CONNECTICUT STATE ETHICS COMMISSION 30 TRINITY STREET HARTFORD, CONNECTICUT 06115



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ADVISORY OPINION NUMBER 78-16

Reporting Expenditures for the Benefit of a Public Official

An organization which gave a reception attended by some State legislators, among others, has asked the Ethics Commission the proper procedure for reporting the expenditure for the reception.

Present at the reception were some 20 members of the organization, 4 organization staff members, and 12 legislators. The cost of the reception was around \$40, or \$1.25 per person at the most. The total expenditure on all the legislators, computed on the basis of the average cost perperson, was a maximum of \$15.

The question is the application to this situation of the last senter of section 7, Public Act Number 77-605: "Such financial report shall be on a form prescribed by the commission and shall include an itemized verified statement of each expenditure of twenty-five dollars or more per occasion made by the registrant for the benefit of a public official in the legislative or executive branch, a member of his staff or immediate family, itemized by date, beneficiary, amount and circumstances of the transaction" (emphasis added). Here the occasion cost more than \$25. The benefit to the public officials involved, based on per capita cost, was less than \$25.

At the outset, it is clear that "for the benefit of a public official was not intended to restrict reporting to occasions at which only a single public official is benefited, or the benefit to a single public official is at least \$25. In the General Assembly discussion of section 7, the language of which was the subject of several amendments prior to enactment of Public Act Number 77-605, normally was in terms of a group of public officials being benefited at some affair. The phraseology was apparently selected to show that there had to be at least one public official or member of his immediate family or staff present as a quest before report had to be submitted with the particularity required by the last sentence of section 7. Limiting the report to occasions at which a single person benefited \$25 or more was expressly rejected.

The reporting requirement is subject to two interpretations. One is that the itemized verified statement is required whenever there is an occasion incident to which a registrant expends \$25 or more for the benefit of one or more public officials, their immediate family or which. The other is that the report is made when there is an occasion benefit.

one or more public officials, immediate family or staff, which occasion costs a registrant \$25 or more. The legislative history fails to make clear whether the General Assembly intended that the expenditure or the occasion be for the benefit of a public official, etc. However, some insight may be gained from the fact that the reason the section was amended so frequently prior to its passage was the concern among legislators that when lobbyists benefited public officials, that fact should be disclosed. At one time a report was required only when the expenditure was \$25 per person per occasion. Legislators kept attempting to close this "gigantic loophole", citing the example that it would allow a lobbyist to entertain a legislator at a \$24.99 dinner every night of the legislative session without the public being made aware of it. The present language was drafted for the purpose of maximum disclosure to the public, informing it of every occasion of any economic significance at which one or more public officials is benefited.

This purpose is served by requiring a report, giving some detail, whenever a public official, a member of his immediate family, or staff is benefited at an occasion costing \$25 or more, regardless of how much he is benefited, or all the public officials, their immediate family and staff, present as guests, are benefited.

This not only appears to have been the intent of the General Assembly but it avoids the problem of allocating benefit among guests. With regard to the reception under consideration, it is not necessary for the registrate monitor whether the public officials consumed more than their share of food and drink, so that the 12 legislators in fact enjoyed cocktails and canapes worth \$25 or more.

In summary, a registrant must include in his financial report a verified statement, itemizing the information required by the last sentence of section 7, Public Act Number 77-605, whenever the registrant benefits one or more public officials, their immediate family or staff, at an occasion which costs at least \$25.

By order of the Commission,

Throward J. Lymon.

Rev. Thomas J. Lynch

Chairman

Dated A 1978