



Senate

General Assembly

File No. 569

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Senate Bill No. 462

Senate, April 9, 2026

The Committee on Government Administration and Elections reported through SEN. FLEXER of the 29th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT ESTABLISHING THE OFFICE OF GOVERNMENT OVERSIGHT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2026*) (a) For purposes of this
2 section and sections 2 to 4, inclusive, of this act, "governmental agency"
3 means a state agency or a quasi-public agency, "state agency" and
4 "quasi-public agency" have the same meanings as provided in section 1-
5 79 of the general statutes and "executive director" means the executive
6 director of the Office of Government Oversight.

7 (b) There is established an Office of Government Oversight that shall
8 act to detect and prevent fraud, waste and abuse in the management of
9 state personnel, in the use and disposition of state property and in the
10 collection, disbursement and expenditure of state and federal funds
11 administered by governmental agencies. The Office of Government
12 Oversight shall also evaluate the economy, efficiency and effectiveness
13 of governmental agencies in the performance of their delegated duties

14 and functions and of private entities that contract with such agencies to
15 provide government services.

16 (c) The office shall be under the direction of an executive director,
17 who shall be appointed by the Auditors of Public Accounts in
18 accordance with this subsection, with the advice and consent of either
19 house of the General Assembly. A committee consisting of the president
20 pro tempore of the Senate, the speaker of the House of Representatives,
21 the minority leaders of the Senate and the House of Representatives and
22 the chairpersons and ranking members of the joint standing committee
23 of the General Assembly having cognizance of matters relating to
24 government administration shall submit to the Auditors of Public
25 Accounts the names of three candidates for appointment to the position
26 of executive director. Not later than ninety days after the receipt of the
27 names from the committee, the Auditors of Public Accounts shall
28 appoint one of such candidates to be executive director and shall submit
29 such nomination to either house of the General Assembly to undergo
30 the confirmation process set forth in section 4-7 of the general statutes.
31 If the auditors fail to make such appointment within such ninety-day
32 period, the committee by majority vote shall make such appointment
33 and submit such nomination to either house of the General Assembly
34 for confirmation. The executive director shall be appointed on the basis
35 of integrity and competence demonstrated in appropriate fields. The
36 executive director shall hold office for a term of five years and until the
37 appointment of a successor, in the same manner as the original
38 appointment, unless sooner removed for just cause by the Auditors of
39 Public Accounts. Such cause may include, but not be limited to, material
40 neglect of duty, gross misconduct or conviction of a felony.

41 (d) The Office of Government Oversight shall be an independent
42 office and shall be within the Joint Committee on Legislative
43 Management for administrative purposes only.

44 Sec. 2. (NEW) (*Effective October 1, 2026*) (a) The executive director shall
45 establish, within available appropriations, a system for the coordination
46 of efforts between the Office of Government Oversight and officials

47 performing similar duties and internal auditing functions within the
48 various governmental agencies. Such system may include continuing
49 training programs for professional development, the adoption of
50 standard guidelines and procedures and the organization of a
51 communications network within the system. The internal auditors and
52 support staff within the agencies shall remain assigned to such agencies
53 but shall have their annual internal audit program approved by the
54 executive director.

55 (b) The executive director may adopt regulations, in accordance with
56 chapter 54 of the general statutes, to implement the provisions of
57 sections 1 to 4, inclusive, of this act. The executive director may employ
58 necessary staff, within available appropriations.

59 Sec. 3. (NEW) (*Effective October 1, 2026*) (a) The executive director
60 shall: (1) Conduct preemptive inspections, inquiries and investigations
61 relating to programs and operations involving the collection,
62 administration or expenditure of state funds, the use or disposition of
63 state-owned or leased property or the management practices and
64 regulatory or statutory compliance of state agencies; (2) have access to
65 all records, data and material maintained by or available to any
66 governmental agency; and (3) have access to all records, data and
67 material maintained by or available to any person or organization
68 involved in the collection, expenditure or administration of state funds,
69 control of state-owned or leased property or management of state
70 employees.

71 (b) The executive director may apply to the Superior Court for a
72 subpoena to compel the attendance of such witnesses or the production
73 of such books, papers, records or documents as may be necessary in
74 order to obtain information that is not otherwise available and that is
75 needed in the performance of the executive director's duties. The court
76 shall, before issuing such subpoena, provide adequate opportunity for
77 the executive director and the party against whom the subpoena is
78 requested to be heard. No such subpoena shall be issued unless the
79 court certifies that the attendance of such witness or the production of

80 such books, papers, records or documents is reasonably necessary for
81 the performance of the executive director's duties and that the executive
82 director has made reasonable efforts to secure such attendance or such
83 books, papers, records or documents without recourse to compulsory
84 process.

85 Sec. 4. (NEW) (*Effective October 1, 2026*) (a) The executive director may
86 make recommendations to the Governor and the General Assembly
87 concerning the prevention and detection of fraud, waste and abuse,
88 including recommendations concerning legislation and regulations or
89 the coordination of preventive measures by governmental and
90 nongovernmental entities. The executive director may assist or request
91 assistance from any governmental agency, state employee or person or
92 organization collecting or expending state funds or controlling state-
93 owned or leased property.

