



General Assembly

February Session, 2026

Raised Bill No. 324

LCO No. 2225



Referred to Committee on GOVERNMENT OVERSIGHT

Introduced by:
(GOS)

***AN ACT CONCERNING GOVERNMENT OVERSIGHT OVER FRAUD
AND WASTE AND ESTABLISHING THE OFFICE OF GOVERNMENT
OVERSIGHT AND EFFICIENCY.***

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

1 Section 1. (*Effective from passage*) (a) There is established a working
2 group to study and recommend legislation regarding preventing the
3 waste of taxpayer dollars by establishing partnerships between state
4 agencies and private providers to improve the delivery of services,
5 reduce the cost of such services and foster investigations to uncover
6 fraud and waste, including, but not limited to, claims of fraud and waste
7 concerning employee contracts, remuneration of employees and
8 pension benefits.

9 (b) The working group shall consist of the following members:

10 (1) Two appointed by the speaker of the House of Representatives,
11 one of whom has expertise in fraud detection and one of whom has
12 expertise in state agency contracts;

13 (2) Two appointed by the president pro tempore of the Senate, one of

14 whom is a representative of a state employee collective bargaining unit;

15 (3) One appointed by the majority leader of the House of
16 Representatives;

17 (4) One appointed by the majority leader of the Senate;

18 (5) One appointed by the minority leader of the House of
19 Representatives;

20 (6) One appointed by the minority leader of the Senate;

21 (7) The Commissioner of Administrative Services, or the
22 commissioner's designee;

23 (8) The Secretary of the Office of Policy and Management, or the
24 secretary's designee;

25 (9) The Attorney General, or the Attorney General's designee; and

26 (10) The Auditors of Public Accounts.

27 (c) Any member of the working group appointed under subdivision
28 (1), (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member
29 of the General Assembly.

30 (d) All initial appointments to the working group shall be made not
31 later than thirty days after the effective date of this section. Any vacancy
32 shall be filled by the appointing authority.

33 (e) The speaker of the House of Representatives and the president pro
34 tempore of the Senate shall select the chairpersons of the working group
35 from among the members of the working group. Such chairpersons shall
36 schedule the first meeting of the working group, which shall be held not
37 later than sixty days after the effective date of this section.

38 (f) The administrative staff of the joint standing committee of the
39 General Assembly having cognizance of matters relating to government

40 oversight shall serve as administrative staff of the working group.

41 (g) Not later than December 31, 2026, the working group shall submit
42 a report on its findings and recommendations to the joint standing
43 committee of the General Assembly having cognizance of matters
44 relating to government oversight, in accordance with the provisions of
45 section 11-4a of the general statutes. The working group shall terminate
46 on the date that it submits such report or December 31, 2026, whichever
47 is later.

48 Sec. 2. (NEW) (*Effective October 1, 2026*) (a) For purposes of this section
49 and sections 2 to 4, inclusive, of this act, "governmental agency" means
50 a state agency or a quasi-public agency, "state agency" and "quasi-public
51 agency" have the same meanings as provided in section 1-79 of the
52 general statutes and "executive director" means the executive director of
53 the Office of Government Oversight and Efficiency.

54 (b) There is established an Office of Government Oversight and
55 Efficiency that shall act to detect and prevent fraud, waste and abuse in
56 the management of state personnel, in the use and disposition of state
57 property and in the collection, disbursement and expenditure of state
58 and federal funds administered by governmental agencies. The Office
59 of Government Oversight and Efficiency shall also evaluate the
60 economy, efficiency and effectiveness of governmental agencies in the
61 performance of their delegated duties and functions and of private
62 entities that contract with such agencies to provide government
63 services.

