



Request for Proposal – Special Counsel Services

August 10, 2018

INTRODUCTION

The Connecticut Health and Educational Facilities Authority (the “Authority”) is a quasi-public state agency created in 1965 to provide access to the tax-exempt bond market for qualified nonprofit institutions.

In accordance with the requirements in Connecticut General Statutes, Chapter 187, Section 10a-179(h) (4), the Authority is requesting proposals from qualified firms wishing to provide Special Counsel services to the Authority for a period not to exceed three (3) years.

The Authority seeks proposals from firms familiar with the Authority’s business and procedures and having established expertise in the area of tax-exempt municipal finance generally and specifically for 501(c)(3) healthcare, higher education, private secondary schools, human service providers, early childhood education centers and cultural institutions. Proposals should highlight your firm’s recent experience with transactions involving the issuance of tax-exempt bonds by public entities and quasi-public agencies similar to the Authority.

SCOPE OF SERVICES

Bond Financings – Special Counsel’s role in the Authority’s bond financing transactions generally relates to environmental, real estate, and construction project due diligence to ensure that the Authority’s requirements are met.

Legal Matters – Special Counsel may be requested to provide legal services directly to the Authority for litigation, employment, employee benefit, and other legal matters.

Firms are expected to have substantial and demonstrable expertise in environmental, real estate, securities, secured transactions, creditors’ rights, employment, employee benefits, litigation and other relevant areas of federal and Connecticut state law.

RESPONSES TO THE RFP

Your firm’s submission relating to this RFP should include a response to the questions and requests for information included in the attached Exhibit A, as well as the materials required by Exhibits B, C, D, E, F and H. Also, please include a copy of your company’s [IRS Form W-9](#) with your proposal.

Proposal Schedule

- RFP Issued – **August 10, 2018**
- Proposals are due no later than **September 18, 2018 at 5:00 p.m.**
- Notification of interviews, if any, no later than the week of **September 24, 2018**
- Interviews, if necessary, to be conducted the week of **October 8, 2018**
- Authority Board Action on Selection of Special Counsel on **October 17, 2018**

SELECTION PROCESS

The Consultant Committee of the Board of Directors will conduct the selection of the Special Counsel, with a recommendation for approval to the Board of Directors of the Authority. Evaluation of firms will include, but will not be limited to, the reputation of the firm, the scope of services to be provided, the reputation and experience of the attorneys to be assigned to the Authority, and other value added services that may be provided.

CONTRACTUAL RELATIONSHIPS WITH QUASI-PUBLIC AGENCIES

1. Penalty for False Statement (C.G.S. §1-126)

Any quasi-public agency, as defined in Section 1-120 of the General Statutes, shall require any application, agreement, financial statement, certificate or other writing submitted to such quasi-public agency with respect to any loan, mortgage, guarantee, investment, grant, lease, tax relief, bond financing or other extension of credit or financial assistance made or provided by such quasi-public agency and that provides information on which the decision of such quasi-public agency was based, to be signed under penalty of false statement as provided in Section 53a-157b of the General Statutes. The Authority requires that proposals in response hereto be provided on the same basis.

Include the following statement with your proposal:

“The information provided herein is submitted by the undersigned firm under penalty of false statement as provided in the Connecticut General Statutes, Section 53a-157b.”

2. CHEFA Gift Ban Policy (C.G.S. §§4-250 to 4-252)

The Authority has adopted a gift ban policy that, with very limited exceptions, prohibits the acceptance by Authority employees of anything of value, from parties doing business or seeking to do business with the Authority. In addition, pursuant to the State Code of Ethics, Members of the Board of Directors, as well as employees of the Authority, are subject to strict restrictions on the acceptance of gifts from parties doing business, or seeking to do business, with the Authority. Please complete and sign the Gift and Campaign Certification attached as Exhibit B.

3. Consulting Agreement Affidavit (C.G.S. §4a-81)

Please complete and sign the Consulting Agreement Affidavit attached as Exhibit C. Please note that the affidavit must be updated under certain circumstances.

4. State Election Enforcement Commission Campaign Contribution and Solicitation Ban (C.G.S. §9-612(f))

Section 9-612(f) of the Connecticut General Statutes prohibits “principals” (AND CERTAIN FAMILY MEMBERS) of State contractors and prospective State contractors from donating and soliciting certain campaign contributions. **The Authority** is required to provide all prospective State contractors with a copy of the Notice to Executive Branch state Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations which has been included as Exhibit D. Please complete and sign Exhibit D.

5. Nondiscrimination Requirements (C.G.S. Sections 4a-60 and 4a-60a)

C.G.S. §§4a-60 and 4a-60a, as amended, require an entity or individual entering into a contract with the State or certain of its political subdivisions, including quasi-public agencies, to provide the contracting agency with a written affidavit, representation or other acceptable documentation that certifies the contractor’s compliance with the State’s nondiscrimination agreements and warranties set forth in C.G.S. §§4a-60 and 4a-60a and to periodically update such documentation. Please refer to the form of the required certification attached as Exhibit E.

6. Contract Language

By submitting a response to this RFP, a Proposer agrees to the inclusion of the language set forth in Exhibit F in any contract entered into with the Authority in connection with this RFP.

7. Freedom of Information Act

The Authority is a “public agency” for purposes of the Connecticut Freedom of Information Act (“FOIA”). A proposal submitted in response to this RFP, and any files or documents associated with the proposal, including e-mails or other electronic files, will be public records and subject to disclosure under the FOIA. See C.G.S. §§1-200, et seq. The FOIA includes exemptions for, among other things, “trade secrets” and “commercial or financial information given in confidence, not required by statute.” See C.G.S. §1-210(b). Due regard will be given for the protection of proprietary or confidential information contained in all proposals received. However, all materials associated with this RFP are subject to the terms of the FOIA and all applicable rules, regulations and administrative decisions. If a proposer is interested in preserving the confidentiality of any part of their proposal, it will not be sufficient to state generally in the proposal that the proposal is proprietary or confidential in nature and therefore not subject to release to third parties. Instead, those particular sentences, paragraphs, pages or sections that a proposer believes to be exempt from disclosure under the FOIA must be specifically identified as such. Convincing explanation and rationale sufficient to justify each exemption consistent with §1-210(b) of the FOIA must accompany the proposal. The rationale and explanation must be stated in terms of the reasons the materials are legally exempt from release pursuant to the FOIA. Confidential information must be separated and isolated from other material in the proposal, labeled CONFIDENTIAL, and submitted in a separate PDF. All proposal materials not placed in a separate PDF clearly marked as confidential will not be treated as confidential and will be made available for public view upon receipt of a FOIA request. Proposers should not request that their entire proposal, nor the majority of the proposal, be confidential and the Authority reserves the right to reject any such proposal. The Authority has no obligation to initiate, prosecute or defend any legal proceeding or to seek a protective order or other similar relief to prevent disclosure of any information that is sought pursuant to a FOIA request. The proposer has the burden of establishing the availability of any FOIA exemption in any proceeding where it is an issue. In no event shall the Authority or any of its officers, directors or employees have any liability for the disclosure of documents or information in the Authority’s possession where the Authority, or such officer, director or employee believes disclosure is required under the FOIA or other law.