94 (b) The executive director shall report findings of fact along with any
95 recommendations: (1) To the Chief State's Attorney or the Office of State
96 Ethics, when the executive director has a reasonable belief that a state
97 law has been or is being violated; (2) to the Attorney General, when the
98 executive director has a reasonable belief that civil recovery proceedings
99 are appropriate; and (3) to the United States Attorney, when the
100 executive director has a reasonable belief that a federal law has been or
101 is being violated or when civil recovery is appropriate.

102 (c) On or before October 31, 2027, and annually thereafter, the
103 executive director shall submit, in accordance with the provisions of
104 section 11-4a of the general statutes, a report concerning the activities of
105 the Office of Government Oversight to the Governor and the joint
106 standing committees of the General Assembly having cognizance of
107 matters relating to appropriations and the budgets of state agencies and
108 government administration. The executive director may make such
109 other reports as the executive director deems appropriate.

110 (d) All records of the Office of Government Oversight relating to an
111 actual or potential inspection, or inquiry or investigation, shall be
112 confidential and shall not be public records under the Freedom of

113 Information Act, as defined in section 1-200 of the general statutes, until
114 such time as (1) all such inspections, inquiries or investigations have
115 been concluded and all criminal and civil actions arising from the
116 records have been finally adjudicated or otherwise settled, or (2) to such
117 extent as may be deemed appropriate by the executive director in the
118 performance of the executive director's duties, whichever is earlier.
119 Records that are otherwise public documents shall not be deemed
120 confidential solely because they have been transferred to the custody of
121 the executive director. Where there are statutory requirements of
122 confidentiality with regard to such records, books, data, files and other
123 material printed or otherwise maintained by a governmental agency,
124 such requirements of confidentiality and penalties for the violation of
125 such requirements shall apply to the executive director and to the Office
126 of Government Oversight's employees in the same manner and to the
127 same extent as such requirements of confidentiality and penalties apply
128 to such governmental agency and such agency's employees.

129 Sec. 5. Section 1-101pp of the general statutes is repealed and the
130 following is substituted in lieu thereof (*Effective October 1, 2026*):

131 Any commissioner, deputy commissioner, state agency or quasi-
132 public agency head or deputy, or person in charge of state agency
133 procurement, contracting or human resources, who has reasonable
134 cause to believe that a person has violated the provisions of the Code of
135 Ethics for Public Officials set forth in part I of this chapter or any law or
136 regulation concerning ethics in state contracting shall report such belief
137 to the Office of State Ethics, which may further report such information
138 to the Auditors of Public Accounts, the Chief State's Attorney, [or] the
139 Attorney General or the executive director of the Office of Government
140 Oversight.

141 Sec. 6. Subsection (c) of section 1-110a of the general statutes is
142 repealed and the following is substituted in lieu thereof (*Effective October*
143 *1, 2026*):

144 (c) If the court determines, or the Attorney General certifies, that a
145 public official or state or municipal employee, who was convicted of or

146 pled guilty or nolo contendere to a crime related to state or municipal
147 office, voluntarily provided information to the Attorney General, the
148 Auditors of Public Accounts, the executive director of the Office of
149 Government Oversight or any state, federal or local law enforcement
150 official concerning the commission of such crime related to state or
151 municipal office by another public official or state or municipal
152 employee who had a greater degree of culpability for such crime than
153 the public official or state or municipal employee providing such
154 information, the court shall not reduce or revoke the pension of such
155 public official or state or municipal employee, provided such public
156 official or state or municipal employee voluntarily provided such
157 information prior to learning of a criminal investigation into such crime
158 related to state or municipal office.

159 Sec. 7. Subsection (f) of section 2-90 of the 2026 supplement to the
160 general statutes is repealed and the following is substituted in lieu
161 thereof (*Effective October 1, 2026*):

162 (f) (1) If the Auditors of Public Accounts discover, or if it should come
163 to their knowledge, that any unauthorized, illegal, irregular or unsafe
164 handling or expenditure of state funds or quasi-public agency funds or
165 any breakdown in the safekeeping of any resources of the state or a
166 quasi-public agency has occurred or is contemplated, they shall
167 forthwith report the facts to the Governor, the State Comptroller, the
168 clerk of each house of the General Assembly, the joint standing
169 committee of the General Assembly having cognizance of matters
170 relating to government oversight, [and] the Attorney General and the
171 executive director of the Office of Government Oversight, except that if
172 a matter reported to the Auditors of Public Accounts pursuant to section
173 4-33a, as amended by this act, is still under investigation by a state or
174 quasi-public agency, the Auditors of Public Accounts may give the
175 agency a reasonable amount of time to conduct such investigation prior
176 to the auditors reporting the matter to said officials and committee.

177 (2) If the Auditors of Public Accounts decide to delay reporting such
178 matter in accordance with subdivision (1) of this subsection, the auditors

179 shall immediately notify the Attorney General of such decision.

180 (3) Any Auditor of Public Accounts neglecting to make the report
181 required under subdivision (1) of this subsection, or any agent of the
182 auditors neglecting to report to the Auditors of Public Accounts any
183 such matter discovered by such agent or coming to such agent's
184 knowledge, shall be fined not more than one hundred dollars or
185 imprisoned not more than six months, or both.