64 (c) The office shall be under the direction of an executive director,
65 who shall be appointed by the Auditors of Public Accounts in
66 accordance with this subsection, with the advice and consent of either
67 house of the General Assembly. A committee consisting of the president
68 pro tempore of the Senate, the speaker of the House of Representatives,
69 the minority leaders of the Senate and the House of Representatives and
70 the chairpersons and ranking members of the joint standing committee

71 of the General Assembly having cognizance of matters relating to
72 government administration shall submit to the Auditors of Public
73 Accounts the names of three candidates for appointment to the position
74 of executive director. Not later than ninety days after the receipt of the
75 names from the committee, the Auditors of Public Accounts shall
76 appoint one of such candidates to be executive director and shall submit
77 such nomination to either house of the General Assembly to undergo
78 the confirmation process set forth in section 4-7 of the general statutes.
79 If the auditors fail to make such appointment within such ninety-day
80 period, the committee by majority vote shall make such appointment
81 and submit such nomination to either house of the General Assembly
82 for confirmation. The executive director shall be appointed on the basis
83 of integrity and competence demonstrated in appropriate fields. The
84 executive director shall hold office for a term of five years and until the
85 appointment of a successor, in the same manner as the original
86 appointment, unless sooner removed for just cause by the Auditors of
87 Public Accounts. Such cause may include, but not be limited to, material
88 neglect of duty, gross misconduct or conviction of a felony.

89 (d) The Office of Government Oversight and Efficiency shall be an
90 independent office and shall be within the Joint Committee on
91 Legislative Management for administrative purposes only.

92 Sec. 3. (NEW) (*Effective October 1, 2026*) (a) The executive director shall
93 establish, within available appropriations, a system for the coordination
94 of efforts between the Office of Government Oversight and Efficiency
95 and officials performing similar duties and internal auditing functions
96 within the various governmental agencies. Such system may include
97 continuing training programs for professional development, the
98 adoption of standard guidelines and procedures and the organization
99 of a communications network within the system. The internal auditors
100 and support staff within the agencies shall remain assigned to such
101 agencies but shall have their annual internal audit program approved
102 by the executive director.

103 (b) The executive director may adopt regulations, in accordance with
104 chapter 54 of the general statutes, to implement the provisions of
105 sections 2 to 5, inclusive, of this act. The executive director may employ
106 necessary staff, within available appropriations.

107 Sec. 4. (NEW) (*Effective October 1, 2026*) (a) The executive director
108 shall: (1) Conduct preemptive inspections, inquiries and investigations
109 relating to programs and operations involving (A) the collection,
110 administration or expenditure of state funds, in particular related to
111 contracts, pensions and other state benefits and legal settlements, (B) the
112 use or disposition of state-owned or leased property, or (C) the
113 management practices and regulatory or statutory compliance of state
114 agencies; (2) have access to all records, data and material maintained by
115 or available to any governmental agency; and (3) have access to all
116 records, data and material maintained by or available to any person or
117 organization involved in the collection, expenditure or administration
118 of state funds, control of state-owned or leased property or management
119 of state employees.

120 (b) The executive director may apply to the Superior Court for a
121 subpoena to compel the attendance of such witnesses or the production
122 of such books, papers, records or documents as may be necessary in
123 order to obtain information that is not otherwise available and that is
124 needed in the performance of the executive director's duties. The court
125 shall, before issuing such subpoena, provide adequate opportunity for
126 the executive director and the party against whom the subpoena is
127 requested to be heard. No such subpoena shall be issued unless the
128 court certifies that the attendance of such witness or the production of
129 such books, papers, records or documents is reasonably necessary for
130 the performance of the executive director's duties and that the executive
131 director has made reasonable efforts to secure such attendance or such
132 books, papers, records or documents without recourse to compulsory
133 process.

134 Sec. 5. (NEW) (*Effective October 1, 2026*) (a) The executive director may

135 make recommendations to the Governor and the General Assembly
136 concerning the prevention and detection of fraud, waste and abuse,
137 including recommendations concerning legislation and regulations or
138 the coordination of preventive measures by governmental and
139 nongovernmental entities. The executive director may assist or request
140 assistance from any governmental agency, state employee or person or
141 organization collecting or expending state funds or controlling state-
142 owned or leased property.

143 (b) The executive director shall report findings of fact along with any
144 recommendations: (1) To the Chief State's Attorney or the Office of State
145 Ethics, when the executive director has a reasonable belief that a state
146 law has been or is being violated; (2) to the Attorney General, when the
147 executive director has a reasonable belief that civil recovery proceedings
148 are appropriate; and (3) to the United States Attorney, when the
149 executive director has a reasonable belief that a federal law has been or
150 is being violated or when civil recovery is appropriate.

