

Legislative History for Connecticut Act

SB 186	PA 493	1979
House - 10,781 - 10,832		52
Senate - 3436 - 3439, 3547		5
GAE - 537 - 550		14
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Transcripts from the Joint Standing Committee Public Hearing(s) and/or Senate and House of Representatives Proceedings

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House of Representatives

Tuesday, May 29, 1979

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CLERK:

Senate Bill No. 28 as amended by Senate Amendment Schedule  
"A".

Total number voting	143
Necessary for passage	73
Those voting yea	104
Those voting nay	39
Those absent and not voting	8

SPEAKER ABATE:

The bill as amended passes.

CLERK:

Calendar No. 1372, File No. 813, Substitute for Senate  
Bill No. 186, AN ACT AMENDING THE CODE OF ETHICS FOR PUBLIC  
OFFICIALS (as amended by Senate Amendment Schedule "A"). Favorable  
Report of the Committee on Government Administration and  
Elections.

REP. NIEDERMEIER: (134th)

Mr. Speaker.

SPEAKER ABATE:

Rep. Christine Niedermeier.

REP. NIEDERMEIER: (134th)

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

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SPEAKER ABATE:

The question is on acceptance of the Joint Committee's favorable Report and passage of the bill in concurrence with the Senate. Will you remark, madam?

REP. NIEDERMEIER: (134th)

Mr. Speaker, the Clerk has in his possession an amendment designated LCO No. 8315. Would the Clerk please call the amendment and may I be permitted to summarize?

SPEAKER ABATE:

The Clerk has in his possession an amendment, LCO No. 8315, previously designated Senate Amendment Schedule "A". The Clerk please call the amendment.

CLERK:

LCO No. 8315, offered by Senator Baker of the 24th.

SPEAKER ABATE:

The lady is seeking leave of this Chamber to summarize the amendment in lieu of Clerk's reading. Is there objection to summarization? Is there objection? Hearing none, you may proceed to summarize the amendment, Rep. Niedermeier.

REP. NIEDERMEIER: (134th)

Thank you, Mr. Speaker. This amendment serves two purposes. First, it exempts the Ethics Commission from the provisions of Section 4-98 of the General Statutes, which was adopted under the Reorganization Plan. The Ethics Commission has been appointed

under previous statutes and when the Reorganization Act was adopted there was an ambiguity and conflict between both the terms and method of appointment of the members of the Commission. This part of the amendment will certify that appointment of the members will be pursuant to Section 1-80 under the Ethics Statutes.

Secondly, the amendment provides that public officials who are appointed as members of the Executive branch can receive no more than reimbursement for actual or necessary expenses. They may enter contracts for more than \$100 provided that the particular public official has no authority or control over the subject matter of the contract. Mr. Speaker, I believe the amendment is a good one and I urge its adoption.

SPEAKER ABATE:

The question is on adoption of Senate Amendment Schedule "A". Will you remark further on its adoption? Will you remark further on the adoption of Senate Amendment Schedule "A"? If not, all those in favor of its adoption, please indicate by saying aye.

REPRESENTATIVES:

Aye.

SPEAKER ABATE:

Opposed, nay. The ayes have it. The amendment is adopted and it is ruled technical. Will you remark further on this bill as amended by Senate Amendment Schedule "A"?

REP. NIEDERMEIER: (134th)

Mr. Speaker.

SPEAKER ABATE:

Rep. Niedermeier.

REP. NIEDERMEIER: (134th)

Mr. Speaker, this legislation as amended by Senate Amendment "A" affects several changes in the statutes governing public officials, to ensure a proper balance between the protection of the public interest and the protection of the first amendment rights of public officials. The bill improves upon and clarifies the language of the existing statutes to ensure consistency in the law.

Very briefly, and specifically, the legislation expands the current prohibition on public officials who are members of firms, partnerships, etc., to prevent not only that individual, but all members of that partnership, association, etc. from representing clients for compensation before a laundry list of certain State agencies, which can be found in 1-84 of the statutes.

Second, it exempts from that section members of boards or commissions which may be advisory in nature, but not necessarily, who receive only per diem rate or reimbursement for actual or necessary expenses from that prohibition. So that, for instance, members of Arts Commission and other commissions or boards which have been found in our experience in this statute to run into

problems where not only the individual but their particular firm is prevented from representing clients before agencies would now be permitted to. It is the feeling of the Committee that those individuals exercise very little control and very little controlling power over the purse-string, which comes within the definition of advisory board.

So therefore, on the basis of those two specifications in that provision, we are exempting them. Secondly, it provides flexibility in the rulings of the Ethics Commission to alter the number of members needed to make certain decisions which regard to violations. Violations would remain at five, probably cause would require four concurring members as well as advisory opinion, but all other decisions would only require three.

It permits two commissioners of the Ethics Commission to conduct investigations or hearings. The legislation provides a civil penalty of up to \$10 a day for failure to file required information, exempts advisory board members who receive per diem from the statutes and also exempts members of Congress. It also exempts services provided without compensation from persons volunteering their time to political campaigns from the definition of gifts. Finally, it makes a number of very technical and clarifying amendments, which provide consistency between this statute and the lobbying statute and the current two statutes on the books. The sub-committee worked very hard on this particular

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legislation and I would urge its passage.

SPEAKER ABATE:

Will you remark further on the bill as amended by Senate Amendment Schedule "A"?

REP. SMITH: (107th)

Mr. Speaker.

SPEAKER ABATE:

Rep. David W. Smith.

REP. SMITH: (107th)

Thank you, Mr. Speaker. The Clerk has an amendment, No. 7951. Would he please call, and I request permission to summarize.

SPEAKER ABATE:

The Clerk has in his possession an amendment, LCO No. 7951, designated House Amendment Schedule "A". The Clerk please call the amendment.

CLERK:

LCO No. 7951, offered by Rep. Smith of the 107th, Rep. Shays of the 147th.

SPEAKER ABATE:

The gentleman is seeking leave of the Chamber to summarize this amendment in lieu of Clerk's reading. Is there objection to summarization? Is there objection? Hearing none, you may proceed to summarize the amendment, Rep. Smith.

REP. SMITH: (107th)

Thank you, Mr. Speaker. Section 1-85 of our statutes is the section that deals with conflict of interest on the part of the public official, including legislators. The final part of that section says that a public official or a legislator does not have, is not deemed to be in conflict of interest if his vote would not affect him any more or any less than other members of the same profession or class.

What my amendment does is delete that section so that an individual voting on a measure that would affect his profession or occupation would be deemed to be in conflict of interest.

Mr. Speaker, I move for the amendment's adoption.

SPEAKER ABATE:

The question is on adoption of House Amendment Schedule "A". Will you remark now on its adoption?

REP. SMITH: (107th)

Mr. Speaker.

SPEAKER ABATE:

Rep. Smith.

REP. SMITH: (107th)

Thank you, Mr. Speaker. I believe at the present time we have a loophole in the code of ethics that affects legislators. I rose on this floor several weeks ago to identify an instance where I believe that loophole was being used and the intent of

the code of ethics of legislators was being violated. I did so at that time not to embarrass or chastise anyone, but to point out the problems with our statute as it exists today.

Do you realize, Mr. Speaker, ladies and gentlemen, that if the State of Connecticut were to consider legislation which would grant a \$500 bonus annually to airline pilots because they're such nice people and we want them in this state, I could sit here and I could vote for that bill. And I would not be under our current legislation, I would not be subject to charges of conflict of interest. I believe this is incorrect.

The common law interpretation of conflict of interest also believes that this is correct, and common law, which is enforced upon other people in this state, deems that an individual is in conflict of interest if he votes on any matter that affects his occupation or profession. There's a history of several court cases where this has been held to be so. And as a matter of fact, Connecticut has an extremely strict conflict of interest, under common law, which also says that any individual who does in fact vote on a measure that affects his occupation or profession, the measure itself that the vote was taken upon, shall be declared null and void. That's the strength of the common law interpretation.

I believe it's a flagrant violation for us as legislators to allow ourselves a latitude which is not allowed under common

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law to other officials in this state. I think that if we're going to clean up our act in this House, in this Assembly, that we ought to enact this amendment, and I urge that you do so. Thank you.

SPEAKER ABATE:

Will you remark further on the adoption of House Amendment Schedule "A"?

REP. NIEDERMEIER: (134th)

Mr. Speaker.

SPEAKER ABATE:

Rep. Niedermeier.

REP. NIEDERMEIER: (134th)

Mr. Speaker, I would urge rejection of this amendment. I think it's superficially attractive, but it's clearly unrealistic. It would exclude in many cases, those persons who have the inherent expertise in dealing with a particular issue. It would carve out, in my mind, a large ocean of very tenuous conflicts of interest for a sake of a small number of, small island of real conflicts of interest that are covered under the current statutes.

Do we want -- in addition I think one has to realize that since we're a part-time legislature, we have individual members of this body who have other professions. And those experiences in that profession that they bring to this body is a benefit. It's a benefit to the State of Connecticut, and I think if we're going

to exclude these people from making decisions, prevent lawyers from being members of the Judiciary Committee, prevent teachers in this body, real estate agents, the whole broad spectrum of individuals in this body from voting on legislation that affects the broad spectrum of their professions, I think we're going to seriously undermine the very intelligent process that should be taking place and often is here.

Mr. Speaker, I would move rejection of the amendment.

REP. BERTINUSON: (57th)

Mr. Speaker.

SPEAKER ABATE:

Will you remark further on the adoption of House Amendment Schedule "A"? Rep. Terry Bertinuson.

REP. BERTINUSON: (57th)

Thank you, Mr. Speaker. I rise in opposition to this amendment. Again, it's one of those seductive amendments, and that means it's an amendment you're not going to vote for. I think that we have to realize, among other things, that we're here as representatives and each of us represent about 20,000 people. I think that if you're talking about issues that are important to the welfare of the State, I don't think any of us routinely should deprive our constituents of being represented on every vote that we take here.

