethics for Public Officials (§ 4) or the Code of Ethics for Lobbyists (§ 6). For example, the code for public officials generally prohibits public officials and state employees from (1) accepting a gift based on any understanding that their vote, official action, or judgment would be influenced by it; (2) knowingly accepting a gift from a known registered lobbyist; or (3) knowingly accepting a gift from someone who the official or employee knows is seeking to do business with their department or agency. The code for lobbyists similarly prohibits registered lobbyists from knowingly giving a gift to a state employee or public official.

The table below shows a brief description of the covered gift and its value threshold under prior law and the act for determining whether it is exempted under the codes.

Table 1: Exempted Gift Thresholds Under Prior Law and the Act

Gift	*Prior Exempted Gift Value*	*Exempted Gift Value Under the Act*
Certificate, plaque, or other ceremonial award	Less than $100	Less than $250
Food and beverages per recipient, per year, consumed at an occasion attended by the person paying for the food and beverages	Less than $50	Less than $100
Food and beverages per person consumed at a publicly noticed legislative reception for all legislators, or those from a particular state region, hosted once per year by a lobbyist or business organization	Less than $50	Less than $100
Gifts, including food and beverages, from someone who is not a family member to celebrate a major life event	$1,000 or less	$1,500 or less
Total gifts or food and beverages provided at a hospitality suite at a meeting or conference of an interstate	Less than $100	Less than $250

Gift	*Prior Exempted Gift Value*	*Exempted Gift Value Under the Act*
legislative association, by someone who is not a registered lobbyist or doing business with Connecticut		
Anything with a certain value	Less than $10 for individual items and less than $50 total value for all things provided by a donor to a recipient in a calendar year	Less than $20 for individual items and less than $100 total value for all things provided by a donor to a recipient in a calendar year

Other Prohibitions, Requirements, and Conditions (§§ 3, 5 & 7-12)

The act also increases the financial thresholds that trigger various prohibitions, requirements, or other additional conditions. These include, for example, the value of a contract that a public official cannot enter into without an open and public process, or expenditure amounts that trigger certain reporting requirements. The table below shows the act's threshold increases and a brief description of the applicable provision.

Table 2: Thresholds for Other Prohibitions, Requirements, and Conditions

Act Section	*Threshold Increase Under the Act*	*Provision*
3	From at least $100 to at least $250	The value of most contracts that public officials and state employees (and members of their immediate families and associated businesses) cannot enter unless awarded through an open and public process
3	From greater than $10 to greater than $20	The value of anything given to a public official or state employee that must be reported if it was given by a person (1) doing business, or seeking to, with the official's or employee's agency or (2) engaged in activities regulated by the agency
5	From at least $50 to at least $100	The annual cost of an "expenditure" under the code for lobbyists if it is (1) paid communications on pending administrative or legislative action or (2) solicitations of another person to communicate with public officials or state employees to influence a legislative or administrative act (by law, expenditures are subject to various reporting requirements (for example, see CGS § 1-96))
7	From less than $50 to less than $100	The amount that someone may spend to benefit a public official in the legislative or executive branch without being considered a lobbyist (as long as they are not paid or reimbursed specifically for lobbying and spend five hours or less lobbying)
8	From less than $100 to	The monthly amount that a client lobbyist registrant

Act Section	Threshold Increase Under the Act	Provision
	less than $250	that attempts to influence legislative action may spend or agree to spend for lobbying without having to file an interim monthly report on its lobbying activities during regular legislative session
9	From at least $10 to at least $20	The value of each expenditure per person to benefit a legislative or executive branch public official that must be reported on client lobbyist registrant financial reports
9	From less than $30 to less than $60	The amount of expenditures per person that do not have to be reported if they (1) benefit General Assembly members at an event open to all legislators or members of a particular region or (2) are personally and directly received by a public official or state employee at a charitable or civic event where they participate in their official capacity
10	From at least $10 to at least $20	The amount of each expenditure to benefit a public official that a former registrant must report if it occurs within six months after the end of their registration
11	From at least $10 to at least $20	The value of each expenditure to benefit a public official for which registrants must keep records for three years
11	From at least $50 to at least $100	The value of all other expenditures for which registrants must keep records for three years
12	From at least $10 to at least $20	The amount a registrant paid or reimbursed to a public official or state employee for necessary expenses that triggers a requirement to file a statement with OSE