151 (c) On or before October 31, 2027, and annually thereafter, the
152 executive director shall submit, in accordance with the provisions of
153 section 11-4a of the general statutes, a report concerning the activities of
154 the Office of Government Oversight and Efficiency to the Governor and
155 the joint standing committees of the General Assembly having
156 cognizance of matters relating to appropriations and the budgets of state
157 agencies and government administration. The executive director may
158 make such other reports as the executive director deems appropriate.

159 (d) All records of the Office of Government Oversight and Efficiency
160 relating to an actual or potential inspection, or inquiry or investigation,
161 shall be confidential and shall not be public records under the Freedom
162 of Information Act, as defined in section 1-200 of the general statutes,
163 until such time as (1) all such inspections, inquiries or investigations
164 have been concluded and all criminal and civil actions arising from the
165 records have been finally adjudicated or otherwise settled, or (2) to such
166 extent as may be deemed appropriate by the executive director in the

167 performance of the executive director's duties, whichever is earlier.
168 Records that are otherwise public documents shall not be deemed
169 confidential solely because they have been transferred to the custody of
170 the executive director. Where there are statutory requirements of
171 confidentiality with regard to such records, books, data, files and other
172 material printed or otherwise maintained by a governmental agency,
173 such requirements of confidentiality and penalties for the violation of
174 such requirements shall apply to the executive director and to the Office
175 of Government Oversight and Efficiency's employees in the same
176 manner and to the same extent as such requirements of confidentiality
177 and penalties apply to such governmental agency and such agency's
178 employees.

179 Sec. 6. Section 1-101pp of the general statutes is repealed and the
180 following is substituted in lieu thereof (*Effective October 1, 2026*):

181 Any commissioner, deputy commissioner, state agency or quasi-
182 public agency head or deputy, or person in charge of state agency
183 procurement, contracting or human resources, who has reasonable
184 cause to believe that a person has violated the provisions of the Code of
185 Ethics for Public Officials set forth in part I of this chapter or any law or
186 regulation concerning ethics in state contracting shall report such belief
187 to the Office of State Ethics, which may further report such information
188 to the Auditors of Public Accounts, the Chief State's Attorney, [or] the
189 Attorney General or the executive director of the Office of Government
190 Oversight and Efficiency.

191 Sec. 7. Subsection (c) of section 1-110a of the general statutes is
192 repealed and the following is substituted in lieu thereof (*Effective October*
193 *1, 2026*):

194 (c) If the court determines, or the Attorney General certifies, that a
195 public official or state or municipal employee, who was convicted of or
196 pled guilty or nolo contendere to a crime related to state or municipal
197 office, voluntarily provided information to the Attorney General, the

198 Auditors of Public Accounts, the executive director of the Office of
199 Government Oversight and Efficiency or any state, federal or local law
200 enforcement official concerning the commission of such crime related to
201 state or municipal office by another public official or state or municipal
202 employee who had a greater degree of culpability for such crime than
203 the public official or state or municipal employee providing such
204 information, the court shall not reduce or revoke the pension of such
205 public official or state or municipal employee, provided such public
206 official or state or municipal employee voluntarily provided such
207 information prior to learning of a criminal investigation into such crime
208 related to state or municipal office.

209 Sec. 8. Subsection (f) of section 2-90 of the 2026 supplement to the
210 general statutes is repealed and the following is substituted in lieu
211 thereof (*Effective October 1, 2026*):

212 (f) (1) If the Auditors of Public Accounts discover, or if it should come
213 to their knowledge, that any unauthorized, illegal, irregular or unsafe
214 handling or expenditure of state funds or quasi-public agency funds or
215 any breakdown in the safekeeping of any resources of the state or a
216 quasi-public agency has occurred or is contemplated, they shall
217 forthwith report the facts to the Governor, the State Comptroller, the
218 clerk of each house of the General Assembly, the joint standing
219 committee of the General Assembly having cognizance of matters
220 relating to government oversight, [and] the Attorney General and the
221 executive director of the Office of Government Oversight and Efficiency,
222 except that if a matter reported to the Auditors of Public Accounts
223 pursuant to section 4-33a, as amended by this act, is still under
224 investigation by a state or quasi-public agency, the Auditors of Public
225 Accounts may give the agency a reasonable amount of time to conduct
226 such investigation prior to the auditors reporting the matter to said
227 officials and committee.