This is a little different from an individual vote. If we're

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voting not only for ourselves, but for the constituency that we represent. I hope that you will defeat this amendment.

SPEAKER ABATE: Will you remark further on the adoption of House "A"?

Will you remark further on the adoption of House "A"?

REP. HANZALEK: (61st)

Mr. Speaker.

SPEAKER ABATE: Rep. Astrid Hanzalek.

Rep. Astrid Hanzalek.

REP. HANZALEK: (61st)

Thank you, Mr. Speaker. Mr. Speaker, it's awfully easy when you don't like something or if you're uncomfortable with it to start ridiculing. It's awfully easy to talk against this amendment by saying it's going to discriminate against some legislators. You know, I'm surprised I haven't heard someone talk against this amendment by saying, in the last analysis all of us are taxpayers and therefore none of us could vote on the tax measure, lest we all be in a situation of conflict.

Now, you know as well as I do that that's not what we're driving at. You know as well as I do that when we have banking issues in the Hall of this House, those people who serve as trustees of banks or who are employees of banks, either don't vote on the issue or make an announcement saying that they'd like to be excused. When we vote on issues having to do with automobile dealerships and auto repairs, those among us who have auto

dealerships leave the Chamber. When we are voting on issues that have to do with many specifics, telephone company, a number of legislatures left the Chamber because of a possible conflict.

However, there are people who take advantage of their position and try to make the rest of us believe that they are holier than thou and therefore couldn't possibly be in conflict. We know who they are and I think its high time that we all decide to put our money where our mouth is. Sure the Ethics Commission can come up with guidelines. The Ethics Commission can come up with a reasonable stipulation as to who might be in conflict and who might not. You know, its really not actual conflict thats as dangerous to our creditability as the appearance of conflict, and I think that with this language clearing up the statutes I think we'd be well on the right road to more credibility.

Thank you, Mr. Speaker.

SPEAKER ABATE:

Will you remark further on the adoption of House "A"?

REP. ALLYN: (43rd)

Mr. Speaker.

SPEAKER ABATE:

Rep. Rufus Allyn.

REP. ALLYN: (43rd)

Mr. Speaker, I rise to oppose this amendment. You know, I think a little while ago when we had a debate here in the Hall of the House in relation to packaging of drugs and we got talking to packaging of animal drugs and Rep. Tiffany got up and he showed us the type of packaging and the size of the medicine that are involved with horses and I think it was a very constructive demonstration to those members of the General Assembly who have absolutely no knowledge of the type of medication given to animals and the problems that will have brought to the farming communities in our State.

For, who else besides a farmer would have that knowledge? Are we to deprive the General Assembly of the knowledge that can be brought by certain professions? The inference given by a former speaker was that any member who got up and spoke on behalf of a profession that he knew something about had some sinister motive behind him. Well I think there are a lot of people, I just happened to use one example, but I think we all hold that particular member very high esteem, but obviously who else, because him and Mr. Mordasky could represent that particular segment. Are we to deprive ourselves of people other than them.

And, there again, who are we kidding? The real lobbying goes on outside. If a member of this legislature wants to

influence somebody and they are afraid they have a conflict they don't really get into debates involved in a debate here in the Hall of the House. They do it outside, they do it over coffee. So this wall would deprive us of some meaningful debate and yet not really remove any devious or sinister acts.

SPEAKER ABATE:

Will you remark further on the adoption of House "A"?  
Will you remark further on the adoption of House Amendment Schedule "A"?

REP. FRANKEL: (121st)

Mr. Speaker.

SPEAKER ABATE:

Rep. Frankel.

REP. FRANKEL: (121st)

Mr. Speaker, a question through you to the proponent.

SPEAKER ABATE:

State your question, sir.

REP. FRANKEL: (121st)

Yes. Rep. Smith, for legislative intent in line 25 of the amendment, the deletion language we talk about benefits or detriment and in lines 24 and 25 we talk about direct monetary gain or loss. Is it my understanding that if this amendment were to be passed the only conflict that would accrue is where

there would be a direct monetary gain or a direct monetary loss.

SPEAKER ABATE: Through you, Mr. Speaker. The way the amendment is worded and my interpretation of what I want it to accomplish the answer is "yes".

REP. SMITH: (107th)

Through you, Mr. Speaker. The way the amendment is worded and my interpretation of what I want it to accomplish the answer is "yes".

SPEAKER ABATE: Will you remark further on the adoption of House Amendment Schedule "A"?

REP. BARNES: (21st)

Mr. Speaker.

SPEAKER ABATE: Rep. Dorothy Barnes.

REP. BARNES: (21st)

Thank you, Mr. Speaker. I think it is necessary to look at the wording in this amendment. We are talking about a substantial conflict and as Rep. Frankel just pointed out we are talking about a direct monetary gain.

Two years ago when we debated the Ethics Legislation for public officials we more or less acknowledged that the weakest part of the law were in the sections that were brought over from earlier legislation dealing with conflict of interests.

SPEAKER: I think that the most important aspect of government in this body is as the Speaker has pointed out earlier, the process through which our legislation goes. This depends very much on how the public perceives this body as acting. It is the appearance of conflict that in the public's eye is every bit as important as the actual conflict itself.

If I may quote from a Connecticut case dealing with the issue of conflict the Court has said the following: "Public office is a trust conferred by public authority for a public purpose. It is the policy of the law to keep the officials so far from temptation as to secure his unselfish devotion to the public policy. We repeatedly have held that anything which tends to weaken public confidence is against public policy. The test is not whether personal interest does conflict, but whether it might reasonably conflict.

Thank you, very much.

SPEAKER ABATE:

Will you remark further on the adoption of House Amendment Schedule "A"?

REP. MORDASKY: (52nd)

Mr. Speaker.

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SPEAKER ABATE:

Rep. John Mordasky.

REP. MORDASKY: (52nd)

Mr. Speaker, I rise to oppose this amendment. I feel that I represent the 52nd district including the farmers.

If I absented myself from the Chamber I would be neglect in their representation and that would go to my friend here, Mr. Sorensen, Rep. Sorensen, if he absented himself when teacher issues came up.

I think that if we adopted this amendment somebody would be left out on every issue.

Thank you.

SPEAKER ABATE:

Will you remark further on the adoption of House Amendment Schedule "A"?

REP. RYBAK: (66th)

Mr. Speaker.

SPEAKER ABATE:

Rep. Michael Rybak.

REP. RYBAK: (66th)

Thank you, Mr. Speaker. As one of those legislatures who

routinely takes a walk as we say on a particular issue, mine happened to be insurance because I work for an insurance company, I rise reluctantly to oppose the amendment.

And I'd like to explain why. I think the difficulty with the amendment is that it makes an assumption which may or may not be correct. I happen to think not. The dangerous area is the area of political contributions.

The dangerous area is who contributes to your campaign in terms of influencing you. My rule of thumb when it comes to conflict of interest is simply this, if it looks like it's going to be something that would hurt the public, but favor the insurance industry, I'd take a walk.

If it looks like something that would help the public and hurt the insurance industry, I sit here and vote. And I'm not sure that's the best way to go but, that's my personal approach.

But I will say this, on two occasions when I did take a walk, this Chamber passed two insurance bills both of which will be harmful to the consumers of this State in the long run. And only incidently beneficial to the company had they been defeated.

So I feel in the long run this will deprive this Chamber of expertise and I think the final safeguard has to be this, that if somebody comes up here, and I will not name names but will admit there are legislators who vote close to the line so to speak on certain issues, when perhaps in my judgement I would

have taken a walk had I been in their position. I think we have to leave it to their electorates to decide. I really think the safeguard has to be with the voters.

Cham. If the voters feel there's an appearance or a real conflict they'll so to speak, through the rascals out, and that's my position. Thank you.

REP. HANZALEK: (61st)

Mr. Speaker.

SPEAKER ABATE:

Will you remark further on the adoption of House "A"?

Rep. Astrid Hanzalek.

REP. HANZALEK: (61st)

Thank you, Mr. Speaker. You know, Mr. Speaker, I'm awfully glad we passed this ethics legislation back in 1972 on a voice vote, because I don't really think it would pass this Chamber this year. Seems to me what the speakers have been saying this afternoon is that there really should be no more conflict.

That we ought to go back to the good old days where the good old boys and the good old girls did whatever they wanted to and where we had a liquor dealer serving as Chairman of the Liquor Committee, where we had the Executive Director of the CEA serving as Senate Chairman of the Education Committee, where we had all kinds of wonderful things happening. I mean after all

these folks were experts in their fields. Is that what we're interested in? I would hope not. But, Mr. Speaker, I really think this is an important issue and I would hope that the Chamber would agree that when the vote be taken, it be taken by roll.

SPEAKER ABATE:

The question is on a roll call vote. All those in favor please indicate by saying aye.

REPRESENTATIVES:

Aye.

SPEAKER ABATE:

In the opinion of the Chair the requisite 20% having been satisfied, when the vote is taken it will be taken by roll. Will you remark further on the adoption of House Amendment Schedule "A"?

REP. SHAYS: (147th)

Mr. Speaker.

SPEAKER ABATE:

Rep. Christopher Shays.

REP. SHAYS: (147th)

Thank you, Mr. Speaker. I would disagree with the author of the bill when she says it's not -- that it is a superficial amendment. I don't think there's anything superficial about this amendment. I think it deals with the very essence of how we

conduct ourselves. And the law is clear now. Anyone can vote on practically anything and not be in conflict if their own profession is at stake. And what this amendment seeks to do is to have in the language of the bill as it is now, the opposite language.

What it says in the Ethics Law right now is if someone's in substantial conflict if he has reason to believe or expect that he will derive a direct monetary gain or suffer a direct monetary loss, as the case may be by reason of his official activity.