186 (4) Any state agency or quasi-public agency that is the subject of a
187 report of the Auditors of Public Accounts that contains violations of
188 state statute or regulation, other than only minor or technical
189 recommendations, not later than six months after the issuance of the
190 auditors' report, shall report on the status of any corrective action
191 undertaken by such state agency or quasi-public agency to address such
192 violations, to the auditors, the Governor and the General Assembly, in
193 accordance with the provisions of section 11-4a. Upon the receipt of the
194 agency's report, the joint standing committee of the General Assembly
195 having cognizance of matters relating to government oversight may
196 request the auditors to verify any matter in the agency's corrective
197 action report and the auditors shall have not more than sixty days to
198 respond to such request.

199 Sec. 8. Section 4-33a of the general statutes is repealed and the
200 following is substituted in lieu thereof (*Effective October 1, 2026*):

201 All boards of trustees of state institutions, state department heads,
202 boards, commissions, other state agencies responsible for state property
203 and funds and quasi-public agencies, as defined in section 1-120, shall
204 promptly notify the Auditors of Public Accounts, [and] the Comptroller
205 and the executive director of the Office of Government Oversight of any
206 (1) unauthorized, illegal, irregular or unsafe handling or expenditure of
207 state or quasi-public agency funds, (2) breakdowns in the safekeeping
208 of any other resources of the state or quasi-public agencies, (3) breach of
209 security, as defined in section 36a-701b, or (4) contemplated action to
210 commit one of the acts listed in subdivisions (1) to (3), inclusive, of this
211 section within their knowledge. In the case of such notification to the

212 Auditors of Public Accounts, the auditors may permit aggregate
213 reporting in a manner and at a schedule determined by the auditors.

214 Sec. 9. Section 4-37j of the general statutes is repealed and the
215 following is substituted in lieu thereof (*Effective October 1, 2026*):

216 Each foundation shall develop, in conjunction with the [Auditors of
217 Public Accounts] executive director of the Office of Government
218 Oversight, and implement a written policy (1) for the investigation of
219 any matter involving corruption, unethical practices, violation of state
220 laws or regulations, mismanagement, gross waste of funds, abuse of
221 authority or danger to the public safety occurring in such foundation,
222 (2) prohibiting any officer or employee of the foundation from taking or
223 threatening to take any personnel action against any foundation
224 employee who transmits information concerning any such matter, (3)
225 providing that any foundation employee who is found to have
226 knowingly and maliciously made false charges concerning any such
227 matter under subdivision (1) of this section shall be subject to
228 disciplinary action by the employee's appointing authority, up to and
229 including dismissal, and (4) requiring the foundation to provide a copy
230 of such policy to its employees and to periodically notify the employees
231 of the existence of the policy.

232 Sec. 10. Section 4-61dd of the general statutes is repealed and the
233 following is substituted in lieu thereof (*Effective October 1, 2026*):

234 (a) Any person having knowledge of any matter involving (1)
235 corruption, unethical practices, violation of state laws or regulations,
236 mismanagement, gross waste of funds, abuse of authority or danger to
237 the public safety occurring in any state department or agency, any
238 quasi-public agency, as defined in section 1-120, or any Probate Court,
239 (2) corruption, violation of state or federal laws or regulations, gross
240 waste of funds, abuse of authority or danger to the public safety
241 occurring in any large state contract, or (3) corruption by an entity
242 receiving financial assistance pursuant to title 32 that has failed to meet
243 its contractual obligations or has failed to satisfy any condition
244 regarding such financial assistance, may transmit all facts and

245 information in such person's possession concerning such matter to the
246 [Auditors of Public Accounts] executive director of the Office of
247 Government Oversight. The [Auditors of Public Accounts] executive
248 director shall review such matter and report [their] any findings and any
249 recommendations to the Attorney General. Upon receiving such a
250 report, the Attorney General shall make such investigation as the
251 Attorney General deems proper regarding such report and any other
252 information that may be reasonably derived from such report. Prior to
253 conducting an investigation of any information that may be reasonably
254 derived from such report, the Attorney General shall consult with the
255 [Auditors of Public Accounts] executive director concerning the
256 relationship of such additional information to the report that has been
257 issued pursuant to this subsection. Any such subsequent investigation
258 deemed appropriate by the Attorney General shall only be conducted
259 with the concurrence and assistance of the [Auditors of Public Accounts]
260 executive director. At the request of the Attorney General or on [their]
261 the executive director's own initiative, the [auditors] executive director
262 shall assist in the investigation.

263 (b) (1) The [Auditors of Public Accounts] executive director may
264 reject any complaint received pursuant to subsection (a) of this section
265 if the [Auditors of Public Accounts determine] executive director
266 determines one or more of the following:

267 (A) There are other available remedies that the complainant can
268 reasonably be expected to pursue;

269 (B) The complaint is better suited for investigation or enforcement by
270 another state agency;

271 (C) The complaint is trivial, frivolous, vexatious or not made in good
272 faith;

273 (D) Other complaints have greater priority in terms of serving the
274 public good;

275 (E) The complaint is not timely or is too long delayed to justify further

276 investigation; or

277 (F) The complaint could be handled more appropriately as part of an
278 ongoing or scheduled regular audit.