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

230 shall immediately notify the Attorney General of such decision.

231 (3) Any Auditor of Public Accounts neglecting to make the report
232 required under subdivision (1) of this subsection, or any agent of the
233 auditors neglecting to report to the Auditors of Public Accounts any
234 such matter discovered by such agent or coming to such agent's
235 knowledge, shall be fined not more than one hundred dollars or
236 imprisoned not more than six months, or both.

237 (4) Any state agency or quasi-public agency that is the subject of a
238 report of the Auditors of Public Accounts that contains violations of
239 state statute or regulation, other than only minor or technical
240 recommendations, not later than six months after the issuance of the
241 auditors' report, shall report on the status of any corrective action
242 undertaken by such state agency or quasi-public agency to address such
243 violations, to the auditors, the Governor and the General Assembly, in
244 accordance with the provisions of section 11-4a. Upon the receipt of the
245 agency's report, the joint standing committee of the General Assembly
246 having cognizance of matters relating to government oversight may
247 request the auditors to verify any matter in the agency's corrective
248 action report and the auditors shall have not more than sixty days to
249 respond to such request.

250 Sec. 9. Section 4-33a of the general statutes is repealed and the
251 following is substituted in lieu thereof (*Effective October 1, 2026*):

252 All boards of trustees of state institutions, state department heads,
253 boards, commissions, other state agencies responsible for state property
254 and funds and quasi-public agencies, as defined in section 1-120, shall
255 promptly notify the Auditors of Public Accounts, [and] the Comptroller
256 and the executive director of the Office of Government Oversight and
257 Efficiency of any (1) unauthorized, illegal, irregular or unsafe handling
258 or expenditure of state or quasi-public agency funds, (2) breakdowns in
259 the safekeeping of any other resources of the state or quasi-public
260 agencies, (3) breach of security, as defined in section 36a-701b, or (4)

261 contemplated action to commit one of the acts listed in subdivisions (1)
262 to (3), inclusive, of this section within their knowledge. In the case of
263 such notification to the Auditors of Public Accounts, the auditors may
264 permit aggregate reporting in a manner and at a schedule determined
265 by the auditors.

266 Sec. 10. Section 4-37j of the general statutes is repealed and the
267 following is substituted in lieu thereof (*Effective October 1, 2026*):

268 Each foundation shall develop, in conjunction with the [Auditors of
269 Public Accounts] executive director of the Office of Government
270 Oversight and Efficiency, and implement a written policy (1) for the
271 investigation of any matter involving corruption, unethical practices,
272 violation of state laws or regulations, mismanagement, gross waste of
273 funds, abuse of authority or danger to the public safety occurring in
274 such foundation, (2) prohibiting any officer or employee of the
275 foundation from taking or threatening to take any personnel action
276 against any foundation employee who transmits information
277 concerning any such matter, (3) providing that any foundation
278 employee who is found to have knowingly and maliciously made false
279 charges concerning any such matter under subdivision (1) of this section
280 shall be subject to disciplinary action by the employee's appointing
281 authority, up to and including dismissal, and (4) requiring the
282 foundation to provide a copy of such policy to its employees and to
283 periodically notify the employees of the existence of the policy.

284 Sec. 11. Section 4-61dd of the general statutes is repealed and the
285 following is substituted in lieu thereof (*Effective October 1, 2026*):

286 (a) Any person having knowledge of any matter involving (1)
287 corruption, unethical practices, violation of state laws or regulations,
288 mismanagement, gross waste of funds, abuse of authority or danger to
289 the public safety occurring in any state department or agency, any
290 quasi-public agency, as defined in section 1-120, or any Probate Court,
291 (2) corruption, violation of state or federal laws or regulations, gross