If the amendment passed, that would be the operative language. If the amendment doesn't pass, what will stay in the law is what I will read to you now, "he does not an interest which is in substantial conflict with the proper discharge of his duties in the public interest and of his responsibilities as prescribed by the laws of the State if any benefit or detriment accrues to him as a member of a business, profession, occupation, or group to no greater extent than any other member of such business, profession, occupation, or group.

In essence we have a law that says that someone can be in conflict except, and the except is almost -- meaning that almost, that someone can vote on practically anything. I have no right to criticize any other member if he votes as a teacher on an issue facing a teacher in terms of the law because the law allows

him to do that. But why can't we have teachers or anyone else exempt themselves in those areas where his own income is at stake.

Prop. Rep. Allyn spoke as if this amendment would mean that Rep. Tiffany could not have spoken in terms of the bill that affected farmers in terms of drugs. Rep. Tiffany to my knowledge does not work for a drug company nor is he an -- do I believe he has stock in any company.

REP. As a farmer he would have been able to speak on that issue. This amendment would not have changed that fact. I think the amendment is a good amendment. I don't necessarily know if it will pass, but I think it should.

SPEAKER ABATE:

Will you remark further on the adoption of House "A"?

REP. STOLBERG: (93rd)

Mr. Speaker:

SPEAKER ABATE:

Rep. Irving Stolberg.

REP. STOLBERG: (93rd)

Mr. Speaker, through you, I'd like to pose a question to the proponent of the amendment.

SPEAKER ABATE:

State your question, please, sir.

REP. STOLBERG: (93rd)

Mr. Speaker, in the case of an issue that affected a group

of people, say attorneys or teachers or any other group. And a vote would accrue to the benefit of that individual legislator. Let's say an attorney. If that individual was against the proposition and wanted to vote against and debate against the proposition under your amendment, would he or she then have to absent himself?

SPEAKER ABATE:

Rep. Smith, will you respond to the inquiry?

REP. SMITH: (107th)

Yes, Mr. Speaker, through you. The answer is yes. To expand a little bit, as the amendment says, "if he has reason to believe or expect that he will derive a direct monetary gain or suffer a direct monetary loss".

SPEAKER ABATE:

Rep. Stolberg, you still have the floor, sir.

REP. STOLBERG: (93rd)

Mr. Speaker, that commenting on the amendment in particular, I think it has a serious flaw. Because in my belief, both the amendment and the bill and the statute don't address the problem and that is someone voting in his or her own direct interest where someone is to have a gain or negate a potential loss.

It seems to me by removing people from the debate and from the vote who are in opposition to a proposition that would directly benefit their individual status or their status as a

group really indicates a problem and this a problem not only with the amendment but with the current statute and one that I would bring to the attention of both the supporter of the amendment and the individuals who will be drafting ethics legislation in the future.

REP. FRANKEL: (121st)

Mr. Speaker.

SPEAKER ABATE:

Will you remark further on the amendment?

REP. FRANKEL: (121st)

Mr. Speaker.

SPEAKER ABATE:

Rep. Frankel.

REP. FRANKEL: (121st)

Thank you, Mr. Speaker. I've been listening closely to the debate and looking at the amendment over a couple of times and I think the key area is a question that I asked before to Rep. Smith.

And his answer was that what we are saying is that we are only going to call substantial conflicts those which directly and I underscore that, directly benefit or harm an individual legislator.

I suggest that all of the examples that have been given about teachers who are perhaps voting on such things as binding arbitration, right to strike and the like are not direct monetary

gains or losses but are indirect. And that the adoption of this amendment would not bring us one step closer to that. I suggest that if in fact you were to accomplish what you would like to accomplish, you should have language about direct direct and indirect conflicts.

So I don't think this amendment does anything. More importantly, if you examine the existing language carefully and look at the language that is being deleted, you'll see that what is being deleted is an explanation of what is indirect. It was put in there for purposes of clarity.

It says in so many words what is an indirect conflict is such things that benefit an entire class. Perhaps you can draw a distinction and say that that's not necessarily true. Maybe it's 80% true but my point is simply this, that the language we are deleting does not really alter the existing right that we have today.

We are still leaving in indirect monetary gains or losses and I submit that most of legislation that individuals abstain on are in fact indirect monetary gains or losses and that there rarely if ever, is a situation that is direct.

So whether you vote up or down on the amendment, don't expect anything to change. Not unless you correct this amendment and clean it up. Thank you.

DEPUTY SPEAKER COATSWORHT:

Will you remark further on the amendment?

REP. GOODWIN: (54th)

Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

Rep. Goodwin.

REP. GOODWIN: (54th)

Thank you, Mr. Speaker. I think I would like to reinforce what Rep. Frankel has just said. I do not have the amendment in front of me but as I listen to the debate it seems quite clear that it does not address at all the problem that brought this issue to our attention in the first place.

Because the question of teacher negotiations surely is a question of indirect gain not direct gain and in any event it's a gamble and you don't know what's going to come out of a negotiation.

And further in any event hopefully we pass statutes with respect to teacher negotiations that make the whole game plan fairer for everybody involved. So I don't see this as in any way requiring that teachers abstain from the vote on teacher negotiation issues which I believe was the original spur to the debate.

Therefore at the present time unless we can somehow find a way to do this better, I would urge rejection of the amendment.

REP. SORENSEN: (82nd)

Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

Rep. Sorensen.

REP. SORENSEN: (82nd)

Thank you, Mr. Speaker. Mr. Speaker, I rise to oppose this amendment and part of the basis for my opposition I'm going to read some of the occupations that we have listed in our pocket manual. Just a very cursive observation. Attorney, insurance agent, banker, civil rights agency director, self-employed, retired, vending services, nurse, psychologist, real estate, teacher, politician, certified public accountant, a housewife, and so on down the line.

Mr. Speaker, I submit to you that if this amendment passes the ultimate effect is that you are going to wipe out what I have just read to you. You are going to go back to the good ole days as Rep. Hanzalek has said because in effect what you are going to be doing by passing this amendment...the only people that will be allowed to run or will be able to run for the legislature without having a conflict of interest are going to be the people that can afford to put themselves up here without having outside employment.

That is what you are going to be doing. You are going to be eliminating the diversified background that we have in

this legislature. Mr. Speaker, I think that is a definite regressive step., and I urge rejection of this amendment.

DEPUTY SPEAKER COATSWORTH:

Will you remark further on the amendment?

REP. MISCIKOSKI: (65th)

Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

Rep. Miscikoski.

REP. MISCIKOSKI: (65th)

Mr. Speaker, ladies and gentlemen of this House, you know it's always interesting to sit here and listen how we are always trying to prove that we are honest. I don't understand it. I felt that the people elected honest people and for two hundred years I don't know how we'd lived without all this -- lot of crap that we've passed here that the people have to live with.

(LAUGHTER)

They can't wait to get us out of here before we...they can affect their lives. I don't understand it..why we always have to prove to the people that we're honest.

We're supposed to be honest. I've been around here 20 years. There's been no problems. And I don't see anything wrong with the good old days.

I think they did better. I don't see anything we've got to brag about.

Thank you.

REP. SMITH: (107th)

Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

Rep. David Smith.

REP. SMITH:

Thank you, Mr. Speaker. For the second time and I'll be very brief. It was discussed earlier whether or not, if the amendment passes, anything will be accomplished.

Well, the State Ethics Commission, in a ruling that I requested of them, referred to this section that I would like to delete out of the Statutes and said because of that section a legislator who votes on an issue that affects his occupation or profession is not in conflict and they...this is the second time I've submitted this amendment by the way.

I submitted it in 1977 and the Ethics Commission refers back to that amendment being submitted in 1977, and if they infer that if that amendment had passed, then individuals would be in conflict if they voted on measures that affect their own occupation and profession.

And I disagree with Rep. Sorensen that we will eliminate from this body all except for those who have no outside employment.

All that we're requesting is that individuals refrain from voting wherein they, through their occupation or profession might stand to receive a direct monetary gain or loss.

That's all we're requesting and it's something that we impose upon every other public official in the State under common law.

I'd like to point out that earlier in this Session we passed what I feel is potentially a very dangerous and expensive piece of legislation. It passed by one vote.

Every individual in this body who is listed as being engaged in that occupation voted in favor of the measure. I feel there was conflict of interest involved and the measure would not have passed if these individuals did not vote in favor of it.

That bill that we passed will affect the personal - professional contracts of individuals that voted for it. Under common law, if we didn't allow ourselves this loophole

that we operate under, under common law, that measure would be null and void. Thank you.

REP. BERTINUSON: (57th)

Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

Rep. Bertinuson.

REP. BERTINUSON: (57th)

If I may, through you, a question to the proponent of the amendment.

DEPUTY SPEAKER COATSWORTH:

State your question madam.

REP. BERTINUSON: (57th)

Yes, Mr. Speaker through you, Rep. Smith, is it your -- Since obviously one of the reasons that brought this amendment about was the binding arbitration law, is it your understanding that if this amendment were in effect, teachers would have been disqualified for voting on the binding arbitration law?

DEPUTY SPEAKER COATSWORTH:

Gentleman care to respond?

REP. SMITH: (107th)

Yes, Mr. Speaker, through you. I requested a ruling from the State Ethics Commission concerning the teachers voting on issues similar to this and this particular issue on the Education Committee. Their ruling was that the teachers were not in conflict of interest because of this

section of the Statutes. They refer back to the amendment I submitted two years ago, this very same amendment, and the inference is that had that amendment passed, then they would have indeed been in substantial conflict of interest was the wording.

REP. BERTINUSON: (57th)

Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

Rep. Bertinuson.