8. State of Connecticut Office of State Ethics (“OSE”) Requirements

Attached is the OSE “Guide to the Code of Ethics for Current or Potential State Contractors” (Exhibit G). This document and the revised statutes effective January 1, 2016 (available on the OSE website) provide your company with a guide to your financial relationship and statutory requirements for conducting business with a quasi-public agency. By submitting a response to this request for proposal, your firm acknowledges

receipt of this information and acceptance of the provisions applicable to organizations doing business with the Authority.

9. Third Party Fee Disclosure

Public Act 00-43 “An Act Concerning Powers and Duties of the Treasurer and the Investment Advisory Council” requires any person or entity entering into a contract for investment services, including investment legal services, with a quasi-public agency to disclose in a sworn affidavit any third party fees (or that there were no third party fees) attributable to such contract. Please complete and sign Exhibit H.

The Authority will consider each firm’s ability to provide comprehensive and quality service to the Authority and its borrowers, as well as its reputation and fee structure. The Authority seeks Special Counsel that will further its mission and contain costs incurred by both the Authority and its borrowers.

SUBMISSION REQUIREMENTS

1. The total length of the response is limited to 15 pages.
2. Please submit a copy of your firm’s response to this RFP via email by no later than **September 18, 2018 at 5:00 p.m.** in PDF format to Denise Aguilera at daguilera@chefa.com and Debra Pinney at dpinney@chefa.com.

The Authority reserves the following rights (without limitation or waiver):

1. To reject any or all proposals.
2. To conduct investigations or request further information relating to the qualifications of any or all respondents.
3. To supplement, modify or cancel this request for proposals without notice or substitution of another such request.
4. To reevaluate a proposal or selection if there are any changes in the substance of the proposal.
5. Accept a proposal based on consideration other than cost.
6. Negotiate with any firm in any manner deemed to be in the best interest of the Authority.
7. Interview any or all respondents (the costs associated therewith are the sole responsibility of the respondent).

The Authority shall not be liable for any cost incurred in connection with responding to this proposal. Please direct any questions to Denise Aguilera via email at daguilera@chefa.com.

Please respond to the following requests in the order in which they are presented:

1. Describe the firm's experience as counsel to any public or quasi-public entities in Connecticut.
2. Describe in detail a representative financing for which your firm served as counsel, your firm's role, the fees which your firm charged and the nature of such fee.
3. Describe in detail the firm's relevant expertise in environmental, real estate, litigation, creditors' rights, employment, employee benefit, and privacy law.
4. Describe the firm's experience in drafting legislation regarding the State of Connecticut, quasi-public entities, municipalities or other public entities.
5. Provide the address of each of your firm's offices in Connecticut and the number of full-time resident attorneys in each office.
6. Please name the partners and associates in your firm who would be assigned to Authority matters, give a brief description of each person's relevant experience, and identify the jurisdictions in which each person is admitted to practice.
7. Given your knowledge of the various types of Authority transactions, how would your firm propose to minimize Special Counsel fees to the Authority and its clients?
8. How would you propose to charge the Authority for your services? Given that the Authority is a quasi-public agency, could your firm agree to a discounted/blended rate hourly fee arrangement? A capped or fixed fee arrangement?
9. Besides acting as Special Counsel on Authority transactions, what additional services/functions could your firm perform as the Authority's counsel? Would you expect a separate fee from that related to transactional services?
10. Please describe any educational materials or events that your firm generally provides to its clients such as alerts or seminars on legal topics or developments.
11. (a) Indicate in tabular form (i) as of the current date and (ii) as of five years ago, the percentage of your firm's equity partners and the percentage of your firm's other attorneys, respectively, that are minorities.

(b) Indicate in tabular form (i) as of the current date and (ii) as of five years ago, the percentage of your firm's equity partners and the percentage of your firm's other attorneys, respectively, that are women.

Briefly describe your firm's affirmative action plan.

12. Please describe in as much detail as necessary, any pending or threatened litigation, claim or investigation against your firm or any employees of your firm (particularly those which you propose to assign to the Authority's transactions) in connection with any public finance transaction with which your firm is now working or has rendered services within the past five (5) years.

13. Please identify the firm's professional liability insurance provider and indicate the extent of coverage, including the amount of any deductible or coinsurance amount.
14. Please submit the names, addresses, contact information and positions of two (2) references from within the public finance community.
15. Briefly, what else about your firm should we consider in making Special Counsel appointments?
16. Please describe in detail the community activities of members of your firm and the number of non-profit or other charitable institutions supported by your firm. This support can either be financial or through the provision of in-kind services.



STATE OF CONNECTICUT GIFT AND CAMPAIGN CONTRIBUTION CERTIFICATION

Written or electronic certification to accompany a State contract with a value of \$50,000 or more, pursuant to C.G.S. §§ 4-250, 4-252(c) and 9-612(f)(2) and Governor Dannel P. Malloy's Executive Order 49.

INSTRUCTIONS:

Complete all sections of the form. Attach additional pages, if necessary, to provide full disclosure about any lawful campaign contributions made to campaigns of candidates for statewide public office or the General Assembly, as described herein. Sign and date the form, under oath, in the presence of a Commissioner of the Superior Court or Notary Public. Submit the completed form to the awarding State agency at the time of initial contract execution and if there is a change in the information contained in the most recently filed certification, such person shall submit an updated certification either (i) not later than thirty (30) days after the effective date of such change or (ii) upon the submittal of any new bid or proposal for a contract, whichever is earlier. Such person shall also submit an accurate, updated certification not later than fourteen days after the twelve-month anniversary of the most recently filed certification or updated certification.