292 waste of funds, abuse of authority or danger to the public safety
293 occurring in any large state contract, or (3) corruption by an entity
294 receiving financial assistance pursuant to title 32 that has failed to meet
295 its contractual obligations or has failed to satisfy any condition
296 regarding such financial assistance, may transmit all facts and
297 information in such person's possession concerning such matter to the
298 [Auditors of Public Accounts] executive director of the Office of
299 Government Oversight and Efficiency. The [Auditors of Public
300 Accounts] executive director shall review such matter and report [their]
301 any findings and any recommendations to the Attorney General. Upon
302 receiving such a report, the Attorney General shall make such
303 investigation as the Attorney General deems proper regarding such
304 report and any other information that may be reasonably derived from
305 such report. Prior to conducting an investigation of any information that
306 may be reasonably derived from such report, the Attorney General shall
307 consult with the [Auditors of Public Accounts] executive director
308 concerning the relationship of such additional information to the report
309 that has been issued pursuant to this subsection. Any such subsequent
310 investigation deemed appropriate by the Attorney General shall only be
311 conducted with the concurrence and assistance of the [Auditors of
312 Public Accounts] executive director. At the request of the Attorney
313 General or on [their] the executive director's own initiative, the
314 [auditors] executive director shall assist in the investigation.

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

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

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

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

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

327 (E) The complaint is not timely or is too long delayed to justify further
328 investigation; or

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

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

335 (3) If at any time the [Auditors of Public Accounts determine]
336 executive director determines that a complaint is more appropriately
337 investigated by another state agency, the [Auditors of Public Accounts]
338 executive director shall refer the complaint to such agency. The
339 investigating agency shall provide a status report regarding the referred
340 complaint to the [Auditors of Public Accounts] executive director upon
341 request.

342 (c) Notwithstanding the provisions of section 12-15, the
343 Commissioner of Revenue Services may, upon written request by the
344 [Auditors of Public Accounts] executive director, disclose return or
345 return information, as defined in section 12-15, to the [Auditors of Public
346 Accounts] executive director for purposes of preparing a report under
347 subsection (a) or (b) of this section. Such return or return information
348 shall not be published in any report prepared in accordance with
349 subsection (a) or (b) of this section, and shall not otherwise be
350 redisclosed, except that such information may be redisclosed to the
351 Attorney General for purposes of an investigation authorized by
352 subsection (a) of this section. Any person who violates the provisions of

353 this subsection shall be subject to the provisions of subsection (g) of
354 section 12-15.

355 (d) The Attorney General may summon witnesses, require the
356 production of any necessary books, papers or other documents and
357 administer oaths to witnesses, where necessary, for the purpose of an
358 investigation pursuant to this section or for the purpose of investigating
359 a suspected violation of subsection (a) of section 4-275 until such time as
360 the Attorney General files a civil action pursuant to section 4-276.
361 Service of a subpoena ad testificandum, subpoena duces tecum and a
362 notice of deposition, may be made by: (1) Personal service or service at
363 the usual place of abode; or (2) registered or certified mail, return receipt
364 requested, a duly executed copy thereof addressed to the person to be
365 served at such person's principal place of business in this state, or, if
366 such person has no principal place of business in this state, at such
367 person's principal office or such person's residence. Upon the
368 conclusion of the investigation, the Attorney General shall where
369 necessary, report any findings to the Governor, or in matters involving
370 criminal activity, to the Chief State's Attorney. In addition to the exempt
371 records provision of section 1-210, the [Auditors of Public Accounts]
372 executive director and the Attorney General shall not, after receipt of
373 any information from a person under the provisions of this section or
374 sections 4-276 to 4-280, inclusive, disclose the identity of such person
375 without such person's consent unless the [Auditors of Public Accounts]
376 executive director or the Attorney General determines that such
377 disclosure is unavoidable, and may withhold records of such
378 investigation, during the pendency of the investigation. All
379 documentary material or other information furnished to the Attorney
380 General, the Attorney General's deputy or any assistant attorney general
381 designated by the Attorney General, pursuant to a demand issued
382 under this subsection for the purpose of investigating a suspected
383 violation of subsection (a) of section 4-275, shall be returned to the
384 person furnishing such documentary material or other information, or,
385 if such person furnished such documentary material or other

386 information in an electronic format, erased, upon the termination of the
387 Attorney General's investigation or final determination of any action or
388 proceeding commenced thereunder.

