



STATE OF CONNECTICUT

STATE ETHICS COMMISSION

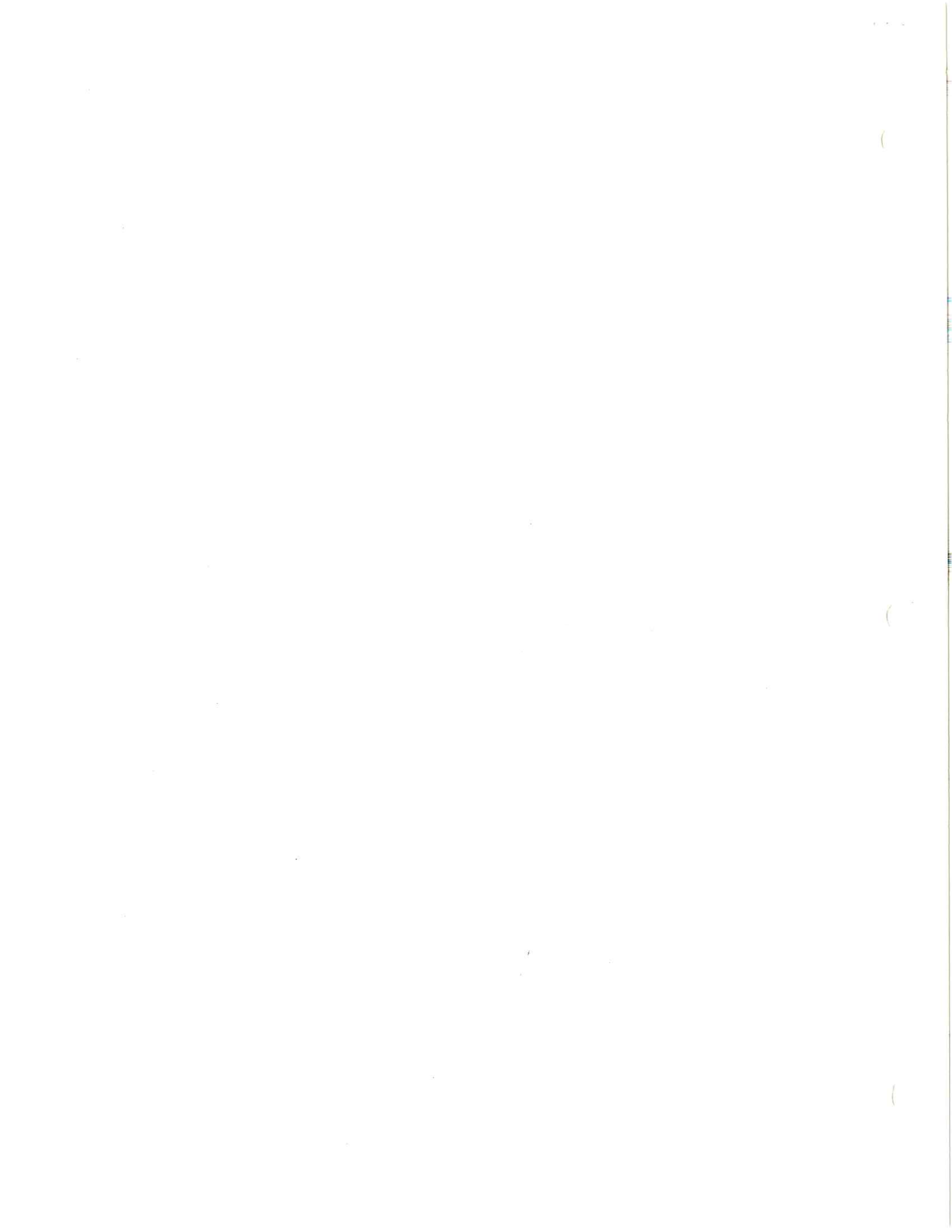
ADVISORY OPINION NO. 92-4

Application Of Code Of Ethics To Proposed
Outside Employment Of Ranking Member Of Banks Committee

Representative Alan R. Schlesinger, the House Ranking Member of the General Assembly's Banks Committee, has asked how the Code of Ethics for Public Officials would affect his ability to become an owner and/or officer of a bank doing business in Connecticut. The Banks Committee has "...cognizance of all matters relating to banks, savings banks, state banks and trust companies, savings and loan associations...and all legislation dealing with secured and unsecured lending." The Joint Rules of the Senate and House of Representatives, p. 3 (1991).

Conn. Gen. Stat. §1-84(b) provides that no public official may accept other employment which will either impair his independence of judgment with respect to his official duties or result in the disclosure of confidential information. Under Conn. Gen. Stat. §1-84(c), a public official may not use his public position or confidential information acquired as a result of such position to obtain financial gain for himself or for a business with which he is associated. Any bank of which Rep. Schlesinger becomes an owner or president, executive or senior vice president or treasurer (hereinafter "officer") will be a "business with which he is associated," as defined in Conn. Gen. Stat. §1-79(c).

The Ethics Commission is sensitive to the difficulty of applying the Code's provisions regarding use of office and acceptance of outside employment to the members of Connecticut's part-time General Assembly, most of whom pursue other careers. In reaching its decisions regarding legislators the Commission must initially determine whether a potential conflict with state service is so significant as to require prohibiting the activity in question. Ethics Commission Advisory Opinion No. 88-9, 49 Conn. L.J. No. 48, p. 5D (May 31, 1988). In previous decisions the Commission has prohibited committee chairpersons from accepting employment in an industry or engaging in an activity over which their committee has jurisdiction. Based upon the enormous power wielded by such persons, the use of their office, however inadvertent, would be inevitable. See Ethics Commission



Advisory Opinion No. 89-28, 51 Conn. L.J. No. 17, p. 3C (October 24, 1989), (Chairman of the Banks Committee precluded from arranging the purchase of a bank); Ethics Commission Advisory Opinion No. 89-7, 50 Conn. L.J. No. 35, p. 8C (February 28, 1989) (Chairman of Labor and Public Employees Committee prohibited from representing State employees before Workers' Compensation Commission).

Rep. Schlesinger's role as the Ranking Member of the Banks Committee, alone, will not preclude him from becoming an owner or officer of a bank subject to the Committee's jurisdiction. Despite the considerable authority which the Ranking Member undoubtedly holds, the Ethics Commission has not extended the Code's strictest limitations to such persons.

If Rep. Schlesinger chooses to pursue a career in the banking industry, he must still be guided by Conn. Gen. Stat. §1-84(d) which provides, in pertinent part, that no public official may, for compensation, appear or take any other action on behalf of another person before the banking department. This section will prohibit a legislator from appearing on behalf of a client bank as, for example, an accountant or attorney, but would not prohibit an appearance by a legislator on behalf of a bank of which he is an owner, officer or employee.

Rep. Schlesinger's activities will also be limited by Conn. Gen. Stat. §1-85, which provides, in pertinent part, that a public official has a substantial conflict of interest which precludes official action if he has reason to believe that such action will result in a direct and unique monetary loss or gain to himself or a business with which he is associated. Keeping the above restrictions in mind, Rep. Schlesinger is permitted to become affiliated with a bank, as an owner or officer, without relinquishing his position as the Ranking Member of the Banks Committee.

By order of the Commission,



Astrid T. Hanzalek

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Chairperson

Dated 2-5-92