- CHECK ONE:** Initial Certification 12 Month Anniversary Update (Multi-year contracts only.)
- Updated Certification because of change of information contained in the most recently filed certification or twelve-month anniversary update.

GIFT CERTIFICATION:

As used in this certification, the following terms have the meaning set forth below:

- 1) "Contract" means that contract between the State of Connecticut (and/or one or more of its agencies or instrumentalities) and the Contractor, attached hereto, or as otherwise described by the awarding State agency below;
- 2) If this is an Initial Certification, "Execution Date" means the date the Contract is fully executed by, and becomes effective between, the parties; if this is a twelve-month anniversary update, "Execution Date" means the date this certification is signed by the Contractor;
- 3) "Contractor" means the person, firm or corporation named as the contractor below;
- 4) "Applicable Public Official or State Employee" means any public official or state employee described in C.G.S. §4-252(c)(1)(i) or (ii);
- 5) "**Gift**" has the same meaning given that term in C.G.S. § 4-250(1);
- 6) "Principals or Key Personnel" means and refers to those principals and key personnel of the Contractor, and its or their agents, as described in C.G.S. §§ 4-250(5) and 4-252(c)(1)(B) and (C).

I, the undersigned, am a Principal or Key Personnel of the person, firm or corporation authorized to execute this certification on behalf of the Contractor. I hereby certify that, no gifts were made by (A) such person, firm, corporation, (B) any principals and key personnel of the person firm or corporation who participate substantially in preparing bids, proposals or negotiating state contracts or (C) any agent of such, firm, corporation, or principals or key personnel who participates substantially in preparing bids, proposals or negotiating state contracts, to (i) any public official or state employee of the state agency or quasi-public agency soliciting bids or proposals for state contracts who participates substantially in the preparation of bid solicitations or request for proposals for state contracts or the negotiation or award of state contracts or (ii) any public official or state employee of any other state agency, who has supervisory or appointing authority over such state agency or quasi-public agency.

I further certify that no Principals or Key Personnel know of any action by the Contractor to circumvent (or which would result in the circumvention of) the above certification regarding **Gifts** by providing for any other Principals, Key Personnel, officials, or employees of the Contractor, or its or their agents, to make a **Gift** to any Applicable Public Official or State Employee. I further certify that the Contractor made the bid or proposal for the Contract without fraud or collusion with any person.

CAMPAIGN CONTRIBUTION CERTIFICATION:

I further certify that, on or after January 1, 2011, neither the Contractor nor any of its principals, as defined in C.G.S. § 9-612(f)(1), has made any **campaign contributions** to, or solicited any contributions on behalf of, any exploratory committee, candidate committee, political committee, or party committee established by, or supporting or authorized to support, any candidate for statewide public office, in violation of C.G.S. § 9-612(f)(2)(A). I further certify that **all lawful campaign contributions** that have been made on or after January 1, 2011 by the Contractor or any of its principals, as defined in C.G.S. § 9-612(f)(1), to, or solicited on behalf of, any exploratory committee, candidate committee, political committee, or party committee established by, or supporting or authorized to support any candidates for statewide public office or the General Assembly, are listed below:

Lawful Campaign Contributions to Candidates for Statewide Public Office:

<u>Contribution Date</u>	<u>Name of Contributor</u>	<u>Recipient</u>	<u>Value</u>	<u>Description</u>

Lawful Campaign Contributions to Candidates for the General Assembly:

<u>Contribution Date</u>	<u>Name of Contributor</u>	<u>Recipient</u>	<u>Value</u>	<u>Description</u>

Sworn as true to the best of my knowledge and belief, subject to the penalties of false statement.

Printed Contractor Name

Printed Name of Authorized Official

Signature of Authorized Official

Subscribed and acknowledged before me this _____ day of _____, 20____.

Commissioner of the Superior Court (or Notary Public)

My Commission Expires





STATE OF CONNECTICUT
CONSULTING AGREEMENT AFFIDAVIT

Affidavit to accompany a bid or proposal for the purchase of goods and services with a value of \$50,000 or more in a calendar or fiscal year, pursuant to Connecticut General Statutes §§ 4a-81(a) and 4a-81(b). For sole source or no bid contracts the form is submitted at time of contract execution.

INSTRUCTIONS:

If the bidder or vendor has entered into a consulting agreement, as defined by Connecticut General Statutes § 4a-81(b)(1): Complete all sections of the form. If the bidder or contractor has entered into more than one such consulting agreement, use a separate form for each agreement. Sign and date the form in the presence of a Commissioner of the Superior Court or Notary Public. If the bidder or contractor has not entered into a consulting agreement, as defined by Connecticut General Statutes § 4a-81(b)(1): Complete only the shaded section of the form. Sign and date the form in the presence of a Commissioner of the Superior Court or Notary Public.

Submit completed form to the awarding State agency with bid or proposal. For a sole source award, submit completed form to the awarding State agency at the time of contract execution.

This affidavit must be amended if there is any change in the information contained in the most recently filed affidavit not later than (i) thirty days after the effective date of any such change or (ii) upon the submittal of any new bid or proposal, whichever is earlier.

AFFIDAVIT: [Number of Affidavits Sworn and Subscribed On This Day: _____]

I, the undersigned, hereby swear that I am a principal or key personnel of the bidder or contractor awarded a contract, as described in Connecticut General Statutes § 4a-81(b), or that I am the individual awarded such a contract who is authorized to execute such contract. I further swear that I have not entered into any consulting agreement in connection with such contract, except for the agreement listed below:

Consultant's Name and Title Name of Firm (if applicable)

Start Date End Date Cost

Description of Services Provided:

Is the consultant a former State employee or former public official? [] YES [] NO

If YES: Name of Former State Agency Termination Date of Employment

Sworn as true to the best of my knowledge and belief, subject to the penalties of false statement. Printed Name of Bidder or Contractor Signature of Principal or Key Personnel Date Printed Name (of above) Awarding State Agency

Sworn and subscribed before me on this _____ day of _____, 20____.

Commissioner of the Superior Court or Notary Public

My Commission Expires



Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations

Acknowledgement of Receipt of Explanation of Prohibitions for Incorporation in Contracting and Bidding Documents

This notice is provided under the authority of Connecticut General Statutes § 9-612 (f) (2) and is for the purpose of informing state contractors and prospective state contractors of the following law (italicized words are defined on the reverse side of this page).

CAMPAIGN CONTRIBUTION AND SOLICITATION LIMITATIONS

No *state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor*, with regard to a *state contract or state contract solicitation* with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder, of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee (which includes town committees).