279 (2) If the [Auditors of Public Accounts reject] executive director
280 rejects a complaint pursuant to subdivision (1) of this subsection, the
281 [Auditors of Public Accounts] executive director shall provide a report
282 to the Attorney General setting out the basis for the rejection.

283 (3) If at any time the [Auditors of Public Accounts determine]
284 executive director determines that a complaint is more appropriately
285 investigated by another state agency, the [Auditors of Public Accounts]
286 executive director shall refer the complaint to such agency. The
287 investigating agency shall provide a status report regarding the referred
288 complaint to the [Auditors of Public Accounts] executive director upon
289 request.

290 (c) Notwithstanding the provisions of section 12-15, the
291 Commissioner of Revenue Services may, upon written request by the
292 [Auditors of Public Accounts] executive director, disclose return or
293 return information, as defined in section 12-15, to the [Auditors of Public
294 Accounts] executive director for purposes of preparing a report under
295 subsection (a) or (b) of this section. Such return or return information
296 shall not be published in any report prepared in accordance with
297 subsection (a) or (b) of this section, and shall not otherwise be
298 redisclosed, except that such information may be redisclosed to the
299 Attorney General for purposes of an investigation authorized by
300 subsection (a) of this section. Any person who violates the provisions of
301 this subsection shall be subject to the provisions of subsection (g) of
302 section 12-15.

303 (d) The Attorney General may summon witnesses, require the
304 production of any necessary books, papers or other documents and
305 administer oaths to witnesses, where necessary, for the purpose of an
306 investigation pursuant to this section or for the purpose of investigating
307 a suspected violation of subsection (a) of section 4-275 until such time as

308 the Attorney General files a civil action pursuant to section 4-276.
309 Service of a subpoena ad testificandum, subpoena duces tecum and a
310 notice of deposition, may be made by: (1) Personal service or service at
311 the usual place of abode; or (2) registered or certified mail, return receipt
312 requested, a duly executed copy thereof addressed to the person to be
313 served at such person's principal place of business in this state, or, if
314 such person has no principal place of business in this state, at such
315 person's principal office or such person's residence. Upon the
316 conclusion of the investigation, the Attorney General shall where
317 necessary, report any findings to the Governor, or in matters involving
318 criminal activity, to the Chief State's Attorney. In addition to the exempt
319 records provision of section 1-210, the [Auditors of Public Accounts]
320 executive director and the Attorney General shall not, after receipt of
321 any information from a person under the provisions of this section or
322 sections 4-276 to 4-280, inclusive, disclose the identity of such person
323 without such person's consent unless the [Auditors of Public Accounts]
324 executive director or the Attorney General determines that such
325 disclosure is unavoidable, and may withhold records of such
326 investigation, during the pendency of the investigation. All
327 documentary material or other information furnished to the Attorney
328 General, the Attorney General's deputy or any assistant attorney general
329 designated by the Attorney General, pursuant to a demand issued
330 under this subsection for the purpose of investigating a suspected
331 violation of subsection (a) of section 4-275, shall be returned to the
332 person furnishing such documentary material or other information, or,
333 if such person furnished such documentary material or other
334 information in an electronic format, erased, upon the termination of the
335 Attorney General's investigation or final determination of any action or
336 proceeding commenced thereunder.

337 (e) (1) No state officer or employee, as defined in section 4-141, no
338 quasi-public agency officer or employee, no officer or employee of a
339 large state contractor and no appointing authority shall take or threaten
340 to take any personnel action against any state or quasi-public agency
341 employee or any employee of a large state contractor in retaliation for
342 (A) such employee's or contractor's disclosure of information to (i) an

343 employee of the [Auditors of Public Accounts] Office of Government
344 Oversight or the Attorney General under the provisions of subsection
345 (a) of this section; (ii) an employee of the state agency or quasi-public
346 agency where such state officer or employee is employed; (iii) an
347 employee of a state agency pursuant to a mandated reporter statute or
348 pursuant to subsection (b) of section 17a-28; (iv) an employee of the
349 Probate Court where such employee is employed; or (v) in the case of a
350 large state contractor, an employee of the contracting state agency
351 concerning information involving the large state contract; or (B) such
352 employee's testimony or assistance in any proceeding under this
353 section.

354 (2) (A) Not later than ninety days after learning of the specific
355 incident giving rise to a claim that a personnel action has been
356 threatened or has occurred in violation of subdivision (1) of this
357 subsection, a state or quasi-public agency employee, an employee of a
358 large state contractor or the employee's attorney may file a complaint
359 against the state agency, quasi-public agency, Probate Court, large state
360 contractor or appointing authority concerning such personnel action
361 with the Chief Human Rights Referee designated under section 46a-57.
362 Such complaint may be amended if an additional incident giving rise to
363 a claim under this subdivision occurs subsequent to the filing of the
364 original complaint. The Chief Human Rights Referee shall assign the
365 complaint to a human rights referee appointed under section 46a-57,
366 who shall conduct a hearing and issue a decision concerning whether
367 the officer or employee taking or threatening to take the personnel
368 action violated any provision of this section. The human rights referee
369 may order a state agency, quasi-public agency or Probate Court to
370 produce (i) an employee of such agency, quasi-public agency or Probate
371 Court to testify as a witness in any proceeding under this subdivision,
372 or (ii) books, papers or other documents relevant to the complaint,
373 without issuing a subpoena. If such agency, quasi-public agency or
374 Probate Court fails to produce such witness, books, papers or
375 documents, not later than thirty days after such order, the human rights
376 referee may consider such failure as supporting evidence for the
377 complainant. If, after the hearing, the human rights referee finds a