REP. BERTINUSON: (57th)

Again, through you. It's not clear to me that by passing a binding arbitration law, a mandatory binding arbitration law for teachers, that we thus guarantee a direct monetary benefit to teachers. I don't think that any negotiations can guarantee that and I don't think that any law that we pass can do that. So again, I would ask you if you consider that -- your amendment deals with issues that have to do with or deal with a person's occupation or in fact as it says in the Statutes would bring direct monetary gain or loss.

DEPUTY SPEAKER COATSWORTH:

Rep. Smith.

REP. SMITH: (107th)

Thank you Mr. Speaker, through you. I can only give you my interpretation and I feel that if we pass this amendment

today, that there will be requests for broad guidelines and perhaps more specific guidelines indeed from the Ethics Commission and in my opinion they are the people to make this determination.

You asked for my opinion. My opinion, yes, those individuals did operate with a conflict of interest in voting in favor of that measure, but again I submit that's just my opinion and I'm not the one who should make the ultimate decision on that.

REP. BERTINUSON: (57th)

Thank you, Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

Will you remark further on the adoption of House Amendment Schedule "A"?

REP. STOLBERG: (93rd)

Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

Rep. Stolberg.

REP. STOLBERG: (93rd)

I would defy anyone to suggest that an issue such as binding arbitration, the results of which cannot be known in advance in any way, could be of direct, indirect, obtuse, oblique, or any other benefit or lack of benefit to anyone. And I would strongly disagree with the answer posed. I don't know whether it came from the Commission or anyone else,

but I think sheer thought would suggest that passing an item such as binding arbitration, the results of any individual act of binding arbitration are not known and cannot be known and could just as equally be to the benefit as to the detriment of an individual or a group, certainly could not come under conflict of interest.

It has to flow from the Statute rather than from some things which may or may not result from the Statute and the results of which could not be known. So I think the record should be clear on items such as that. They could not be construed by any stretch of anyone's imagination that I could embrace in the widest concept to be in conflict in any way with any member of the House.

REP. MORTON: (129th)

Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

Will you remark further on the amendment, Rep.

Margaret Morton.

REP. MORTON: (129th)

Mr. Speaker, I would just like to add to the comments that Rep. Stolberg had given previously, that there is a serious flaw with this amendment and the flaw is that a person in possession of expertise in an area would have to absent themselves on a vote. I just would like to give you a "for instance". A couple of years ago when this House was debating

a bill having to do with itemization of funeral bills, I knew immediately upon reading this legislation that it was not in the best interest of consumers. However, that bill passed the House. We have centered ourselves from voting on that bill and I can tell you what I attempted to tell people before leaving the room. That was a bad piece of legislation. It was not in the best interest of consumers. It is to the interest of the funeral directors to have that kind of a bill.

But you passed it. You passed it in the name of "consumerism" because had I been able to stay in here I was -- I would have been disposed against the bill and would have been able to give you information to prove to you that it was not in the best interest of the consumer. But I had to leave, so you voted on it thinking you were voting on something that was good for the consumer and it definitely was not in the benefit of the consumer. I urge rejection of this amendment.

REP. WALSH: (53rd)

Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

Will you remark further on the amendment, Rep. Walsh.

REP. WALSH: (53rd)

Mr. Speaker, I think we're kidding ourselves when we listen to amendments of this nature and what it's going to do for us. And I think what we're doing is setting this Chamber and the one upstairs in a "holier than thou" posture

capable of making judgements that we have no right to make. I think we've got to get back a little bit to some clear understandings of how we all came here and the people who stand for it that elected Tony Truglia and know that he's a teacher. And in Winsted the people know that John Groppo is a bricklayer and in my district the people know that I'm a social worker. Now if they're willing to send me here to be their representative and to send John and to send Tony here, then I think we have to a little faith in the democratic process that gets people here and stop trying to exercise judgements for them at this level.

I reiterate what Rep. Bertinuson says. This is seductive, but the promise is there. I'm not sure about the potential and I urge the rejection of the amendment.

DEPUTY SPEAKER COATSWORTH:

Will you remark further on the amendment? Will you remark further on the adoption of the amendment?

REP. AHEARN: (55th)

Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

Rep. Ahearn.

REP. AHEARN: (55th)

Thank you, Mr. Speaker. I don't think this amendment is seductive at all. I think it's aimed directly at the school teachers here and you know, I was here before and I

had the same charge any time I got up to speak on a teacher issue. And I'm a teacher and I've been a teacher for twenty-five years and I'm not ashamed to say that I'll vote on teacher issues any time they come up. Unless you can show me what's going to put 10¢ into my pocket, voting on that issue.

I am not impressed by people getting up and walking out of this place because they're worried about a conflict of interest. That does not impress me at all. I have respect for every member in this House. Every member. I believe that every man is here and that every woman is here because they're basically people of integrity and I don't think that one person who is in the restaurant business or the brick laying business or owns a water company or happens to be a school teacher is going to corrupt this House.

I think you have the intelligence, the wisdom and the integrity yourselves to be able to weed out the wheat from the chaff and what's right and what's wrong. Twenty-five years in the teaching racket and that's what it is, because I'm fed up with the educational establishment, the hypocrisy, the shame and the sham that's in this business.

(LAUGHTER)

Well you know, Mr. Speaker, getting down to the basic fact of the amendment, if I might sir, there have been innumerable, it seems to me, decisions brought about through

this question of who was in a conflict of interest or not. And the illustrious Mr. Smith mentions the advisory opinion of these -- Ethics Commission. He got that opinion himself. It was given to him and I don't interpret the way he does. The fact is -- the bottom line is in that code of ethics opinion from the Commission is that teachers are not in substantial conflict of interest in voting on teacher bills.

And as Rep. Stolberg says, if you could show me where the voting on binding arbitration, which protects the public, the taxpayer and may go against the teachers is going to put 10¢ into my pocket next year, I'll walk out. So I disagree with his interpretation. The bottom line is that there is no conflict. He got that information in writing. I would also, Mr. Speaker, like to point to a advisory opinion that was given to the attorneys in this place last year or earlier this year.

Now when people talk about conflicts of interest they always bring up what about all those attorneys as though they're terrible, awful people. I don't think they're terribly awful people. I think some of them are pretty good guys. And if we were to let people walk out of here on the slightest hint of a conflict of interest, there wouldn't be anybody here.

I'd like to read a few things about why the attorneys are not walking out, except in the cases of one or two.

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And this is from the Connecticut Bar Association in the formal opinion of the Committee on Professional Ethics. I have just underlined a few things and it says "there is no virtue in an excessive readiness to disqualify himself". I've spoken of that before and I agree with that. It also says that "lawyers are uniquely qualified to make significant contributions to the improvement of the legal system". And I agree with that and I'm sure you agree with me that too. Substitute the word "teachers" for "educational establishment". It says lawyers should encourage and aid in making needed changes and improvements. Teachers, water works people, bricklayers, anyone.

I would urge everybody here to think of the higher role of a legislator. Think of the basic integrity of every man and every woman on this floor and in the House upstairs. If you're honest, you make your own decisions. I've been around a long time. I don't want people to tell me or impose upon me their code of ethics. I think the code of ethics that we have in the State of Connecticut is a good code, a fair code and I think we should abide by it. Thank you sir.

DEPUTY SPEAKER COATSWORTH:

Will you remark further on the adoption of House Amendment Schedule "A"?

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REP. NIEDERMEIER: (134th)

Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

DEP. Rep. Niedermeier:

REP. NIEDERMEIER: (134th)

Mr. Speaker, for the second, and hopefully the last time on this amendment, I think the issues are very clear. I would just point out one additional factor.

When we started with this legislation back in January, I never thought that I would end up re-reading this thing about a million times between now and then, but if you look at this particular amendment, in the context of section 1-84 it raises very serious questions of ambiguity.

Many of you have raised the issue of our indirect benefits covered by deleting this particular section from 1-85. I think that by deleting this section you raise that problem and you raise that issue because the earlier part of 1-84 to which this is very closely entwined says no public official or state employee while serving shall have any interest financial or otherwise, direct or indirect, or engaged, etc. And I think you run into very serious problems that the legislative intent by deleting this section may be interpreted as applying both

to direct and indirect gains, and for that reason and the others  
so well voiced by my colleagues, I would urge defeat of the  
amendment.

DEPUTY SPEAKER COATSWORTH:

Will you remark further on the amendment? Will you  
remark further on the adoption of House Amendment Schedule "A"?  
If not, will the members please be seated. Would staff and  
guests come to the well of the House. Would the members please  
be seated. Would the staff and guest come to the well of the  
House. The machine will be opened.

The House of Representatives is voting by roll call at  
this time. Will all members please return to the Chamber. The  
House of Representatives is voting by roll call at this time.  
Would all members please return to the Chamber.

Have all the members voted and is your vote properly  
recorded. Have all the members voted and is your vote properly  
recorded. If so, the machine will be locked. The Clerk will  
please take a tally. The Clerk will please announce the tally.

CLERK:

House Amendment Schedule "A" to Senate Bill No. 186.

Total number voting	144
Necessary for adoption	73
Those voting yea	49
Those voting nay	95
Those absent and not voting	7

DEPUTY SPEAKER COATSWORTH:

The amendment fails.

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House Amendment Schedule "A":

After line 321, insert a new section 7 as follows and renumber the remaining section accordingly:

"Sec. 7. Section 1-85 of the general statutes is repealed and the following is substituted in lieu thereof:

A public official or state employee has an interest which is in substantial conflict with the proper discharge of his duties or employment in the public interest and of his responsibilities as prescribed in the laws of this state, if he has reason to believe or expect that he will derive a direct monetary gain or suffer a direct monetary loss as the case may be, by reason of his official activity. (He does not have an interest which is in substantial conflict with the proper discharge of his duties in the public interest and of his responsibilities as prescribed by the laws of this state, if any benefit or detriment accrues to him as a member of a business, profession, occupation or group to no greater extent than any other member of such business, profession, occupation, or group)".