In addition, no holder or principal of a holder of a valid prequalification certificate shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of state senator or state representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

On and after January 1, 2011, no state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall **knowingly solicit** contributions from the state contractor's or prospective state contractor's employees or from a *subcontractor or principals of the subcontractor* on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

DUTY TO INFORM

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

PENALTIES FOR VIOLATIONS

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

Civil penalties—Up to \$2,000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of up to \$2,000 or twice the amount of the prohibited contributions made by their principals.

Criminal penalties—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or not more than \$5,000 in fines, or both.

CONTRACT CONSEQUENCES

In the case of a state contractor, contributions made or solicited in violation of the above prohibitions may result in the contract being voided.

In the case of a prospective state contractor, contributions made or solicited in violation of the above prohibitions shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State shall not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

SEEC FORM 10

CONNECTICUT STATE ELECTIONS ENFORCEMENT COMMISSION

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DEFINITIONS

“State contractor” means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. “State contractor” does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person’s capacity as a state or quasi-public agency employee.

“Prospective state contractor” means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100. “Prospective state contractor” does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person’s capacity as a state or quasi-public agency employee.

“Principal of a state contractor or prospective state contractor” means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has managerial or discretionary responsibilities with respect to a state contract, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

“State contract” means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. “State contract” does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan, a loan to an individual for other than commercial purposes or any agreement or contract between the state or any state agency and the United States Department of the Navy or the United States Department of Defense.

“State contract solicitation” means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

“Managerial or discretionary responsibilities with respect to a state contract” means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

“Dependent child” means a child residing in an individual’s household who may legally be claimed as a dependent on the federal income tax return of such individual.

“Solicit” means (A) requesting that a contribution be made, (B) participating in any fundraising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee, serving on the committee that is hosting a fundraising event, introducing the candidate or making other public remarks at a fundraising event, being honored or otherwise recognized at a fundraising event, or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. “Solicit” does not include (i) making a contribution that is otherwise permitted under this chapter, (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office, (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this subdivision, or (v) mere attendance at a fundraiser.

“Subcontractor” means any person, business entity or nonprofit organization that contracts to perform part or all of the obligations of a state contractor’s state contract. Such person, business entity or nonprofit organization shall be deemed to be a subcontractor until December thirty-first of the year in which the subcontract terminates. “Subcontractor” does not include (i) a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or (ii) an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person’s capacity as a state or quasi-public agency employee.

“Principal of a subcontractor” means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a subcontractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a subcontractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a subcontractor, which is not a business entity, or if a subcontractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any subcontractor who has managerial or discretionary responsibilities with respect to a subcontract with a state contractor, (v) the spouse or a dependent child who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the subcontractor.

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ACKNOWLEDGEMENT OF RECEIPT

SIGNATURE

DATE (mm/dd/yyyy)

NAME OF SIGNER

First Name	MI	Last Name	Suffix

TITLE

COMPANY NAME

Additional information may be found on the website of the State Elections Enforcement Commission,

www.ct.gov/seec

Click on the link to "Lobbyist/Contractor Limitations"



STATE OF CONNECTICUT
NONDISCRIMINATION CERTIFICATION – Affidavit
By Entity
For Contracts Valued at \$50,000 or More

Documentation in the form of an affidavit signed under penalty of false statement by a chief executive officer, president, chairperson, member, or other corporate officer duly authorized to adopt corporate, company, or partnership policy that certifies the contractor complies with the nondiscrimination agreements and warranties under Connecticut General Statutes §§ 4a-60 and 4a-60a, as amended

INSTRUCTIONS:

For use by an entity (corporation, limited liability company, or partnership) when entering into any contract type with the State of Connecticut valued at \$50,000 or more for any year of the contract. Complete all sections of the form. Sign form in the presence of a Commissioner of Superior Court or Notary Public. Submit to the awarding State agency prior to contract execution.

AFFIDAVIT:

I, the undersigned, am over the age of eighteen (18) and understand and appreciate the obligations of

an oath. I am _____ of _____, an entity
 Signatory's Title Name of Entity

duly formed and existing under the laws of _____ .
 Name of State or Commonwealth

I certify that I am authorized to execute and deliver this affidavit on behalf of

_____ and that _____
 Name of Entity Name of Entity

has a policy in place that complies with the nondiscrimination agreements and warranties of Connecticut General Statutes §§ 4a-60 and 4a-60a, as amended.

 Authorized Signatory

 Printed Name

Sworn and subscribed to before me on this _____ day of _____, 20_____.

 Commissioner of the Superior Court/ Notary Public

 Commission Expiration Date

EXHIBIT F

(a) CGS Section 4a-60. In accordance with Connecticut General Statutes Section 4a-60, as amended, and to the extent required by Connecticut law, **[NAME OF CONTRACTOR]** (“CONTRACTOR”) agrees and warrants as follows: (1) in the performance of this Agreement it will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, status as a veteran, intellectual disability, mental disability, or physical disability, including, but not limited to, blindness, unless it is shown by CONTRACTOR that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut and further to take affirmative action to ensure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, status as a veteran, intellectual disability, mental disability, or physical disability, including, but not limited to, blindness, unless it is shown by CONTRACTOR that such disability prevents performance of the work involved; (2) in all solicitations or advertisements for employees placed by or on behalf of CONTRACTOR, to state that it is an “affirmative action-equal opportunity employer” in accordance with regulations adopted by the Commission on Human Rights and Opportunities (the “CHRO”); (3) to provide each labor union or representative of workers with which CONTRACTOR has a collective bargaining agreement or other contract or understanding and each vendor with which CONTRACTOR has a contract or understanding, a notice to be provided by the CHRO advising the labor union or workers’ representative of the commitments of CONTRACTOR under Connecticut General Statutes Section 4a-60, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) to comply with each provision of Connecticut General Statutes Sections 4a-60, 46a-68e and 46a-68f and with each regulation or relevant order issued by the CHRO pursuant to Connecticut General Statutes Sections 46a-56, 46a-68e, 46a-68f and 46a-86; (5) to provide the CHRO with such information requested by the CHRO, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of CONTRACTOR as relate to the provisions of Connecticut General Statutes Sections 4a-60 and 46a-56; and (6) to include provisions (1) through (5) of this section in every subcontract or purchase order entered into by CONTRACTOR in order to fulfill any

obligation of this Agreement, and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the CHRO and take such action with respect to any such subcontract or purchase order as the CHRO may direct as a means of enforcing such provisions in accordance with Connecticut General Statutes Section 4a-60.