389 (e) (1) No state officer or employee, as defined in section 4-141, no
390 quasi-public agency officer or employee, no officer or employee of a
391 large state contractor and no appointing authority shall take or threaten
392 to take any personnel action against any state or quasi-public agency
393 employee or any employee of a large state contractor in retaliation for
394 (A) such employee's or contractor's disclosure of information to (i) an
395 employee of the [Auditors of Public Accounts] Office of Government
396 Oversight and Efficiency or the Attorney General under the provisions
397 of subsection (a) of this section; (ii) an employee of the state agency or
398 quasi-public agency where such state officer or employee is employed;
399 (iii) an employee of a state agency pursuant to a mandated reporter
400 statute or pursuant to subsection (b) of section 17a-28; (iv) an employee
401 of the Probate Court where such employee is employed; or (v) in the
402 case of a large state contractor, an employee of the contracting state
403 agency concerning information involving the large state contract; or (B)
404 such employee's testimony or assistance in any proceeding under this
405 section.

406 (2) (A) Not later than ninety days after learning of the specific
407 incident giving rise to a claim that a personnel action has been
408 threatened or has occurred in violation of subdivision (1) of this
409 subsection, a state or quasi-public agency employee, an employee of a
410 large state contractor or the employee's attorney may file a complaint
411 against the state agency, quasi-public agency, Probate Court, large state
412 contractor or appointing authority concerning such personnel action
413 with the Chief Human Rights Referee designated under section 46a-57.
414 Such complaint may be amended if an additional incident giving rise to
415 a claim under this subdivision occurs subsequent to the filing of the
416 original complaint. The Chief Human Rights Referee shall assign the
417 complaint to a human rights referee appointed under section 46a-57,
418 who shall conduct a hearing and issue a decision concerning whether

419 the officer or employee taking or threatening to take the personnel
420 action violated any provision of this section. The human rights referee
421 may order a state agency, quasi-public agency or Probate Court to
422 produce (i) an employee of such agency, quasi-public agency or Probate
423 Court to testify as a witness in any proceeding under this subdivision,
424 or (ii) books, papers or other documents relevant to the complaint,
425 without issuing a subpoena. If such agency, quasi-public agency or
426 Probate Court fails to produce such witness, books, papers or
427 documents, not later than thirty days after such order, the human rights
428 referee may consider such failure as supporting evidence for the
429 complainant. If, after the hearing, the human rights referee finds a
430 violation, the referee may award the aggrieved employee reinstatement
431 to the employee's former position, back pay and reestablishment of any
432 employee benefits for which the employee would otherwise have been
433 eligible if such violation had not occurred, reasonable attorneys' fees,
434 and any other damages. For the purposes of this subsection, such
435 human rights referee shall act as an independent hearing officer. The
436 decision of a human rights referee under this subsection may be
437 appealed by any person who was a party at such hearing, in accordance
438 with the provisions of section 4-183.

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

443 (3) As an alternative to the provisions of subdivision (2) of this
444 subsection: (A) A state or quasi-public agency employee who alleges
445 that a personnel action has been threatened or taken may file an appeal
446 not later than ninety days after learning of the specific incident giving
447 rise to such claim with the Employees' Review Board under section 5-
448 202, or, in the case of a state or quasi-public agency employee covered
449 by a collective bargaining contract, in accordance with the procedure
450 provided by such contract; or (B) an employee of a large state contractor
451 alleging that such action has been threatened or taken may, after

452 exhausting all available administrative remedies, bring a civil action in
453 accordance with the provisions of subsection (c) of section 31-51m.

454 (4) In any proceeding under subdivision (2) or (3) of this subsection
455 concerning a personnel action taken or threatened against any state or
456 quasi-public agency employee or any employee of a large state
457 contractor, which personnel action occurs not later than two years after
458 the employee first transmits facts and information concerning a matter
459 under subsection (a) of this section or discloses information under
460 subdivision (1) of this subsection to the [Auditors of Public Accounts]
461 executive director, the Attorney General or an employee of a state
462 agency, quasi-public agency or Probate Court, as applicable, there shall
463 be a rebuttable presumption that the personnel action is in retaliation
464 for the action taken by the employee under subsection (a) of this section
465 or subdivision (1) of this subsection.