\*\*\*\*\*

DEPUTY SPEAKER COATSWORTH:

DEPUTY Will you remark further on the bill? Will you remark further on the bill? Will you remark further?

REP. VAN NORSTRAND: (141st)

Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

REP. Rep. VanNorstrand.

REP. VAN NORSTRAND: (141st)

REP. If I might, a question or two to the proponent.

DEPUTY SPEAKER COATSWORTH:

Please frame your question, sir.

REP. VAN NORSTRAND: (141st)

In the area on the definition of gifts in lines 30 through 46 I see some new language at the end around 44 through 46, Rep. Niedermeier, could you tell me, what is the definition of an occasion?

DEPUTY SPEAKER COATSWORTH:

Rep. Niedermeier, do you care to respond?

REP. NIEDERMEIER: (134th)

Mr. Speaker, through you, to my knowledge the word "occasion" is not defined in the statute. However, I would think that by implication, occasion might be interpreted as

encompassing more than one so occasion per day.

DEPUTY SPEAKER COATSWORTH:

Rep. VanNorstrand.

REP. VAN NORSTRAND: (141st)

Through you, Mr. Speaker. There is no statutory definition of occasion, however.

REP. NIEDERMEIER: (134th)

Mr. Speaker, through you, that is correct.

REP. VAN NORSTRAND: (141st)

Through you, Mr. Speaker. Is the item in this new language in the bill as before us were passed, are these items of under \$25 reportable by the one giving this non-gift to the public official?

DEPUTY SPEAKER COATSWORTH:

Rep. Niedermeier, do you care to respond?

REP. NIEDERMEIER: (134th)

Mr. Speaker, through you, the expenditures of under \$25 would be reported in the aggregate very often are reported by... actually it is not in this statute, but in the lobbyist statute a lobbyist would report those expenditures in the aggregate for which reimbursement is made by his employer.

DEPUTY SPEAKER COATSWORTH:

Rep. VanNorstrand.

REP. VAN NORSTRAND: (141st)

Through you, Mr. Speaker, so there would be no definition or there would be no disclosure of the individual items of less than \$25 and to whom they were paid or how regularly?

DEPUTY SPEAKER COATSWORTH:

Rep. Niedermeier.

REP. NIEDERMEIER: (134th)

Mr. Speaker, through you, that is correct, unless on a single occasion there was an aggregate of several public officials receiving reimbursement or payment of beverage or food, and in that case the lobbyist under the lobbyist statute would be reporting those expenses, because in the aggregate they would be exceeding \$25.

REP. VAN NORSTRAND: (141st)

Through you, Mr. Speaker. In another section, if I might ask a question.

DEPUTY SPEAKER COATSWORTH:

Excuse me, sir. Would the House please come to order. Would the House please come to order. Would the members please be seated. If conversation is necessary please do it outside this Chamber.

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It is getting extremely difficult to hear. Would the House please come to order. Would the members please be seated. Would the staff and guests come to the well of the House.

Rep. Van Norstrand.

REP. VAN NORSTRAND: (141st)

Through you, Mr. Speaker. On line 158 of the file copy, just for my own information, could you tell me what happened to Senate Bill No. 1987 of the current session?

DEPUTY SPEAKER COATSWORTH:

I would Rep. Niedermeier.

REP. NIEDERMEIER: (134th)

Mr. Speaker, through you, that bill has passed the Senate and is pending on the House Calendar.

DEPUTY SPEAKER COATSWORTH:

Rep. VanNorstrand.

REP. VAN NORSTRAND: (141st)

Mr. Speaker, briefly, in these two areas...this last one in terms of format don't look favorably upon. This approach in drafting legislation when your talking about making reference to amendments in a bill yet to be passed let alone signed. As to the earlier that we had through the Chair, Mr. Speaker, as to the \$25 per occasion, this remains in my judgement a giant

loophole in this law. It is still wrong. I toyed with the idea, I was serious about the idea, Mr. Speaker, I drafted it even an amendment to address that to a single day. I recognize there is no interface between this and the lobbying act and I don't intend to offer it, but I would point out just to keep this in prospectus, \$25 per occasion that could be breakfast, lunch, and dinner, or however many other occasions you can conjure up in a day...You don't have to report, you don't have to tell who you are giving the gift too. Just to put that in perspective I would have you look in section 2f, specifically in line 172, the compensation for the Commissioners who enforce this is \$25 per day, not even a gift.

DEPUTY SPEAKER COATSWORTH:

Will you remark further on the bill?

REP. BARNES: (21st)

Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

Rep. Barnes.

REP. BARNES: (21st)

Through you, a question to the proponent of the bill, please.

DEPUTY SPEAKER COATSWORTH:

Please frame your question, madam.

REP. BARNES: (21st)

Rep. Niedermeier, for purposes of clarification, did I understand you correctly to say that if a occasion dinner, and some of that equals \$25 and no more it would not be reported at all?

DEPUTY SPEAKER COATSWORTH:

Rep. Niedermeier, do you care to respond?

REP. NIEDERMEIER: (134th)

Mr. Speaker, what I thought I said was that if a particular lobbyist spends more than \$25 per occasion, whether that involved one, two, three, four, or five public officials, that amount would be specifically reported. If the aggregate is less than \$25 that would be aggregated most normally under reimbursements.

REP. BARNES: (21st)

I will say that I had thought it was somewhat different and I think it ought to be clarified one way or another, because this is an item that has been debated at quite some length. It is very clear that this is something that is handled by the lobbying bill itself, file 808, rather than the bill that we

REP. BARNES: ...  
before us. I thought that the definition of lobbyist went to the amount annually that the lobbyist spent or was compensated for, which was \$300 annually and if you reached that threshold you then reported...made annual reports, quarterly reports or monthly reports depending upon what kind of lobbying that person was doing, and then all was then reported, but this went...the \$25 goes rather to the prohibition rather than to the reporting.

In other words, the disclosure I thought would occur in any event, but that an occasion where over \$25 was spent was illegal. Now, if that is not so I would like to have it corrected so that we'd know quite clearly what is before us just because of past difficulties.

DEPUTY SPEAKER COATSWORTH:

Is the lady posing a question?

REP. BARNES: (21st)

Yes, is there any clarification on that? We can wait until the lobbying bill comes before us, but the question has been raised by Rep. VanNorstrand as to just what an occasion is and whether there is reporting of it so that we know whether we have a basic loophole or not.

DEPUTY SPEAKER COATSWORTH:

Rep. Niedermeier, do you care to respond to the question?

REP. NIEDERMEIER: (134th)

Mr. Speaker, through you, I don't know how I can answer that question any other way. You're right, it deals very largely with the statute we have yet to consider on covering lobbyist, however, again, if I could just say there is not a loophole in my mind, it's just a matter of whether you want to cover three events in one day or one event on Monday, Tuesday and Wednesday.

It seems to me that the influence...one verses the other. It is very closely entwined and to one extent, unless someone is very hungry on one day and has a big bill coming up it doesn't make any difference whether that money is given on three consecutive days or all in one day.

I have nothing else to say concerning that.

REP. BARNES: (21st)

As far as the bill before us when we are dealing with an occasion we are dealing with a continuous set of events, whether it is dinner, a play, or a hockey game or whatever it is, as I understand it. I guess the question of reporting that is something that should be taken up when the lobbying bill comes before us.

Thank you.

DEPUTY SPEAKER COATSWORTH:

Will you remark further on the bill? Will you remark further on the bill? If not, would the members please be seated. Would the staff and guests come to the well of the House. The members will please be seated. Would the staff and guests come to the well of the House. The machine will be opened.

The House of Representatives is voting by roll call at this time. Would all members please return to the Chamber. The House of Representatives is voting by roll call at this time. Would all members please return to the Chamber.

Have all the members voted. Is your vote properly recorded. Have all the members voted and is your vote properly recorded. If so, the machine will be locked. The Clerk will please take a tally.

Would the Clerk please announce the tally.

CLERK:

Senate Bill 186 as amended by Senate Amendment "A".

Total number voting 147

Necessary for passage 74

Those voting yea 147

Those voting nay 0

Those absent and not voting 4

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DEPUTY SPEAKER COATSWORTH:

The bill as amended is passed.

CLERK:

Page 10, Calendar No. 1381, File 1042, Substitute for Senate Bill No. 1429, AN ACT ESTABLISHING A CONNECTICUT TECHNICAL ENERGY SERVICE, Favorable report of the Committee on Appropriations.

REP. LAVINE: (100th)

CLERK: Mr. Speaker.

DEPUTY SPEAKER COATSWORTH:

DEPUTY Rep. David Lavine.

REP. LAVINE: (100th)

Mr. Speaker, I ask for the Joint Committee's favorable report and passage of the bill in concurrence with the Senate.

DEPUTY SPEAKER COATSWORTH:

The question is on acceptance of the Joint Committee's favorable report and passage of the bill in concurrence with the Senate.

Will you remark, sir?

REP. LAVINE: (100th)

Yes, Mr. Speaker. The bill in our file would establish a Connecticut Technical Energy service to promote development of commercial use of energy related products in this State and

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Favorable Report of the Joint Standing Committee on Government Administration and Elections, Substitute Senate Bill 186, AN ACT AMENDING THE CODE OF ETHICS FOR PUBLIC OFFICIALS.

THE CHAIR:

Senator Lieberman.

SENATOR LIEBERMAN:

Mr. President, may we stand at ease for a moment and ask one of the messengers to go obtain the presence of Senator Baker?

THE CHAIR:

The Senate will stand at ease.

We are on Calendar 802 on page 4.

SENATOR BAKER:

Yes, Mr. President, I move for acceptance of the Joint Committee's Favorable Report and passage of the Bill. I believe the Clerk has an Amendment.

THE CLERK:

Clerk has Senate Amendment, Schedule A, File 813, Senate Bill 186, offered by Senator Baker. It's LCO 8315. 8315.