(b) CGS Section 4a-60a. In accordance with Connecticut General Statutes Section 4a-60a, as amended, and to the extent required by Connecticut law, CONTRACTOR agrees and warrants as follows: (1) that in the performance of this Agreement, it will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation; (2) to provide each labor union or representative of workers with which CONTRACTOR has a collective bargaining agreement or other contract or understanding and each vendor with which CONTRACTOR has a contract or understanding, a notice to be provided by the CHRO advising the labor union or workers' representative of the commitments of CONTRACTOR under Connecticut General Statutes Section 4a-60a, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) to comply with each provision of Connecticut General Statutes Section 4a-60a and with each regulation or relevant order issued by the CHRO pursuant to Connecticut General Statutes Section 46a-56; (4) to provide the CHRO with such information requested by the CHRO, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of CONTRACTOR which relate to the provisions of Connecticut General Statutes Sections 4a-60a and 46a-56; and (5) to include provisions (1) through (4) of this section in every subcontract or purchase order entered into by CONTRACTOR in order to fulfill any obligation of this Agreement, and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the CHRO and take such action with respect to any such subcontract or purchase order as the CHRO may direct as a means of enforcing such provisions in accordance with Connecticut General Statutes Section 4a-60a.

(c) Required Nondiscrimination Submissions. CONTRACTOR agrees and warrants that (1) it has delivered to CHEFA an affidavit signed under penalty of false statement by a chief executive officer, president, chairperson, member, or other corporate officer duly authorized to adopt corporate or company policy in the form attached as _____ hereto; (2) if there

is a change in the information contained in the most recently filed affidavit, CONTRACTOR will submit an updated affidavit not later than the earlier of the execution of a new contract with the state or a political subdivision of the state or thirty days after the effective date of such change; and (3) CONTRACTOR will deliver an affidavit to CHEFA annually, not later than fourteen days after the twelve-month anniversary of the most recently filed affidavit, stating that the affidavit on file with CHEFA is current and accurate.



State Contractors Guide to the Code of Ethics



Office of State Ethics

Carol Carson, Executive Director

State Contractors Guide to the Code of Ethics

Contact Us



Agency Address: Connecticut Office of State Ethics
18-20 Trinity Street
Suite 205
Hartford, CT 06106

Telephone: 860-263-2400

Facsimile: 860-263-2402

Website: www.ct.gov/ethics

Business Hours: 8:00 am to 5:00 pm

Visitors must enter the building through the door next to the Bushnell Memorial Theater.

Specific E-mail Contacts: For the timeliest responses, please be sure to direct your questions to the appropriate e-mail address; for example, with a question such as, "Can I accept this outside position with a vendor?" please be sure to send your query to ethics.code@ct.gov

- | | |
|--|--|
| ➤ Legal Advice Regarding Code of Ethics | ethics.code@ct.gov |
| ➤ Lobbyist Filing/Reporting Questions | lobbyist.ose@ct.gov |
| ➤ Public Official Filing/Reporting Questions | sfi.ose@ct.gov |
| ➤ Enforcement/Filing a Complaint | ethics.enforcement@ct.gov |
| ➤ All Other Inquiries | ose@ct.gov |

[Staff Phone Number Listing](#)

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OFFICE OF STATE ETHICS

Created on July 1, 2005, under Public Act [05-183](#), the Office of State Ethics (“OSE”) is an independent regulatory division of the Office of Governmental Accountability charged with administering and enforcing the Connecticut Codes of Ethics (“Ethics Codes”), which are found in Chapter 10 of the Connecticut General Statutes.

The OSE’s duties include educating all those covered by the Ethics Codes; interpreting and applying the Ethics Codes; investigating violations of, and otherwise enforcing, the Ethics Codes; and providing information to the public.

The OSE’s jurisdiction:

- | | |
|-----------------|---|
| Part I | Code of Ethics for Public Officials
General Statutes §§ 1-79 to 1-90a |
| Part II | Code of Ethics for Lobbyists
General Statutes §§ 1-91 to 1-101a |
| Part III | Lobbying: Miscellaneous Provisions
General Statutes §§ 1-101aa and 1-101bb |
| Part IV | Ethical Considerations Concerning Bidding and State Contracts
General Statutes §§ 1-101mm to 1-101rr |

The OSE Executive Director has overall responsibility for the welfare and effectiveness of the OSE, which has three divisions, the legal division, the enforcement division, and the administrative division.

The OSE’s governing body is the Citizen’s Ethics Advisory Board (“CEAB”), which has nine members appointed by the Governor and legislative leadership. The CEAB holds monthly meetings that are open to the public. A schedule of CEAB meeting dates, times, and locations is available at www.ct.gov/ethics.

CEAB Members:

- Attend monthly CEAB meetings
- Appoint and evaluate the Executive Director of the OSE
- Issue advisory opinions to persons subject to the Ethics Codes
- Serve as a Hearing Officer for non-confidential hearings held under the Uniform Administrative Procedures Act, General Statutes § [4-166](#) *et. seq.*
- Attend hearings to determine if violations occurred and, if so, assess penalties
- Attend special meetings if necessary
- Oversee legislative agenda

THE BIG PICTURE

Like state employees and officials, state contractors are subject to the Ethics Codes, but in a more limited manner. That is, they are not, as [Advisory Opinion No. 99-26](#) puts it, “subject to the far more restrictive provisions . . . that apply to state employees and public officials,” but they are subject to certain “narrow constraints.”

As you read through this guide, be aware that these restraints, and those that apply to state employees and officials, were enacted to prevent persons from using their public position or authority for their own financial benefit, or for the financial benefit of certain others (for example, family members).

Also be aware that each state agency has its own ethics policy, which may be more restrictive than what follows, particularly concerning the types of benefits a state employee or official may accept from state contractors (and others).

CONFLICTS

The Ethics Codes contain two primary conflict statutes that apply specifically to state contractors: General Statutes [§§ 1-86e](#) and [1-101nn](#).

GENERAL STATUTES § 1-86e

Section [1-86e](#) applies to any “person hired by the state as a consultant or independent contractor.” Such persons may not do as follows:

- (1) Use the authority, or confidential information, provided under the contract to financially benefit the person, an employee, or an immediate family member;
- (2) Accept another state contract that would impair the person’s independence of judgment in performing the existing contract; or
- (3) Accept a bribe (that is, accept anything of value based on an understanding that the person’s actions on the state’s behalf would be influenced).

