



## DECD Ethics Statement

The mission of the Department of Economic and Community Development (“DECD”) is to provide leadership and service to enhance the state's economy and to expand opportunities for individuals, business and community prosperity, promote the state’s cultural and tourism assets, remediate and redevelop brownfields, and improve the quality of life for Connecticut citizens. As DECD employees, we share responsibility to administer millions of tax dollars, we work with confidential information that is extremely sensitive and we have financial relationships with the private and public sectors. Given this responsibility, it is important to reiterate a strong code of ethics for all department employees.

The "Code of Ethics for Public Officials" is set forth in Connecticut General Statutes, Chapter 10, Part 1, sections 1-79 through 1-90a as may be amended from time to time (the “Code”). These sections prescribe proper conduct for state employees and officials in the discharge of their employment. This ethics statement, in accordance with Conn. Gen. Stat. sec. 1-83(a)(2), is to draw your attention to the Code statutes and to clearly define the policies of the department concerning outside employment or business involvement, the solicitation or acceptance of gifts and gratuities and the proper handling of confidential and sensitive information.

In order that we may all avoid possible violations of the Code, it is necessary for the department to be aware of any situations in which there is a real, potential, or apparent conflict of interest involving its employees.

### **Prohibitions**

- **Confidential Information.** No employee of the DECD shall use, disclose, or distribute confidential information gained in state service, and in particular, from a client of the agency, for personal financial benefit or to financially benefit a family member, or a business with which they or a family member are associated. No employee of the DECD shall use state equipment or materials for other than state business purposes. Much of the information used by the agency is confidential. Employees may not use any information available from computer printouts, computer terminals, records, verbal communications with clients or co-workers or from any other source except in the appropriate administration of our programs. Any misuse of information may result in disciplinary action.
- **Financial Benefit.** No employee of the DECD shall use his or her official position for personal financial benefit or to financially benefit a family member, or a business with which they or a family member are associated.
- **Gifts.** No employee of the DECD shall directly or indirectly solicit or accept any gift or gratuity from restricted donors, who include: (1) any registered lobbyist, (2) any contractor pre-qualified by the Department of Administrative Services, or (3) from any person or organization with whom the DECD has, has had, or may expect to have, a business relationship which could cause, or create the appearance of, a conflict with or influence the performance of the employee’s duties with the DECD.

“Gift” is defined in the Code, and generally refers to something of value that you (or in certain circumstances a member of your family) receive directly and personally unless you provide consideration of equal or greater value (as in, pay for the item). There are certain items that are excluded from the definition of “gift” under the Code. The complete list of exemptions is found in Conn. Gen. Stat. sec. 1-79(5)(A)-(S).

While the Code includes certain exemptions for gifts of small value, including food and drink, it is the policy of the DECD that its employees decline all gifts from persons in the categories identified above or which are otherwise given because of an employee’s position at the DECD. Any gift or gratuity that a person or organization attempts to give an employee of the DECD shall be immediately returned. You are permitted to participate in events, such as dinners, as long as there is compliance with the gift exemption in the Code. That exemption limits a public official or state employee to under \$50.00 aggregate in food and beverage per year from a restricted donor, provided the donor or his/her representative is in attendance when the food and beverage is being consumed.

DECD employees are also prohibited from contracting for goods and services, for personal use, with any person doing business with or seeking to do business with the DECD, unless it is on the same terms that such goods or services are available to other members of the public.

- **Accepting and Reporting Necessary Expenses and Gifts to the State.** A DECD employee may receive payment or reimbursement for “necessary expenses” only if you, in your official capacity, actively participate in an event (i.e., give a speech or a presentation, run a workshop, moderate a panel). “Necessary expenses” are limited to travel (coach or economy), lodging (standard cost of room for the nights before, of and immediately following the event), meals, and related conference/event registration fees. Entertainment or recreation costs are not included.

A DECD employee may also accept, under the gifts to the state exception, payment or reimbursement of reasonable expenses for attending an educational event relevant to your state duties and for the purpose of acquiring knowledge or certain expertise. Active participation is not required.

Conn. Gen. Stat. sec. 1-84c(b) requires public officials and state employees to file an online report with the Office of State Ethics within 30 days after receiving certain goods or services under the under the Code of Ethics as “necessary expenses” or under the “gift to the state” exemption. In general, this reporting requirement is triggered if you payment or reimbursement of lodging (standard room nights before, of and after an event), or out-of-state travel (coach class), or both. Reporting is not required if payment or reimbursement is made by the State of Connecticut, the federal government, or another state government.

Any provision of expenses for a DECD employee’s travel, workshop, conference, seminar, or speaking engagement attendance which is contemplated or offered by any non-government agency, group, business or professional organization, or individual(s) must be reported immediately and in advance of the function to the Commissioner’s Office. Participation of the DECD employee(s) in or at said function shall solely be at the discretion of the Commissioner’s Office after review and consideration of all relevant State and agency Ethics policies and provisions. If you accept necessary expenses or gifts to the state as described in this section, it is your responsibility to file the applicable online report with the Office of State Ethics within the required timeframe.