THE CHAIR:

Do you waive the reading and you wish to explain? You may proceed.

SENATOR BAKER:

Mr. President, this Bill does two substantive things. This

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Amendment does two substantive things. It exempts public officials who are appointed as a member of the Executive Branch and who receive compensation other than reimbursement for actual or necessary expenses or both, incurred in the performance of their duties, except if the public official has authority to control over the subject matter of a contract and two, it exempts the Ethics Commission from the section 4-9a of the General Statutes being the old Section 13 of the Reorganization Act dealing with coterminous terms and if there is no objection, I would move adoption of the Amendment.

THE CHAIR:

Will you remark further? All those in favor of the Amendment signify by saying aye. Those opposed nay. The ayes have it. The Amendment is adopted. Senator Baker.

SENATOR BAKER:

Mr. President, the Bill itself-currently, law prohibits public officials, State employees and employees of both groups from representing people before certain State agencies for compensation. This Bill would prohibit them from belonging to a firm which does so. It would also reduce from four to three the number of votes required for routine commission actions when only a five member quorum is present. It would permit two commissions to conduct investigations in hearings. It would add a civil money penalty

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of up to \$10.00 per day for failure to file required information and would exempt from the Act, candidates for Congress and members of advisory boards whose compensation takes the form of per diem. This Bill is an attempt to provide consistency in the applicable definitions to the code of ethics for public officials by improving and clarifying the language. I think it should enjoy the support of the entire Chamber and I would move it to the Consent Calendar, if there is no objection.

THE CHAIR:

Hearing no objection - Senator Gunther.

SENATOR GUNTHER:

Mr. President, no objection, just to amplify a bit. I know - I support the Bill. At present, in order to take and have the commission take any action on some of the violations for ethics, it is actually been one of these things that very little, if anything is done in the line of penalties. This particular Bill will change that procedure and I hope will encourage that commission to start going into the penalties, 'cause presently, there's a two stage hearing that they have to go through before they can get into a penalty situation. The impacts of some of the violations that go on right now are not sufficient apparently, to impress this commission and to call them in and to let people of the State know

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that we do have an Ethics Commission and violating it is going to have some penalty imposed on them. This Bill certainly will make it easier for them to take and levy penalties on some of these infractions and I certainly hope it'll encourage this Commission to do the job to impress people in the State of Connecticut that we do have an Ethics Commission. We do have guidelines that they all should conform to. I agree with the Consent Calendar.

THE CHAIR:

Hearing no objection, it may be placed on the Consent Calendar.

THE CLERK:

Calendar 806, File 816, Favorable Report of the Joint Standing Committee on Government Administration and Elections, Substitute Senate Bill 1360, AN ACT CONCERNING VITAL STATISTICS.

THE CHAIR: (The President in the Chair.)

Senator Ciarlone.

SENATOR CIARLONE:

Mr. President, thank you. I move acceptance of the Joint Committee's Favorable Report and passage of the Bill.

THE CHAIR:

The question is on acceptance and passage. Will you remark, Senator?

SENATOR CIARLONE:

Thank you Mr. President. This Bill would standardize procedures

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The vote is:

		<u>SB 1541, SB 186, SB 1360, SB 1613, HB 7307, SB 1392,</u>
		<u>HB 7873, SB 221, SB 1390, SB 1418, SB 1671, HB 7838,</u>
27	YEA	<u>HB 5166, HB 5709, HB 6127, HB 6231, HB 6736, HB 7659,</u>
		<u>HB 7660, HB 7712, HB 7874, HB 7885, HB 5504, HB 7876,</u>
0	NAY	<u>HB 7071</u>

The Consent Calendar is adopted.

SENATOR LIEBERMAN:

Mr. President, I move for a Suspension of the Rules to allow for immediate transmittal to the House of those matters that should go to the House.

THE CHAIR:

The question is on Suspension of the Rules for all the items that need further House action. Is there objection? Hearing none, the Rules are suspended. The items are transmitted.

SENATOR LIEBERMAN:

Mr. President, the Senate will meet tomorrow at noon. Caucuses as soon after ten in both parties as soon as we can muster a quorum. I - all things going as we would hope, the Senate Session tomorrow should be relatively short and we can hope to be out by the middle of the afternoon.

THE CHAIR:

Thank you Senator. Business on the Clerk's desk? Any other announcements?

THE CLERK:

Yes. Clerk has two Senate Joint Resolutions to read in - Senate Joint Resolution 156, RESOLUTION HONORING THE MARCH OF DIMES READING OLYMPIC PROGRAM and Senate Joint Resolution 157,

**JOINT  
STANDING  
COMMITTEE  
HEARINGS**

**GOVERNMENT  
ADMINISTRATION  
& ELECTIONS  
PART 2  
379-724**

**1979**

JOHN RATHGEBER: I would be concerned with type of effort, but I think really what you're doing is you're cutting off a lot of other people who are not able -- who are not willing to come and communicate their views and for the potential possibility of that happening by a company that is not registered as a lobbyist. I think it is much smaller than the numbers of people that you are preventing or discouraging from communicating their views.

REP. NEIDERMEIER: Thank you very much.

Are there any other individuals who would wish to speak with regard to the proposed legislation on lobbying? If not, we'll move to our second public hearing.

Our first witness is Father Thomas Lynch. And the bills before us are the proposed bills regarding public officials.

REV. LYNCH: Thank you. This is Committee Bill 186 which I think clarifies the meaning of the language of the Code of Ethics for Public Officials. I think it will also solve some of the problems with the Code which the Commission has identified during the 14 months in operation. Once again, there is a full statement submitted. I would highlight the bill now using the same methodology of line by line quotations. Thinking that where we feel that the particular bill does not achieve and does not give the proper solution in a couple of areas where we concede these are needed now, it is in the opinion of the Commission probable that the language that was in proposed draft Bill No. 1325 might be of some clarifying help.

Cass. #4 The first point then would be Section 1-79(d) which is really Line 38 to 51. What's happened here is that the definition of gift has been made parallel in Part I and in Part II. Generally speaking, that's desirable to have the definitions in Part I and Part II of Chapter 10 the same. But now that we're into the area of this -- and in taking the definition of gift from Part II on lobbyists, and bringing that same definition into Part I, what has happened is that the exemption for gifts from family members has been broadened very very considerably and a new exception for food or drink has been introduced into Part I. It's really not certain to us that these changes to the present language are really appropriate.

It's always hard enough to figure out relationships, but if you just take some of the language that is used there, it would almost seem that you can really receive a gift from anybody, even your 15th cousin, and still not be

REV. LYNCH (Continued): a public official that's receiving an appropriate gift. It talks about not to be considered gifts would be gifts from an individual's spouse or immediate family or from a relative of such individual. Relative, well, how far down the relationship are a relative of such individual spouse, or from the spouse of any such relative, it really kind of goes on and widens it up, and we think it would be just as well to keep it restricted as it was earlier.

In Section 1-80(e), which are lines 135 to 139. We are asking for the right to be able to conduct some hearings with a single hearing officer.

Since the Commission is composed of people, most of whom work in parts of the state full time, it is not always easy to assemble a quorum for a meeting which has not been scheduled well in advance.

It is important therefore that the Commission be authorized to utilize one Commissioner simply as a hearing officer to take testimony, to make representation, recommendations to the full Commission for further action, and to do this in accordance, of course, with the Uniform Administrative Procedure Act, which allows that now for other groups. This would be likely -- it would be particularly necessary in the preliminary investigations that our act requires.

Certainly it would not be a question of using only a given officer, of course, for the more serious hearings that have to go on to finally discuss the matter as a whole.

Now the Commission believes really that Section 41-79 of the Uniform Administrative Procedure Act authorizes already to assign appropriate matters to a single Commissioner. So why are we bringing it up. We're bringing it up because the Attorney General says he's not sure that that's true unless you put in in legislative language. And so we're asking for that type of bill that would clear that up.

Section 1-84(d), which in lines 175 to 177 and at 189 to 190. Really, I guess, the main problem here which you see here. That section and its predecessor, former Section 1-66(d), if you look into the legislation, which they both have been interpreted to me, and when we say interpreted, we mean that's by our Commission, by the Legislature, that the former bill, and then by the

REV. LYNCH (Continued): Attorney General's office, they were interpreted to me that if a public official, or state employer or employee or either of them, is in a firm, neither he or she, nor anyone else in that firm may represent others for compensation before certain designated state agencies.

In that sense, right in Line 179, where it says there are to be consideration of his hearing. It was understood that this really meant its, the firm, the whole group, not just his or her as an individual physical person. But that interpretation was not easy to anticipate on reading the language in the former section.

The Legislature then enacted the same language, and said well, we mean its, but we're still going to say his. And the question came up on the floor and they said, well, it was stated that there would -- they'll be a technical amendment that no doubt would conform the language to the interpretation. But we don't think the technical end has ever come. We're asking that it come now, because we feel that this proposed amendment would merely continue the problem. It does add some associations to the types of organizations covered. It does make the prohibition applicable if the designated person is an associate, as well as if he's a partner in a partnership.

In the case of some professional corporations, however, it appears to apply only if the designated person is a member of the corporation. We feel it should also cover employees of the professional corporation, who equate generally to associates in a partnership.

More important, when the prohibition is applicable, it should apply to everyone in the organization, not just to the one who is the public official, the state employee, or the employee of one of them.