Key points from [Advisory Opinion No. 99-26](#) concerning [§ 1-86e](#):

- Section [1-86e](#) is not intended to interfere with a contractor’s business, but to prevent a private entity from using state money to, for example, hire immediate family members without appropriate state oversight.
- A conflict of interest exists only if there is a connection between the facts in question and the state money and authority granted to the independent contractor or consultant by contract.

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- The term “independent contractor” does not apply just to individuals, but also to private agencies that contract with the state.
- If a state contractor wants to hire a family member to work under a state contract, the following procedure must be followed:
 1. The contractor must notify the contracting state agency in writing and demonstrate why the individual is appropriate for the job.
 2. The state agency must determine if the person is qualified for the job and whether the compensation is market rate; and if necessary, it may require the contractor to document a job search.

NOTE: *In an enforcement action, a former state contractor was alleged to have violated § [1-86e \(a\) \(1\)](#) by using confidential information gained under its contract with a state agency in its subsequent representation of clients before that agency. The contractor entered into a Consent Order with the OSE, agreeing to pay a \$10,000 penalty.*

GENERAL STATUTES § 1-101nn

Subsection (a) of § [1-101nn](#) applies to persons who are, or are seeking to be:

- (1) Prequalified under General Statutes § [4a-100](#);
- (2) A party to a large state construction or procurement contract, as defined in General Statutes § [1-101mm \(3\)](#), with a state or quasi-public agency; or
- (3) A party to a consultant services contract with a state or quasi-public agency.

Such persons may not do as follows:

- (A) Solicit information from state officials or employees that is not available to other bidders;
- (B) Defraud the state (that is, charge a state or quasi-public agency for work not performed or goods not provided);
- (C) Attempt to circumvent state competitive bidding and ethics laws; or
- (D) Provide information about the person’s donation of goods and services to state or quasi-public agencies in order to influence the award of a state contract.

Subsection (b) of § [1-101nn](#) applies to a more limited group: Any consultant that is hired by the state *to help plan a state contract*, and any “associated” businesses, as defined in General Statutes § [1-101mm \(1\)](#).

State Contractors Guide to the Code of Ethics

Under § [1-101nn \(b\)](#) neither the consultant nor any “associated” businesses may serve in the following roles with respect to the contract the consultant helped to plan:

- Consultant to any person seeking to obtain the contract,
- Contractor for the contract, or
- Consultant or subcontractor to the person awarded the contract.

NOTE: *If you are unsure whether § [1-101nn](#) applies to you, please contact the OSE, because any person found to have violated this section may be deemed a “nonresponsible bidder” by a state or quasi-public agency. General Statutes § [1-101nn \(c\)](#).*

ONE MORE CONFLICT RULE (of limited applicability)

General Statutes § [1-84 \(n\)](#) bars the State Treasurer from doing business with an investment services firm whose political committee or principals have contributed to, or solicited contributions for, her exploratory or candidate campaign committee.

The prohibition applies during the term of office for which the candidate is campaigning, as well as for the remainder of an incumbent treasurer’s term.

The prohibition applies only to contributions to the incumbent or victorious candidate for the office. [Advisory Opinion No. 2003-1](#).

ARE YOU REQUIRED TO REGISTER AS A LOBBYIST?

With certain exceptions, efforts to obtain a state contract can be considered administrative lobbying, requiring registration as a client lobbyist.

Some Key Terms

Client lobbyist: Generally, an individual or entity that, on its own behalf, expends or agrees to expend \$3,000 or more in a calendar year for *administrative* and/or legislative lobbying and activities in furtherance of lobbying. General Statutes § [1-91 \(12\)](#).

Lobbying: Generally, communicating directly, or soliciting others to communicate, with any public official or his or her staff in the legislative or executive branch, or in a quasi-public agency, in an effort to influence legislative or *administrative action*. General Statutes § [1-91 \(11\)](#).

Administrative action: Any matter within a state or quasi-public agency’s jurisdiction—such as any action or nonaction concerning a contract. General Statutes § [1-91 \(1\)](#).

Exceptions to Administrative Lobbying

The following activities are not considered administrative lobbying:

- Preparation of responses to an agency's request for proposals ("RFP"). OSE Regs. § [1-92-42a \(e\) \(1\)](#).
- Communications strictly for informational purposes (e.g., to determine what agency contract proposals will be forthcoming). OSE Regs. § [1-92-42a \(e\) \(3\)](#).
- Communications by a vendor's representative who acts as a *salesperson* and does not otherwise engage in administrative lobbying. General Statutes § [1-91 \(11\) \(B\)](#).
 - "Salespersons": Generally, individuals who have a set territory they routinely cover, and who are not part of a company's executive management. See [Advisory Opinion No. 95-11](#).

Thus, if your contact with state or quasi-public agencies is limited to responding to RFPs, or otherwise pursuing a contract through the **normal agency process**, then you are not required to register as a "client lobbyist."

But you are "lobbying" if you go **outside the agency process** in trying to obtain a state contract. For example:

- Entertaining state employees and officials.
- Communicating with officials outside the agency (such as the Governor or legislators).
- Communicating with officials within the agency but outside the normal process (such as the agency head).

If \$3,000 or more is spent on such lobbying activities, "lobbyist" registration is required. See General Statutes § [1-94](#).

Hypothetical from [Advisory Opinion No. 2003-6](#):

In responding to a state agency's RFP, a business entity spends \$3,500 in printing and personnel costs in taking a number of steps within the agency's normal contracting process. But in an effort to secure the contract, the entity contacts the Governor, thus taking action outside the normal agency process and, in doing so, expends an additional \$500 in personnel costs. Must it register as a lobbyist?

No. The \$3,500 spent in following the normal process to respond to the RFP is exempted from consideration as a lobbying expense. Therefore this entity would not have to register as a client lobbyist, because it has spent only \$500 towards its lobbying effort.