378 violation, the referee may award the aggrieved employee reinstatement
379 to the employee's former position, back pay and reestablishment of any
380 employee benefits for which the employee would otherwise have been
381 eligible if such violation had not occurred, reasonable attorneys' fees,
382 and any other damages. For the purposes of this subsection, such
383 human rights referee shall act as an independent hearing officer. The
384 decision of a human rights referee under this subsection may be
385 appealed by any person who was a party at such hearing, in accordance
386 with the provisions of section 4-183.

387 (B) The Chief Human Rights Referee shall adopt regulations, in
388 accordance with the provisions of chapter 54, establishing the procedure
389 for filing complaints and noticing and conducting hearings under
390 subparagraph (A) of this subdivision.

391 (3) As an alternative to the provisions of subdivision (2) of this
392 subsection: (A) A state or quasi-public agency employee who alleges
393 that a personnel action has been threatened or taken may file an appeal
394 not later than ninety days after learning of the specific incident giving
395 rise to such claim with the Employees' Review Board under section 5-
396 202, or, in the case of a state or quasi-public agency employee covered
397 by a collective bargaining contract, in accordance with the procedure
398 provided by such contract; or (B) an employee of a large state contractor
399 alleging that such action has been threatened or taken may, after
400 exhausting all available administrative remedies, bring a civil action in
401 accordance with the provisions of subsection (c) of section 31-51m.

402 (4) In any proceeding under subdivision (2) or (3) of this subsection
403 concerning a personnel action taken or threatened against any state or
404 quasi-public agency employee or any employee of a large state
405 contractor, which personnel action occurs not later than two years after
406 the employee first transmits facts and information concerning a matter
407 under subsection (a) of this section or discloses information under
408 subdivision (1) of this subsection to the [Auditors of Public Accounts]
409 executive director, the Attorney General or an employee of a state
410 agency, quasi-public agency or Probate Court, as applicable, there shall

411 be a rebuttable presumption that the personnel action is in retaliation
412 for the action taken by the employee under subsection (a) of this section
413 or subdivision (1) of this subsection.

414 (5) If a state officer or employee, as defined in section 4-141, a quasi-
415 public agency officer or employee, an officer or employee of a large state
416 contractor or an appointing authority takes or threatens to take any
417 action to impede, fail to renew or cancel a contract between a state
418 agency and a large state contractor, or between a large state contractor
419 and its subcontractor, in retaliation for the disclosure of information
420 pursuant to subsection (a) of this section or subdivision (1) of this
421 subsection to any agency listed in subdivision (1) of this subsection, such
422 affected agency, contractor or subcontractor may, not later than ninety
423 days after learning of such action, threat or failure to renew, bring a civil
424 action in the superior court for the judicial district of Hartford to recover
425 damages, attorney's fees and costs.

426 (f) Any employee of a state agency, quasi-public agency, Probate
427 Court or large state contractor, who is found by the [Auditors of Public
428 Accounts] executive director, the Attorney General, a human rights
429 referee or the Employees' Review Board to have knowingly and
430 maliciously made false charges under subsection (a) of this section, shall
431 be subject to disciplinary action by such employee's appointing
432 authority up to and including dismissal. In the case of a state or quasi-
433 public agency employee, such action shall be subject to appeal to the
434 Employees' Review Board in accordance with section 5-202, or in the
435 case of state or quasi-public agency employees included in collective
436 bargaining contracts, the procedure provided by such contracts.

437 (g) On or before September first, annually, the [Auditors of Public
438 Accounts] executive director shall submit, in accordance with the
439 provisions of section 11-4a, to the clerk of each house of the General
440 Assembly a report indicating the number of matters for which facts and
441 information were transmitted to the [auditors] Office of Government
442 Oversight pursuant to this section during the preceding state fiscal year
443 and the disposition of each such matter.

444 (h) Each contract between a state or quasi-public agency and a large
445 state contractor shall provide that, if an officer, employee or appointing
446 authority of a large state contractor takes or threatens to take any
447 personnel action against any employee of the contractor in retaliation
448 for such employee's disclosure of information to any employee of the
449 contracting state or quasi-public agency or the [Auditors of Public
450 Accounts] executive director or the Attorney General under the
451 provisions of subsection (a) or subdivision (1) of subsection (e) of this
452 section, the contractor shall be liable for a civil penalty of not more than
453 five thousand dollars for each offense, up to a maximum of twenty per
454 cent of the value of the contract. Each violation shall be a separate and
455 distinct offense and in the case of a continuing violation each calendar
456 day's continuance of the violation shall be deemed to be a separate and
457 distinct offense. The executive head of the state or quasi-public agency
458 may request the Attorney General to bring a civil action in the superior
459 court for the judicial district of Hartford to seek imposition and recovery
460 of such civil penalty.