If an office holder can create the risk of undue influence before a certain Commission, when he appears before a state agency, then his associate can likewise, whatever type of association is in that formal group. That concept and the imputation of knowledge among members -- to use one example of a law firm, and the reasons why all attorneys in the law firm are disqualified if one is. That rule we think is sound

REV. LYNCH (Continued): and it should apply to any organization included in Section 1-84. At the same time while barring the whole organization is proper if one member of it is someone who poses a risk of undue influence, we do note that it is excessively harsh to ban the public official or state employee himself if his appearance before one of the designated agencies could not create even the appearance of undue influence much less actual influence. It has been brought to our attention that -- by many that it would be rare for one of the citizens for example who serve, often at considerable personal sacrifices as an unpaid member of a State board or commission to influence or appear to influence the agency's action if he appeared before an agency listed in Section 1-84. So we feel that including them in the prohibition serves no useful purpose. It makes it difficult frankly to find qualified people, no matter how public spirited they are who are willing to serve without pay, performing important State functions.

To kind of summarize -- (inaudible) when there is a possibility of office holder or his employee to unduly influence the action or decision of a state agency before which he appears, then neither he nor any of his business associates should represent another, for compensation, before that agency. We think that is what the legislative seems to indicate and the intent of the legislation to ask the representatives bringing it up and as I said they mention the technical amendment would come along, but it didn't.

Regarding Section 188 lines 205-210. Again I think we talked at great length about bill 187, it's much the same provision. The Commission does need a simple procedure for enforcing compliance with the reporting requirements of this statute. Since you've already heard our basic reason for it we feel that the legislation now requires a very complicated two step process involving (inaudible) We think that there ought to be a simpler, effective and very fair method of imposing a small fine for failure to file when the filing is due, when a person is given a chance to say heh, you're report is due it isn't in where is it and there still is no compliance. A method we feel is needed that does not involve successive hearings, as we think is now (inaudible).

Another -- is set obliquely and I question we talked about before and that is the legality of the composition of the Commission. I understand that there is a bill that is to be submitted to clear that up. As long as the issue is resolved, whether it being in another bill or this bill, we would like to comply on a good bill. that it could be taken care of by the Commission. Not even a Commission has a (inaudible)

REP. NEIDERMEIER: Thank you Father. Do you have any questions? I have just two very brief questions.

One is a technical question. Under the current statute is it true that a public official must report savings account interest if the aggregate is over a thousand, yet when you're talking about stock you're talking about individual stock in individual companies and since the aggregate is \$5,000, one can own \$1000 of stock in 500 different companies, but you don't have to report it. There's no aggregate provision as there is in the interest provision. I think that's a big loop hole and if we're going to require putting an aggregate interest in savings accounts, we're talking about stock in corporate companies, not to require an aggregate board, it seems to be senseless. Do you have any -- is that the way that the law reads now?

REV. LYNCH: That was just our interpretation of the way that Section 5 (inaudible) was written.

REP. NEIDERMEIER: So, as long as the stock in any one company company does not exceed \$5,000 there's no reporting required? Is that correct?

REV. LYNCH: That's correct. The purpose of this of course is to, this is the only confidential part of it the statement of financial history and it's a listing of financial associations that are significant enough that someone might want to favor that particular thing (inaudible) if you've only got a \$1,000 of stock in a particular company it's unlikely that you're going to (inaudible) If you own a substantial amount of stock in the company then you might want in that way.

REP. NEIDERMEIER: Well, one could also own stock in various subsidiaries of corporate giants so that the individual subsidiary investments would be less than \$5,000 but the aggregate would far exceed \$5,000. I'm not sure how specific you get in your regulations, but I'm...

REV. LYNCH: We have no regulations. (inaudible) subsidiaries use the same name and then (inaudible)

REP. NEIDERMEIER: Okay. Just one other which really isn't a question, but a comment by about a provision that I still have problems with. I'm concerned that a complete on any law firm just because an individual happens to be an associate or a partnership is going to significantly deter people from getting involved in government because either they'll lose their jobs as a result of that and it seems to find a way that a degree of influence that an individual may have if they are a mere associate in a firm. I'd like the Commission to think a little bit more about that because I don't know what the sub-Committee or the

REP. NEIDERMEIER (Continued): Committee will do, but I think we're really chilling involvement in government at a time when we ought to be encouraging it and I know we've talked about this before but I want to raise that again in the hopes that maybe instead of doing that you might look into the area of broadening, maybe as a sub-Committee we can broaden the agency but keep it as an individual prohibition so that it's just the public official himself or herself and not the broad category of individuals associated with that person.

Any other comments?

REV. LYNCH: A comment Representative Neidermeier. This is general (inaudible) since 1973, and the act went into effect, but I'm not sure how they interpreted (inaudible) but I think it was (inaudible) 1971

REP. NEIDERMEIER: I would contend that the exception to case and that you'd be penalizing a large majority of other people in the legislature who don't happen to be in that situation.

Thank you very much there will be no further questions.

Betty Gallo from Common Cause. Representative Hanzalek has just joined us.

BETTY GALLO: My name is Betty Gallo and I'm Executive Director of Common Cause. I would like to thank the committee for their indulgence today. These happen to be major issues for us and we've had long testimony on both and we appreciate the opportunity.

First I would like to registrar Common Cause/Connecticut's support for the amendments proposed by the State Ethics Commission to the Ethics Act for Public Officials. Many of its proposals affect its own operating procedures and attempt to allow the Commission to act in the most efficient and effective manner. We would like to emphasize the importance of exempting the Commission from section 13 of the reorganization act. This section requires Commission members' terms to be coterminous with the Governor. It also allows the Governor to appoint the chair, etc. This section was included in reorganization to give the Governor control over boards and Commissions and to allow the Governor to set up boards to implement his or her policy. This is appropriate and beneficial in some areas, but is not appropriate and potentially harmful when a Board of Commission is set up to

BETTY GALLO (Continued): police or monitor the actions of the Executive Branch. Several members of this Committee have already heard numerous statements about the danger of this policy in relation to the Election's Committee. Common Cause supports exempting both the Ethics Commission and the Elections Commission from this section.

There are several areas where Common Cause feels the Ethics Act should be expanded. Common Cause does not believe you can go around changing the rules in mid-stream. So, many of these proposals we are presenting could not take effect until the 1981 General Assembly. Yet we feel that it is important that these reforms be adopted this year. The so called long session is constitutionally the appropriate time to address such laws and the longer session allows for more deliberation. The Ethics Act did institute some reforms, the most important perhaps is to provide the people of Connecticut with financial disclosure by public officials. The 1979-81 General Assembly will be the first to comply with this regulation. Yet, this represents partial disclosure at best. Perhaps the biggest loop hole is the lack of disclosure of large clients. Common Cause Connecticut recommends that the names of clients who paid public officials over \$5,000 for services rendered be disclosed to the Ethics Commission. This is a compromise. Public disclosure of the names of clients is preferable, but as a practical matter, disclosure to the Ethics Commission which has the power to initiate investigations will serve the public's interest in identifying blatant conflict of interest situations. Presently a public official is required to identify sources of income over a \$1,000. So, a lawyer can identify his major source of income as the law firm, ABC, and an insurance agent as the Jones Agency. This does not disclose that the law firm ABC's principal clients are the three largest banks in Connecticut, or that the Jones Agency holds a large policy on a large trucking firm. There have been questions about the constitutionality of this provision, especially in the case of lawyers. Yet, numerous court cases have held that the fact of employment is not protected by lawyer/client privilege. The only exception we would suggest in this disclosure would be in the area of mental health.

The second area we would like to see broaden is the area of conflict of interest. Common Cause/Connecticut believes public officials should not act on matters that they have a financial interest in. The language used in many states reads, "Any public official or public employee who, in the discharge of his official duties, would be required to take an action that would affect directly or indirectly a financial interest of himself, a member of his immediate family, or a business with which he is associated, to take the following actions."

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BETTY GALLO (Continued): Then it proceeds to tell you how you can disqualify yourself if you do not excuse yourself from taking action on this matter. This seems straightforward enough to us. Yet Connecticut's Ethics Act reads, "He does have an interest which is in substantial conflict with the proper discharge of his duties in the public interest or of his responsibilities as prescribed by the laws of the state. If any benefit or detriment accrues to him as a member of a business profession, occupation or group to no greater extent than any other member of such business, profession, occupation or group".

So, teachers can vote can vote for higher retirement benefits for teachers, trial lawyers on product liability, funeral directors on funeral price quotations, insurance agents on savings bank life insurance, bankers on redlining, etc. Many legislators are uncomfortable as is demonstrated by the large numbers who disqualify themselves during votes which affect a business with which they are associated. But, such a prohibition should be on the books. We have seen in the past public officials who use the lack of legal prohibition as justification for engaging in what many view as serious conflict of interest situations.

One other area I would like to see this committee investigate is the broadening of the coverage of the statute. A year ago when we had this yearly session on Ethics, the Environmental Protection Commissioner Stanley Pac testified, and I'm quoting Stanley Pac; "The question has arisen in regard to State and Federal Funds that are committed for local use. I believe it, (and he refers to the Ethics Act) should be extended to include public officials in that category. Last year we dispensed \$153,000,000 in water pollution construction grants. Now this budget is generally approved by local sewer authorities. It has come to our attention in many instances the members of the Sewer Commission have acted in the capacity where there is some serious conflict of interest. I can't, of course, make any charges, but it is quite apparent that there is a conflict. Besides there are lay Boards dispensing state monies beyond the scope of definition as a state employee. They should come within that provision.

So, I would suggest can be done -- what I suggest could be done rather simply. If you look at the definition of public official in the statute, it defines a public official being any statewide elected officer, any member elected to the General Assembly, but it does not include any of these people, so if we include it in the definition, something to the effect that it includes local municipal officials or members of lay Boards handling state or federal funds, a rather simple change would do it."

BETTY GALLO (Continued): That was the end of Commissioner Pac's testimony. The Committee simply thanked him for testifying. We are talking about \$153 million of taxpayer's money. At least 10 or 20 times that if we consider other federal and state projects. Common Cause/Connecticut believes the Ethics Act should be extended to those municipal officials who dispense state or federal funds.