NOTE: *If you are unsure whether you must register as a "lobbyist," please contact the OSE and/or review the "Client Lobbyist Guide to the Code of Ethics."*

GIFTS

GIVING GIFTS

General Statutes § [1-84 \(m\)](#) contains the “gift”-giving bans for state contractors and potential state contractors:

- An individual or entity **doing or seeking to do business** with a state agency may not give a “gift” to any of that agency’s employees or officials.
 - This is an *agency-specific ban*, meaning: If an entity is doing or seeking to do business with State Agency X—but not with any other state agency—then it is prohibited from giving “gifts” only to employees and officials of State Agency X.
- A person **prequalified under § [4a-100](#)** may not knowingly give a “gift” to any state employee or official.
 - This ban is *not agency specific*, meaning it applies to all state employees and officials, even if the person is not doing or seeking to do business with an employee’s or official’s agency. (Registered lobbyists are subject to a similar ban. See General Statutes § [1-97 \(a\)](#).)

What is a “gift”?

General Statutes § [1-79 \(5\)](#) defines “gift” in three parts:

1. “anything of value” (for example, money, tickets to a sporting event, meals, services, etc.),
2. “which is directly and personally received” (that is, the state employee or official accepts the opportunity to partake of it),
3. “unless consideration of equal or greater value is given in return” (that is, unless the state employee or official pays fair market value for it).

Gift exceptions

There are many benefits that are not deemed “gifts,” some of which may be used by state contractors, including these:

- **Token Items:** Items valued less than \$10 (such as a pen or mug), provided the annual aggregate of such items from a single source is \$50 or less. General Statutes § [1-79 \(5\) \(P\)](#).

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- **Food/Beverage:** Up to \$50 in food/beverage annually, provided the donor or a representative is in attendance when it is being consumed. General Statutes § [1-79 \(5\) \(I\)](#).
- **Training:** Training provided by a vendor for a product purchased by a state entity, provided it is offered to all of the vendor's customers. General Statutes § [1-79 \(5\) \(Q\)](#).
- **Ceremonial awards:** A certificate, plaque or other ceremonial award valued at less than \$100. General Statutes § [1-79 \(5\) \(F\)](#).
- **Gifts to the State:** Goods or services given to a state entity. The gift must facilitate state action, and must (1) be for use on state property (e.g., a computer), (2) support a state event (e.g., funds to support an agency event), or (3) support the participation by a state employee or official at an event (e.g., funds for an agency employee to attend an educational conference relevant to his state duties). General Statutes § [1-79 \(5\) \(e\)](#).

NOTE: There is a "gift" exception in § [1-79 \(5\) \(L\)](#) for "major life events" (a term defined by regulation), but state contractors and potential state contractors may not use it.

Gift Reporting

If a person doing or seeking to do business with a state agency gives an agency employee or official any of the benefits found in the "gift" exceptions, the person may have a reporting obligation. See General Statutes § [1-84 \(o\)](#).

Generally, if the benefit is valued over \$10, the person (or a representative) must do as follows: Give *both* the recipient *and* the executive head of the recipient's department or agency a written report stating:

- The donor's name,
- A description of the item or items given,
- The value of such items, and
- The cumulative value of all items given to such recipient in the calendar year.

NOTE: This helps both the donor and the state employee or official keep track of the "gift" exceptions noted above, so that permissible limits are not exceeded.

ACCEPTING GIFTS

In [Advisory Opinion No. 99-17](#), the conflict language in § [1-86e \(a\) \(1\)](#) (see above) was interpreted as creating the following rule:

- If, as a state contractor or an employee thereof, you are offered benefits from a person by virtue of your authority under the state contract (for example, clients of the contracting state agency), you may accept **no more** than \$100 annually from that person.

NOTE: *In an enforcement action, a former employee of a state contractor was found to have violated § [1-86e \(a\) \(1\)](#)—and ordered to pay a \$10,000 penalty—for using his authority over a subcontractor to solicit free or discounted gifts, services and other items of value (e.g., meals and tickets to sporting events and concerts).*

NECESSARY EXPENSES

General Statutes § [1-84 \(k\)](#)—the “necessary expenses” provision—prohibits a state employee or official from accepting a fee or honorarium for participating at an event *in his or her official capacity*.

However, a state employee or official may receive payment or reimbursement for “necessary expenses” if—in his or her official capacity—the employee or official *actively participates* in the event (for example, gives a speech or runs a workshop).

“Necessary expenses” are not considered gifts and may include the cost of:

- Travel (coach),
- Lodging (standard room for the nights before, of, and immediately following the event),
- Meals (non-lavish), and
- Conference or seminar registration fees.

“Necessary expenses” do not include the cost of entertainment (tickets to sporting events, golf outings, etc.), or payment of expenses for family members or other guests.

A state contractor has *no reporting obligations* when it pays for, or reimburses, a state employee’s or official’s “necessary expenses.”

Example:

A state contractor is hosting an out-of-state conference and would like the Governor to come and give a speech in his official capacity. The contractor has offered to pay the Governor’s

State Contractors Guide to the Code of Ethics

travel and lodging expenses, to waive his conference registration fee, and to give him a \$500 honorarium. Permissible?

The Governor may not accept the \$500 honorarium (because he is participating in his official capacity), but may accept payment or reimbursement for “necessary expenses,” which include coach-class travel, standard lodging for the nights before, of, and after the speech, and waiver of the conference registration fee.

HIRING CURRENT OR FORMER STATE EMPLOYEES AND OFFICIALS

Former State Employees and Officials

A state contractor wanting to hire a *former* state employee or official should be aware of the Code’s post-state employment prohibitions. See General Statutes §§ [1-84a](#) and [1-84b](#).

Most of these prohibitions are “personal” to the former state employees and officials, meaning they do not apply to their post-state *employers*. These include:

- **Confidential information:** A former state employee or official may *never* “disclose or use confidential information” gained in state service for anyone’s financial gain. General Statutes § [1-84a](#).
- **Side switching:** A former state employee or official may *never* “represent anyone other than the state, concerning any particular matter (1) in which he participated personally and substantially while in state service, and (2) in which the state has a substantial interest.” General Statutes § [1-84b \(a\)](#).
- **Cooling off:** For *one year* after leaving state service, a former state employee or official may not “represent” anyone for compensation before their former state agency. (“Represent” means doing any activity that reveals the former state employee’s or official’s identity.) General Statutes § [1-84b \(b\)](#).

NOTE: *Certain former employees and officials of the Department of Consumer Protection and the Department of Emergency Services and Public Protection are subject to a two-year employment ban with respect to entities engaged in Indian gaming operations. General Statutes § [1-84b \(d\)](#) and [\(e\)](#).*

Prohibitions on Employer

There are two post-state employment provisions that apply not only to former state employees and officials—but also to those that hire them:

- For *one year* after leaving state service, a former state employee or official may not accept employment with a party to a state contract valued at \$50,000 or more, if:

State Contractors Guide to the Code of Ethics

- (1) He or she participated substantially in, or supervised, the negotiation or award of that contract, and
- (2) It was signed within his or her last year of state service.