461 (i) Each state agency or quasi-public agency shall post a notice of the
462 provisions of this section relating to state employees and quasi-public
463 agency employees in a conspicuous place that is readily available for
464 viewing by employees of such agency or quasi-public agency. Each
465 Probate Court shall post a notice of the provisions of this section relating
466 to Probate Court employees in a conspicuous place that is readily
467 available for viewing by employees of such court. Each large state
468 contractor shall post a notice of the provisions of this section relating to
469 large state contractors in a conspicuous place which is readily available
470 for viewing by the employees of the contractor.

471 (j) No person who, in good faith, discloses information in accordance
472 with the provisions of this section shall be liable for any civil damages
473 resulting from such good faith disclosure.

474 (k) As used in this section:

475 (1) "Large state contract" means a contract having a value of five
476 million dollars or more (A) between an entity and a state or quasi-public

477 agency, or (B) for the receipt of financial assistance by an entity from the
478 state pursuant to title 32; and

479 (2) "Large state contractor" means an entity that has entered into a
480 large state contract with a state or quasi-public agency.

481 (l) (1) No officer or employee of a state shellfish grounds lessee shall
482 take or threaten to take any personnel action against any employee of a
483 state shellfish grounds lessee in retaliation for (A) such employee's
484 disclosure of information to an employee of the leasing agency
485 concerning information involving the state shellfish grounds lease, or
486 (B) such employee's testimony or assistance in any proceeding under
487 this section.

488 (2) (A) Not later than ninety days after learning of the specific
489 incident giving rise to a claim that a personnel action has been
490 threatened or has occurred in violation of subdivision (1) of this
491 subsection, an employee of a state shellfish grounds lessee or the
492 employee's attorney may file a complaint against the state shellfish
493 grounds lessee concerning such personnel action with the Chief Human
494 Rights Referee designated under section 46a-57. Such complaint may be
495 amended if an additional incident giving rise to a claim under this
496 subdivision occurs subsequent to the filing of the original complaint.
497 The Chief Human Rights Referee shall assign the complaint to a human
498 rights referee appointed under section 46a-57, who shall conduct a
499 hearing and issue a decision concerning whether the officer or employee
500 taking or threatening to take the personnel action violated any provision
501 of this subsection. The human rights referee may order a state shellfish
502 grounds lessee to produce (i) an employee of such lessee to testify as a
503 witness in any proceeding under this subdivision, or (ii) books, papers
504 or other documents relevant to the complaint, without issuing a
505 subpoena. If such state shellfish grounds lessee fails to produce such
506 witness, books, papers or documents, not later than thirty days after
507 such order, the human rights referee may consider such failure as
508 supporting evidence for the complainant. If, after the hearing, the
509 human rights referee finds a violation, the referee may award the

510 aggrieved employee reinstatement to the employee's former position,
511 back pay and reestablishment of any employee benefits for which the
512 employee would otherwise have been eligible if such violation had not
513 occurred, reasonable attorneys' fees and any other damages. For the
514 purposes of this subsection, such human rights referee shall act as an
515 independent hearing officer. The decision of a human rights referee
516 under this subsection may be appealed by any person who was a party
517 at such hearing, in accordance with the provisions of section 4-183.

518 (B) The Chief Human Rights Referee shall adopt regulations, in
519 accordance with the provisions of chapter 54, establishing the procedure
520 for filing complaints and noticing and conducting hearings under
521 subparagraph (A) of this subdivision.

522 (3) As an alternative to the provisions of subdivision (2) of this
523 subsection, an employee of a state shellfish grounds lessee who alleges
524 that a personnel action has been threatened or taken may, after
525 exhausting all available administrative remedies, bring a civil action in
526 accordance with the provisions of subsection (c) of section 31-51m.

527 (4) In any proceeding under subdivision (2) or (3) of this subsection
528 concerning a personnel action taken or threatened against any employee
529 of a state shellfish grounds lessee, which personnel action occurs not
530 later than two years after the employee first transmits facts and
531 information to an employee of the leasing agency concerning the state
532 shellfish grounds lease, there shall be a rebuttable presumption that the
533 personnel action is in retaliation for the action taken by the employee
534 under subdivision (1) of this subsection.

535 Sec. 11. Subsection (f) of section 4-278 of the general statutes is
536 repealed and the following is substituted in lieu thereof (*Effective October*
537 *1, 2026*):

538 (f) Notwithstanding the provisions of subsection (e) of this section,
539 where the action is one that the court finds to be based primarily on
540 disclosures of specific information that was not provided by the person
541 bringing the action relating to allegations or transactions (1) in a

542 criminal, civil or administrative hearing, (2) in a report, hearing, audit
 543 or investigation conducted by the General Assembly, a committee of the
 544 General Assembly, the Auditors of Public Accounts, the Office of
 545 Government Oversight, a state agency or a quasi-public agency, or (3)
 546 from the news media, the court may award from such proceeds to the
 547 person bringing the action such sums as it considers appropriate, but in
 548 no case more than ten per cent of the proceeds, taking into account the
 549 significance of the information and the role of the person bringing the
 550 action in advancing the case to litigation. Any such person shall also
 551 receive an amount for reasonable expenses that the court finds to have
 552 been necessarily incurred, plus reasonable attorneys' fees and costs. All
 553 such expenses, fees and costs shall be awarded against the defendant.

