



# STATE OF CONNECTICUT

## OFFICE OF STATE ETHICS

**Are you attending an event as a public official or state employee? Are your expenses being paid for?  
Know what you can and cannot accept and the differences between:**

### **NECESSARY EXPENSES and GIFTS TO THE STATE**

**NECESSARY EXPENSES**  
C.G.S. §§ 1-79 (17) and 1-84 (k)

- You may not accept a fee or honorarium for presenting an article or giving a speech in your official capacity;
- BUT**
- You may accept payment or reimbursement of “necessary expenses” for your “active participation” in your role as a public official or state employee.
  - “Active participation” requires some substantive official activity that is essential to the event (e.g., speech, participation on a panel, moderating a panel, presenting or receiving of an award, etc.)
  - “Necessary expenses” are not considered a gift. Rather, these are necessary costs provided to you in consideration of your service or expertise.
  - Only the sponsor of the event may pay your necessary expenses, but the sponsor can be either a restricted or non-restricted person or entity.
  - You must have been invited to participate in your capacity as a public official or state employee.
  - What are “necessary expenses”?

Travel (coach class)

Lodging (standard room nights before, of and after event)

Meals

Conference or seminar registration fees

NOTE: “Necessary expenses” do not include recreation or entertainment costs. (SEE OVER)

**GIFTS TO THE STATE**  
C.G.S. §§ 1-79 (5) (E) and 1-84c (b)

- You may accept payment or reimbursement of reasonable expenses for attending an event in your official capacity;
- BUT**
- The event must be educational in nature and relevant to your state duties (i.e., the event must facilitate state action or function).
  - “Active participation” at the event is not required, you need only attend. You attend an event to acquire knowledge or certain expertise.
  - Payment or reimbursement of “gifts to the state” may be made by either a restricted to non-restricted person or entity and is not limited to the sponsors of the event.
  - Only reasonable (not lavish) expenses may be paid. These are:

Travel (coach class)

Lodging (standard room for nights before, of and after event)

Meals

Conference or seminar registration fees

NOTE: “Gifts to the State” do not include recreation or entertainment costs.

- Reporting Requirements for YOU.

If you receive payment or reimbursement for lodging and/or out of state travel under the “gifts to the state” provision, you must file a form (ETH-GTS) with the Office of State Ethics (“OSE”) within 30 days. Reporting is not required if payment or reimbursement of expenses is made by the State of Connecticut, the federal government or another state government. (SEE OVER)

## NECESSARY EXPENSES (CONTINUED)

- Reporting Requirements for YOU:

If you receive payment or reimbursement of necessary expenses for lodging and/or out of state travel, you must file a form (ETH-NE) with the OSE within 30 days. Reporting is not required if payment or reimbursement of expenses is made by the State of Connecticut, the federal government or another state government.

- Reporting Requirements for the Sponsor:

If payment or reimbursement of any expenses is made by a registered lobbyist, and such expenses exceed \$10, the registered lobbyist is required to report and itemize the expenses (and disclose the identity of the recipient) to the OSE within 45 days of the event.

### EXAMPLES: NECESSARY EXPENSES

**Question:** A restricted entity is hosting an out-of-state conference and would like a public official to come and give a speech in her official capacity. The restricted entity has offered to pay the official's travel and lodging expenses, to waive her conference registration fee, and to give her a \$500 honorarium. Permissible?

**Answer:** The official may not accept the \$500 honorarium (because she is participating in her official capacity), but may accept payment or reimbursement for necessary expenses. Also, the official must file a form ETH-NE with the OSE within 30 days because she received lodging and out-of-state travel.

**Question:** A public official has been asked to present an award at a one-day conference of a national non-profit in New York City. Scholarship (which will pay for the official's travel, lunch and conference fee) has been offered. The scholarship is funded by donations from various companies, some of whom are restricted donors. Is it permissible for the official to accept the scholarship under "necessary expenses?"

**Answer:** Provided the donations to the scholarship were not earmarked for public officials to attend the event but were instead general donations to the non-profit and the non-profit invited the official, the official may accept the scholarship as necessary expenses. Presenting an award is considered active participation. The official must file a form ETH-NE with the OSE within 30 days because he received payment for out-of-state travel.

## GIFTS TO THE STATE (CONTINUED)

- Reporting Requirements for Donor:

If payment or reimbursement of expenses under the "gifts to the state" provision is made by a restricted donor (i.e., a registered lobbyist or person/entity doing or seeking to do business with your agency), and such expenses exceed \$10, the donor is required to notify you by letter within 10 days identifying the "gifts to the state" paid or reimbursed on your behalf. If the donor is a registered lobbyist, such donor may report and itemize the expenses (and disclose the identity of the recipient) on its next financial report to the OSE.

### EXAMPLES: GIFTS TO THE STATE

**Question:** A restricted donor has invited a state employee to attend a seminar dealing with the subject that is pertinent to the employee's state work. The seminar's fees are waived for the employee and he is provided lunch while he attends. The employee does not give a speech or presentation but raises his hand a few times and asks questions of the presenters. May the employee accept food and seminar fees as "necessary expenses?"

**Answer:** No. Because the employee did not "actively participate" in the seminar, he cannot accept "necessary expenses." Asking questions at the event does not constitute "active participation." However, as the seminar is educational in nature and relevant to the employee's state duties, he may accept expenses under "gifts to the state" and there would be no reporting requirements for the employee because the donor did not provide lodging and/or out-of-state travel costs.

**Question:** A national education organization has invited a group of state officials to a conference. The organization has offered to pay the officials' travel, lodging and meal expenses and have included a complimentary tickets to a show. Is this permissible as a gift to the state?

**Answer:** The state officials may accept payment or reimbursement of travel, lodging and meals as "gifts to the state." However, the officials cannot accept the show ticket as it is not an essential expense to attend the conference. The officials must file a form ETH-GTS with the OSE within 30 days because they received payment or reimbursement for lodging and out-of-state travel.