Further, “[n]o party to such a contract or agreement . . . shall employ any such former public official or state employee in violation of this subsection.” General Statutes § [1-84b \(f\)](#).

- Individuals who held designated positions at certain state regulatory agencies may not—for **one year** after leaving state service—“accept employment with a business subject to regulation by that agency.” Further, “[n]o business shall employ a . . . former public official or state employee in violation of this subsection.” General Statutes § [1-84b \(c\)](#).

Current State Employees and Officials

State contractors wanting to hire a *current* state employee or official should be aware of the Code’s outside-employment rules, which bar the employee or official from:

- Accepting outside employment with an individual or entity that can benefit from the state servant’s official actions (e.g., the individual in his or her state capacity has specific regulatory, contractual, or supervisory authority over the private person). OSE Regs. § [1-81-17](#).
- Using state time, materials, or personnel to perform their outside work. General Statutes § [1-84 \(c\)](#).
- Accepting—or being a member or employee of an entity that agrees to accept—compensation for representing others before 11 statutorily designated state agencies. General Statutes § [1-84 \(d\)](#). The agencies include:
 - the Department of Banking,
 - the Claims Commissioner,
 - the Office of Health Care Access division within the Department of Public Health,
 - the Insurance Department,
 - the Department of Consumer Protection,
 - the Department of Motor Vehicles,
 - the State Insurance and Risk Management Board,
 - the Department of Energy and Environmental Protection,
 - the Public Utilities Regulatory Authority,
 - the Connecticut Siting Council, and
 - the Connecticut Real Estate Commission.

***The prohibition on being a “member or employee” applies to entities that are in the business of *representing others* for compensation before the listed agencies (law firms, accounting firms, etc.).

OTHER OUTSIDE EMPLOYMENT CONSIDERATIONS

There are two other outside employment prohibitions, but they apply only to a limited number of state employees and officials:

- Individuals holding designated positions at certain state regulatory agencies may not—while in state service—“negotiate for, seek or accept employment with any business subject to regulation by his agency.” Also, “[n]o business shall employ a present . . . public official or state employee in violation of this subsection.” General Statutes § [1-84b \(c\)](#).
- Certain present employees and officials of the Department of Consumer Protection and the Department of Emergency Services and Public Protection may not “negotiate for, seek or accept employment with” entities engaged in Indian gaming operations. General Statutes § [1-84b \(d\) and \(e\)](#).

OTHER CONSIDERATIONS

WRITTEN AFFIRMATION CONCERNING STATE ETHICS LAWS SUMMARY

General Statutes § [1-101qq](#) contains three requirements with respect to the OSE’s state ethics laws summary:

1. State agencies must provide large state construction or procurement contractors with the state ethics laws summary; and—before accepting their bids—must obtain written affirmation that their key employees read, understand, and agree to comply with those laws.
2. Large state construction or procurement contractors must, in turn:
 - a. provide their subcontractors and consultants with the state ethics laws summary,
 - b. obtain the same written affirmation as above from their subcontractors and consultants, and
 - c. provide the affirmations to the state agency with which they have the contract—or face termination of the contract.
3. The state ethics laws summary must be included by reference in each contract with a contractor, subcontractor or consultant.

ETHICS AFFIDAVITS & CERTIFICATIONS FOR STATE CONTRACTS

The Office of Policy and Management has created ethics forms to help executive branch agencies comply with the State's contracting requirements. The forms include, for example, "Affirmation of Receipt of State Ethics Laws Summary" and "Gift and Campaign Contribution Certification." Copies of these forms and other updated information regarding state contractors can be found on the websites of the Office of Policy and Management and the Department of Administrative Services.

NOTE: *The OSE does not have jurisdiction over the ethics affidavits and certifications. Questions concerning them should be directed to the Office of Policy and Management.*

ETHICS ENFORCEMENT

Enforcement of the Ethics Codes is initiated by a complaint, which is filed by the OSE Ethics Enforcement Officer or a member of the public. In most cases, a complaint by the Ethics Enforcement Officer is preceded by a confidential staff evaluation.

A two-stage process follows:

1. Confidential investigation and confidential probable cause hearing.
2. If probable cause is found, a public hearing to determine if a violation has occurred.

At any stage of this process, the OSE and the Respondent may negotiate a settlement.

After a finding or admission of a violation, the CEAB may order the Respondent to comply with the Ethics Codes in the future, file any required report or statement, and/or pay a civil penalty.

For failure to file a report, statement, or other information required by the Ethics Codes, the CEAB may, after a hearing, impose a civil penalty of up to \$10 per day, with the aggregate penalty for any one violation being \$10,000.

The OSE may refer matters to the Chief State's Attorney for criminal prosecution. An intentional violation of the Ethics Codes is a misdemeanor for the first violation, unless the individual has derived a financial benefit of at least \$1,000. In that case, the violation is a class D felony.

The Attorney General may sue for up to three times the economic gain received through knowingly committing or knowingly profiting from a violation of the Code.

The "[Citizen's Guide to Filing a Complaint](#)," which is available on the OSE's website, gives a detailed overview of the complaint process and related confidentiality rules.

**AFFIDAVIT OF
THIRD PARTY FEES**

Pursuant to Section 3-13j of the Connecticut General Statutes I, _____

a duly authorized officer and/or representative of _____, a person or entity seeking to enter into a contract for investment services with the CONNECTICUT HEALTH AND EDUCATIONAL FACILITIES AUTHORITY, being duly sworn, hereby depose and say:

that all third party fees¹ attributable to such contract are as follows:

NAME OF PAYEE	DOLLAR AMOUNT PAID OR VALUE OF NON-CASH COMPENSATION AND DATE	FEE ARRANGEMENT	SPECIFIC SERVICES PERFORMED BY PAYEE

[if none, state none]

The information set forth herein is true, complete and accurate to the best of my knowledge and belief under penalty of perjury.

Signed: _____

Print Name: _____

Title: _____

Subscribed and sworn to before me this _____ day of _____, 20____

Commissioner of Superior Court/Notary Public

¹ [“Third party fees” include, but are not limited to, management fees, placement agent fees, solicitation fees, referral fees, promotion fees, introduction or matchmaker fees, and due diligence fees.](#)