554 Sec. 12. Subsection (b) of section 4-282 of the general statutes is
 555 repealed and the following is substituted in lieu thereof (*Effective October*
 556 *1, 2026*):

557 (b) Unless opposed by the state, the court shall dismiss an action or
 558 claim brought under section 4-277 if allegations or transactions that are
 559 substantially the same as those alleged in the action or claim were
 560 publicly disclosed (1) in a state criminal, civil or administrative hearing
 561 in which the state or its agent is a party, (2) in a report, hearing, audit or
 562 investigation conducted by the General Assembly, a committee of the
 563 General Assembly, the Auditors of Public Accounts, the Office of
 564 Government Oversight, a state agency or quasi-public agency, or (3) by
 565 the news media, except the court shall not dismiss such action or claim
 566 if the action or claim is brought by the Attorney General or the person
 567 who is an original source of information.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2026</i>	New section
Sec. 2	<i>October 1, 2026</i>	New section
Sec. 3	<i>October 1, 2026</i>	New section
Sec. 4	<i>October 1, 2026</i>	New section
Sec. 5	<i>October 1, 2026</i>	1-101pp

Sec. 6	<i>October 1, 2026</i>	1-110a(c)
Sec. 7	<i>October 1, 2026</i>	2-90(f)
Sec. 8	<i>October 1, 2026</i>	4-33a
Sec. 9	<i>October 1, 2026</i>	4-37j
Sec. 10	<i>October 1, 2026</i>	4-61dd
Sec. 11	<i>October 1, 2026</i>	4-278(f)
Sec. 12	<i>October 1, 2026</i>	4-282(b)

GAE *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Legislative Mgmt.	GF - Cost	455,000	590,000
State Comptroller - Fringe Benefits ¹	GF - Cost	169,371	225,828

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill creates the Office of Government Oversight (OGO) to detect and prevent fraud, waste, and abuse and tasks the office with various requirements² resulting in a cost to the Office of Legislative Management (OLM)³. To meet the requirements of the bill, the OGO will need to hire a director and four additional staff for a salary and other expenses cost of \$455,000 in FY 27⁴ and \$590,000 in FY 28, along with associated fringe benefits of \$169,371 in FY 27 and \$225,828 in FY 28.

The Out Years

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.82% of payroll in FY 27.

²The bill requires the OGO to create a system of coordination for offices performing similar duties and auditing functions, approve audit programs, conduct inspections and investigations into expenditures of state funds and use of state-owned or leased property, adopt regulations, make recommendations to the CGA for the detection of fraud, and submit an annual report to the CGA.

³The OGO is within OLM for administrative purposes only.

⁴Costs in FY 27 reflect nine months of expenditures due to the bill's 10/1/26 effective date.

The annualized ongoing fiscal impact identified above would continue into the future subject to employee wage increases and inflation.

OLR Bill Analysis**SB 462*****AN ACT ESTABLISHING THE OFFICE OF GOVERNMENT OVERSIGHT.*****SUMMARY**

This bill establishes the Office of Government Oversight (OGO) to detect and prevent fraud, waste, and abuse in (1) state personnel management; (2) state property use and disposition; and (3) the collection, disbursement, and expenditure of state and federal funds administered by state or quasi-public agencies (governmental agencies). It must also evaluate the economy, efficiency, and effectiveness of these agencies and private contractors providing government services. The bill establishes OGO as an independent office under the Joint Committee on Legislative Management for administrative purposes only.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: October 1, 2026

§ 1 — OGO EXECUTIVE DIRECTOR APPOINTMENT

Under the bill, OGO is managed by an executive director. The bill requires a committee of the House speaker, Senate president pro tempore, the minority leaders, and the chairs and ranking members of the Government Administration and Elections (GAE) Committee, to choose three candidates to potentially serve in this role and submit these names to the Auditors of Public Accounts (APA). The APA must then (1) choose a candidate within 90 days of receiving the names and (2) submit him or her for confirmation by the Senate or House under the procedures outlined in state law. If the auditors fail to appoint someone by the deadline, the committee must choose a candidate by majority vote to submit for confirmation.

The director must be appointed based on integrity and demonstrated competence in the appropriate fields. If confirmed, the director serves a five-year term or until a successor is appointed in the same way outlined above. The APA may remove the director for cause, including for material neglect of duty, gross misconduct, or a felony conviction.

§ 2 — EXECUTIVE DIRECTOR AUTHORITY

The bill allows the executive director to adopt regulations to implement the bill's requirements for OGO and employ any necessary staff, within available appropriations. He or she must also coordinate efforts, within available appropriations, between OGO and others with similar duties and internal auditing functions at governmental agencies. This coordination may include continuous professional development, adopting guidelines and procedures, and organizing a communication network.

The bill specifies that internal auditors and support staff within agencies, although still assigned to their agencies, must have their internal audit program approved by the OGO director.

