



Social Equity Council

Ethics Statement

The mission of the Social Equity Council ("SEC") is to provide leadership and service to support the state's adult-use cannabis program and provide individuals in disproportionately impacted areas the opportunity to participate in the program established under Public Act 21-1.

As members, employees, or agents of the Social Equity Council, 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 council members and 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 agency 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 council 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 SEC 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 member or employee of the SEC shall use state equipment or materials for other than state business purposes. Much of the information used by the agency is confidential. Employees and members 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.



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- **Financial Benefit.**

No member or employee of the SEC 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.

- **Gift**

No member or employee of the SEC 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 or SEC 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 SEC.

"Gift" is defined in the Code of Ethics, 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 SEC that its members and employees decline all gifts from persons in the categories identified above or which are otherwise given because of a member or an employee's position at the SEC. Any gift or gratuity that a person or organization attempts to give an employee of the SEC 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.

SEC members and 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 SEC, 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**

An SEC member or 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.



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An SEC member or 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 Code of Ethics as “necessary expenses” or under the “gift to the state” exemption. In general, this reporting requirement is triggered if it is 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.

- **Outside Employment & Conflict of Interests.**

No member or employee shall accept employment with any consultant, contractor, appraiser, or any other organization or individual nor shall any SEC 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 member or employee’s duties with the SEC. 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 SEC executive director. Upon request by the executive director, 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 member or employee of the SEC 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



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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 member or 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**

Council members or Employees who leave the SEC 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.

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.

Public Act 21-1 Sec. 51 has created specific ethics requirements for all council members and employees as follows: **“(a) No member of the Social Equity Council and no employee of the Social Equity Council or department who carries out the licensing, inspection, investigation, enforcement or policy decisions authorized by RERACA, and any regulations enacted pursuant thereto, may, directly or indirectly, have any management or financial interest in the cultivation, manufacture, sale, transportation, delivery or testing of cannabis in this state, nor receive any commission or profit from nor have any interest in purchases or sales made by persons authorized to make such purchases or sales pursuant to RERACA. No provision of this section shall prevent any such member or employee from purchasing and keeping in his or her possession, for his or her personal use or the use of such member's or employee's family or guests, any cannabis which may be purchased or kept by any person by virtue of RERACA. (b) No former member of the Social Equity Council and no former employee of the Social Equity Council or department described in subsection (a) of this section shall, within two years of**



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leaving state service, be eligible to apply either individually or with a group of individuals for a cannabis establishment license. (c) No member of the General Assembly or state-wide elected public official shall, within two years of leaving state service, be eligible to apply either individually or with a group of individuals for a cannabis establishment license.”

The foregoing policies apply to all SEC member and employees, and it shall be the responsibility of each member or 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.

The Social Equity Council is an excellent agency with dedicated members 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 about this policy, please contact Komla Matrevi, SEC staff attorney at Komla.Matrevi@ct.gov for more clarification. You may also contact the Office of State Ethics at <http://www.ct.gov/ethics/site/default.asp> for any questions or concerns regarding the state ethics laws and regulations.