- **Outside Employment & Conflict of Interests.** No employee shall accept employment with any consultant, contractor, appraiser, or any other organization or individual nor shall any DECD employee

have, directly or indirectly, a financial interest in any business, firm, or enterprise doing business with this agency that would cause, or create the appearance of, a conflict with or influence the performance of the employee's duties with DECD. Any situations that an employee believes or expects may represent a substantial or potential conflict of interest shall be immediately reported to and discussed with their manager.<sup>1</sup> Upon request by the manager, the employee will put the matter in writing for review. This notification will provide an opportunity for a further review by departmental officials of the degree of potential conflict of interest, if any, and permit appropriate actions, if necessary.

Other employment is generally barred if the other employer can benefit from the state employee's official actions. For example, such other employment would be barred if the individual in his or her state capacity has regulatory or contractual authority over the other entity. An agency employee is not prohibited, however, from using his or her expertise for private gain, as long as no provision of the Code is violated in the process.

No employee of the DECD shall allow any private obligation of employment or enterprise to impair their independence of judgment with respect to their official duties or to take precedence over his/her responsibility to the department.

You should not play any role in hiring, promotion, demotion, or other personnel action affecting your relative (defined to include your father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, wife, husband, domestic partner, grandmother, grandfather, grandson, granddaughter, father-in-law, mother-in-law, sister-in-law, brother-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother or half-sister), nor should you take any action directly or indirectly, to coerce, command, or require a state employee to improperly obtain an appointment for any individual to a position in state service. You should be aware that your taking action including the signing of certain documents may result in a violation of the Code if such action results in a financial benefit being received by a relative. Examples of such documents include personnel forms (including performance appraisals) and vouchers. Caution should be exercised, so that unintended violations do not occur.

**If there is deemed to be a violation of the Code, the employee may be required to give up either his or her outside employment or state position or take other appropriate steps in order to resolve the Code violation.**

- **Post-State Employment Restrictions**

Employees who leave the DECD and seek post-state employment should familiarize themselves and must comply with applicable sections of the Code of Ethics, commonly known as the "revolving door" provisions, found at Conn. Gen. Stat. sec. 1-84a and 1-84b.. There are lifetime bans on disclosing any confidential information you learned within the course of your state service for anyone's financial gain.

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<sup>1</sup> A "substantial" conflict of interest exists if a public official or state employee has reason to believe or expect that he or she, his or her spouse, a dependent child, or an associated business will derive a direct monetary gain or suffer a direct monetary loss by virtue of his or her official activity. (It does not exist if any benefit or detriment accrues to any such person as a member of a profession, occupation or group to no greater extent than any other member of such profession, occupation or group.)

A "potential" conflict of interest exists if a public official or state employee, in the discharge of his or her official state duties, would be required to take an action that would affect his or her financial interest, or the financial interest of his or her spouse, parent, brother, sister, child, spouse of the child, or an associated business. Unlike a "substantial" conflict of interest, there is no requirement that the financial impact be direct or that it affect the individual differently from other members of his or her profession, occupation, or group. However, there still must be a reasonable expectation on the part of the state employee or public official that there will be some financial impact based on his or her actions. A "potential" conflict of interest does not exist if the financial interest is "de minimus" (under \$100) or if the interest is not distinct from that of a substantial segment of the general public (e.g., all taxpayers).

Also, you may never represent anyone other than the state regarding a particular matter in which you were personally or substantially involved while in state service and in which the state has a substantial interest.

There are also one-year bans against representing anyone, other than the state, for compensation before DECD after leaving state service, and against being hired after you leave state service by a party to a state contract valued at \$50,000 or more if you were substantially involved in, or supervise, the negotiation or award of that contract and it was signed within your last year of state service.

The foregoing policies apply to all employees of the DECD, and it shall be the responsibility of each employee to be familiar with them and to comply with them. To that end, each employee will be given a copy of the policy and will be asked to sign a form indicating its receipt and review. Employees who do not comply with the above policies or who are found to have violated the Code of Ethics for Public Officials, Conn. Gen. Stat. sections 1-79 to 1-90a, as may be amended, may be subject to disciplinary action up to and including dismissal from state service.

This is an excellent department with a dedicated and competent staff and these measures simply reiterate what is the norm for responsible and professional conduct. It is important for us to maintain the highest professional standards in the discharge of our duties.

**If you have any questions or would like to read the full text of the Code, please contact Lisa Bakanas, Ethics Liaison Officer in the Legal Services Unit, or visit the Office of State Ethics' website at <http://www.ct.gov/ethics/site/default.asp> . Attached is "A Guide to the Code of Ethics for Public Officials and State Employees" drafted by the Office of State Ethics which summarizes the main points of the Code.**

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