There are several other areas which Common Cause advocates stronger legislation, which this Committee has scheduled separate hearings on. Those include revolving door legislation for regulatory bodies and prohibition on outside employment by the top state officials. The Connecticut General Assembly has come a long way in the area of Ethics legislation in the last five years. Yet there are several important steps to be taken. As much complaining as I've heard from public officials about Ethics legislation, they are first to admit that times have changed.

Common Cause believes tighter Ethic Codes have brought about that change. We can foresee with the adoption of higher standards a time when the public's faith in its government is restored.

REP. NEIDERMEIER: Any questions?

Representative Parker.

REP. PARKER. Thank you. I agree with you that lobbying for millions of dollars seems as if it should be reported, but I have some questions about how we could do this. Actually, it is that the state does not gain financially, it's the municipality that gets the money. It's not by personal interest, and I'm a little foggy on how you can do this.

BETTY GALLO: No, Nina, what he was saying was, no, that it was personal interest, that members of this Commission were gaining financially through decisions that that Commission was making, of how that money was being distributed. We're not talking about the town getting the money or the town lobby, what we're talking about is individuals who serve on boards and commissions at the municipal level, making decisions about how that money is being spent where they gain financially from that decision. Okay, that's why we think, you know, they should be covered by the Ethics Act. We're talking now about the lobbying, we're talking about the Ethics Act.

REP. PARKER: But I just wonder if this type of thing should not be covered in a different way, that we have required

REP. PARKER (Continued): conflict of interest for municipal employees and municipal officials, rather than trying to get them registered as lobbyists with the state, because it's in the pursuit of municipal duties.

BETTY GALLO: Nina, we're not talking about registering lobbyists; we're talking about the Ethics Act for public officials. We're talking about them being covered by the same Code of Ethics that Legislators are covered by. They don't have to register as lobbyists at all. All they have -- okay, what they'll have to do is the same thing that you have to do. They will be covered by law that says it is in conflict of interest if they gain financially more than anyone else of their profession, or any more than the public does, and they will also have to -- have financial disclosure.

REP. NEIDERMEIER: Representative Osler.

REP. OSLER: I think there's a bill some place about a Code of Ethics for municipal employees kicking around this year, isn't there?

UNKNOWN: Yes.

REP. OSLER: Is it before this Committee?

UNKNOWN: No.

REP. OSLER: I've seen it some place.

BETTY GALLO: My reading is that it is a subpoena power from Ethics Commissions. Do you know anything about local ethics commissions' subpoena powers. I mean they need subpoena powers, but they are so powerless that --

REP. OSLER: For instance, our community does have a municipal Code of Ethics, and they send out to all elected officials, even Legislators from the State level, but all local officials, and ask you any business you have done with the municipality of over \$100 or \$500, or something, I forget what the minimum amount is, but it's not very high amount, that you have to file, and there's no penalty but it's a matter of making it a matter of public record if you have more than that. If you have just a very small amount, it's not anything. So I think I might agree with Nina that it would be hard to treat the municipalities through this state act, that maybe we should enact that all municipalities have to have some rule of reporting business, even though it's not a whole lot.

BETTY GALLO: There are states who require -- who have their Ethics Code extend to municipal employees, and officials. The ones that come to mind are California and Washington State. You might want to require less of reporting for -- we're talking also of not about everyone, we're talking about anyone who dispenses or has decisions to do with state or federal funds. Granted, that covers a lot of people, but still if it doesn't -- you know, if it doesn't include financial disclosure, and we're still talking about, okay -- I don't know the situation that Commissioner Pac was referring to and no one was interested enough to ask him last year, but basically if he is talking, which makes sense to me, is they give all this money to a town, and the sewer commission decides where the money goes, and someone owns some land, okay. I think this is the most obvious case we have, and they steer the project towards land that they own which, you know, then they get it developed and they're going to make lots and lots of money off of it. Without financial disclosure, that we know that that person owns that land. I can think of three incidents in my own town where people owning land suddenly came to light three years later, where decisions had already been made. That person had a lot of money, and I don't know that the town was better off for it.

What we're trying to do is get at that problem. When we're talking about state and federal funds, and I think that there's precedence for that kind of legislation. If you wanted to require less, though my feeling is what you require now is pretty minimal. But you know, I think we should look at it. I'm not offering you a total solution and my personal Common Cause position would be, we think it should go down to the municipal level in the form it is now. But I'd be willing to talk about other ways of handling this problem, but to just ignore that kind of money --

REP. OSLER: May I ask another question. I think the sewer money for instance, must go through the local general fund, and therefore would be -- or maybe some communities might have a broader private and local sewer authority that would try and involve I am not familiar with that. But it seems to me that that would have -- you know, if you had municipal codes of ethics, that it would have to -- that would clear up that matter of sewer funds. It would be where the state would buy land in a town, I would think where you might get a problem, where it didn't go through town funds. It seems to me if you go through a town expenditure, your local officials, if you have a local code of ethics, would be having to report on that.

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BETTY GALLO: I would venture to say if we have ten municipalities  
Cass. that require financial disclosure of their public officials  
#5 that...

REP. OSLER: Are those things (inaudible)

BETTY GALLO: Financial disclosure by public officials. I can't  
name one.

REP. OSLER: If financial disclosure by public officials might  
be a little different than conflict of interest, that  
kind of thing for instance,  
more a conflict of interest rather than a financial  
disclosure.

BETTY GALLO: I would think financial disclosure to meet this  
problem would be essential.

REP. HANZALEK: Betty, a question, or several questions. I pre-  
sume that Common Cause has perhaps concluded that if left  
to their own devices very few towns would go through the  
exercise of developing a Code of Ethics for their public  
officials. And also, that having done so it might be  
so weak that it would hardly be worth the name. So, the  
question is if it is important to have such Ethics  
Commissions or conflicts of interests legislation for  
municipalities, would you envision the state drafting a  
model code that could or should be implemented by  
municipalities, number one. Number two, if on the other  
hand it appears to be better to have the State Ethics  
Commission be the final arbiter, rather than have 169  
local Ethics Commissions, what kind of an army of personnel  
would our State Ethics Commission need to have and could  
they frankly be able to handle that?

BETTY GALLO: That was a lot of question. I think that if left  
to their own devices we can look at what happened in the  
169 towns and say that it has not happened. I've been  
involved peripherally and not in Common Cause in two  
municipalities trying to get them to adopt Ethics Codes  
and financial interest, financial disclosure in have  
gotten no where. I think a model code would be fine. I  
think that the -- my feeling about the success of that  
kind of effort would not be very strong. I think and I  
will repeat -- I think that we should extend the Ethics  
Act for public officials to those municipal officials who  
handle state and federal money. We're talking -- we're  
not talking about \$153 million we're talking about 10 and  
20 times, that just for sewers. We're talking about a lot  
of money of tax payer's money and people are -- I would  
be willing to bet that there are people who are making  
tidy sums this way. I think that we should do it that

BETTY GALLO (Continued): way. I can't believe that they're going to turn around and adopt these model codes of ethics. Maybe they would, maybe the 169 towns would.

REP. HANZALEK: Does Common Cause have any suggested language to add a section or two to the State's Ethics Statutes to provide for conflicts of interest on the local level?

BETTY GALLO: We -- our model bill just includes them in definition of public officials. It does not just limit to people who handle state and federal money, but we would be glad to draft something.

Your question about the Ethics Commission brings up a funny question in my mind. My feeling, I guess I just approach it different. I don't think because we need these laws and we need these kinds of regulations that we should just constantly say well, we only gave them three people and they can't handle it so we shouldn't do it. I think we should give them the staff to do what we've mandated needs to be done and we should approach it from there being a need and therefore we should take care of it, not because we only gave them three people so no matter what we need in the future they can't do it with three people, we're not going to do it. I don't think that's the way we would like to see the State of Connecticut approach the Ethics legislation. I do think that they could, with very minimal help handle this kind of situation.

REP. HANZALEK: You see, if that were not the case, just to follow up one step further, then we as a legislative body would be in the position of mandating another requirement for towns without providing them with the means to handle it. In other words, if we're going to require each town to have its own Code of Ethics, we must then also provide funding so that each town can pay its staff to do just that. Then, you're in a position where different towns because of their different sizes will have different size setups and require different amounts of money and I'm sure 169 towns will tell you it's much better to do it on a local level, but the funding and the staffing will create additional problems.

BETTY GALLO: I think most Ethics Commissions are now non-paid public boards. My feeling is that it should go through the State Ethics Commission and we should properly fund them.

REP. NEIDERMEIER: I will just clarify my point before. I wasn't indicating, I hope I wasn't, that we shouldn't give auditing authority, money authority, to the Commission because they don't have the staff. We're trying to work on the appropriations end now to at least get the one additional

REP. NEIDERMEIER (Continued): staff person they requested, and I would hope that they will be able to expand.

BETTY GALLO: Could I answer your question also about lawyer legislators not appearing. I think that that is really a very strong -- there's a strong reason for that. I don't think on Commissions that don't have regulatory powers don't dispense money that that is necessarily -- we should prohibit those lawyers. But, I do think when we're talking the legislature that it is very difficult even if someone is just one member of the appropriations committee and that commission comes up and the papers that are received have headings that say Wright and Johnson and Representative Wright happens to be Chairman of that Committee that they're going to miss that. Human nature makes it such. There is a number of boards that are prohibited and I think that they have been detailed and targeted for a very good reason and we would strongly object to any deletion of that section from the Ethics Code.

REP. NEIDERMEIER: Thank you very much is there anyone else who wishes to be heard?

I just have two brief announcements. The next meeting of the GAE Committee will be Thursday, this Thursday at two o'clock and the Sub-Committee on Ethics & Lobbying will hold a sub-committee meeting immediately following our next sub-committee public hearing which is next Tuesday at ten o'clock on the subject of Private Employment by Elected State Officials. Thank you.