§§ 3 & 4 — EXECUTIVE DIRECTOR DUTIES

Under the bill, the executive director must:

1. conduct preemptive inspections, inquiries, and investigations regarding programs and operations that involve (a) collecting, administering, or expending state funds; (b) the use and disposition of state-owned and -leased property; or (c) state agency management practices and legal compliance;
2. have access to all records, data, and material maintained by or available to (a) any governmental agency or (b) any person or organization involved in state employee management, or the funds or property described above (such as a contractor); and
3. report annually on OGO's activities to the governor and Appropriations and GAE committees starting by October 31, 2027 (and the director may make additional reports as

appropriate).

The executive director may:

1. make recommendations to the governor and the legislature on the prevention and detection of fraud, waste, and abuse by governmental and non-governmental entities;
2. assist or request assistance from any governmental agency, state employee, or contractor collecting or expending state funds or controlling state-owned or -leased property; and
3. apply to the Superior Court for subpoenas for witnesses and records.

The subpoenaed witnesses or records must be necessary to get information that is otherwise unavailable and is needed for the director to carry out his or her duties. Before the court issues a subpoena, it must provide an opportunity to hear the executive director and the affected party. The subpoena may not be issued unless the court certifies that the (1) targeted witness is, or documents are, reasonably necessary for the executive director to carry out his or her duties and (2) director made reasonable efforts to get the information before requesting the subpoena.

The director must also report findings of fact and recommendations to certain entities, as shown in the table below, if the executive director has certain reasonable beliefs.

Table: Required Reporting by OGO Executive Director

<i>Person or Entity Receiving Report</i>	<i>Reasonable Belief Under the Bill</i>
Chief state's attorney or Office of State Ethics (OSE)	State law has been or is being violated
Attorney general (AG)	Civil recovery proceedings are appropriate
U.S. attorney	Federal law has been or is being violated or civil recovery proceedings are appropriate

§ 4 — FOIA EXEMPTION

Under the bill, all OGO records relating to an actual or potential inspection, inquiry, or investigation are generally deemed confidential and not public records under the state's Freedom of Information Act (FOIA). The records generally become public (1) if the inspection, inquiry, or investigation is done and all criminal and civil actions are resolved or (2) as the executive director deems appropriate.

If state law requires the record to be confidential, the requirements and penalties that apply to its original holder apply to OGO and its executive director in the same way and extent. Additionally, records are not deemed confidential just because they have been sent to the director.

§§ 5-9 — GOVERNMENTAL REPORTING TO OGO

By law, certain governmental entities may, or are required to, report certain information to certain auditing and enforcement entities. The bill adds the OGO executive director to several of these existing provisions as an entity receiving information, including from:

1. OSE on possible violations of the state's ethics laws or regulations (§ 5);
2. the APA concerning the unauthorized, illegal, irregular, or unsafe handling or expenditure of governmental agency funds or any breakdown in the safekeeping of any governmental resources (§ 7); and
3. trustees of state institutions, state department heads, boards, commissions, and other governmental agencies reporting certain data breaches or the mishandling of funds or any breakdowns described above (§ 8).

Relatedly, state law also outlines procedures for revoking or reducing public officials' or state or municipal employees' pension if they are convicted of certain crimes related to their public office. By law, their pension may not be reduced or revoked if the court or the AG determines that the defendant voluntarily gave information to certain entities about crimes committed by other officials or employees to a

greater extent than their own involvement (but before being aware of any criminal investigations). The bill adds OGO to this list of entities (§ 6).

The bill also requires OGO, instead of the APA as under current law, to help foundations (generally nonprofits supporting or improving state agencies) develop a written policy on (1) investigating certain misconduct, (2) prohibiting whistleblower retaliation, (3) penalties for false reporting, and (4) giving the policy to its employees (§ 9).

§ 10 — PUBLIC REPORTING TO OGO

Under current law, any person having knowledge of corruption or certain other misconduct involving state agencies, large state contracts, or economic development funds may report this information to the APA. The bill instead allows the reports to be brought to OGO.

Current law has certain procedures for the APA to report, review, and act on this information in collaboration with the AG. The bill instead authorizes the OGO executive director to do these actions with the AG. It also authorizes the director, instead of the APA, to reject these complaints and report to the AG the reason for the rejection or refer these complaints to the appropriate state agencies. Relatedly, the bill requires the director, instead of the APA, to annually report to the legislature on these complaints.

Additionally, the law currently allows the revenue services commissioner to disclose tax returns and tax return information to the APA for completing reports to the AG if requested in writing. The bill eliminates this authorization for the APA and instead gives it to OGO.

The bill otherwise generally replaces the APA with the OGO director in existing law's whistleblower framework.

§§ 11 & 12 — FALSE CLAIMS ACT

Relatedly, state law authorizes whistleblowers to get monetary awards as part of a false claims action, with the award being lower if the court determines that the case was primarily based on information from

other sources (such as certain government reports). The bill expands this to include information provided to OGO as part of its reports, hearings, audits, or investigations. As under existing law for certain governmental public reports, hearings, audits, or investigations, the bill also generally authorizes the court to dismiss false claims act cases if they substantially repeat information already published by OGO.

BACKGROUND

Related Bill

sSB 324, reported favorably by the Government Oversight Committee, among other things, has substantially similar provisions.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable

Yea 19 Nay 0 (03/23/2026)