466 (5) If a state officer or employee, as defined in section 4-141, a quasi-
467 public agency officer or employee, an officer or employee of a large state
468 contractor or an appointing authority takes or threatens to take any
469 action to impede, fail to renew or cancel a contract between a state
470 agency and a large state contractor, or between a large state contractor
471 and its subcontractor, in retaliation for the disclosure of information
472 pursuant to subsection (a) of this section or subdivision (1) of this
473 subsection to any agency listed in subdivision (1) of this subsection, such
474 affected agency, contractor or subcontractor may, not later than ninety
475 days after learning of such action, threat or failure to renew, bring a civil
476 action in the superior court for the judicial district of Hartford to recover
477 damages, attorney's fees and costs.

478 (f) Any employee of a state agency, quasi-public agency, Probate
479 Court or large state contractor, who is found by the [Auditors of Public
480 Accounts] executive director, the Attorney General, a human rights
481 referee or the Employees' Review Board to have knowingly and
482 maliciously made false charges under subsection (a) of this section, shall
483 be subject to disciplinary action by such employee's appointing

484 authority up to and including dismissal. In the case of a state or quasi-
485 public agency employee, such action shall be subject to appeal to the
486 Employees' Review Board in accordance with section 5-202, or in the
487 case of state or quasi-public agency employees included in collective
488 bargaining contracts, the procedure provided by such contracts.

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

496 (h) Each contract between a state or quasi-public agency and a large
497 state contractor shall provide that, if an officer, employee or appointing
498 authority of a large state contractor takes or threatens to take any
499 personnel action against any employee of the contractor in retaliation
500 for such employee's disclosure of information to any employee of the
501 contracting state or quasi-public agency or the [Auditors of Public
502 Accounts] executive director or the Attorney General under the
503 provisions of subsection (a) or subdivision (1) of subsection (e) of this
504 section, the contractor shall be liable for a civil penalty of not more than
505 five thousand dollars for each offense, up to a maximum of twenty per
506 cent of the value of the contract. Each violation shall be a separate and
507 distinct offense and in the case of a continuing violation each calendar
508 day's continuance of the violation shall be deemed to be a separate and
509 distinct offense. The executive head of the state or quasi-public agency
510 may request the Attorney General to bring a civil action in the superior
511 court for the judicial district of Hartford to seek imposition and recovery
512 of such civil penalty.

513 (i) Each state agency or quasi-public agency shall post a notice of the
514 provisions of this section relating to state employees and quasi-public
515 agency employees in a conspicuous place that is readily available for

516 viewing by employees of such agency or quasi-public agency. Each
517 Probate Court shall post a notice of the provisions of this section relating
518 to Probate Court employees in a conspicuous place that is readily
519 available for viewing by employees of such court. Each large state
520 contractor shall post a notice of the provisions of this section relating to
521 large state contractors in a conspicuous place which is readily available
522 for viewing by the employees of the contractor.

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

526 (k) As used in this section:

527 (1) "Large state contract" means a contract having a value of five
528 million dollars or more (A) between an entity and a state or quasi-public
529 agency, or (B) for the receipt of financial assistance by an entity from the
530 state pursuant to title 32; and

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

533 (l) (1) No officer or employee of a state shellfish grounds lessee shall
534 take or threaten to take any personnel action against any employee of a
535 state shellfish grounds lessee in retaliation for (A) such employee's
536 disclosure of information to an employee of the leasing agency
537 concerning information involving the state shellfish grounds lease, or
538 (B) such employee's testimony or assistance in any proceeding under
539 this section.

540 (2) (A) Not later than ninety days after learning of the specific
541 incident giving rise to a claim that a personnel action has been
542 threatened or has occurred in violation of subdivision (1) of this
543 subsection, an employee of a state shellfish grounds lessee or the
544 employee's attorney may file a complaint against the state shellfish
545 grounds lessee concerning such personnel action with the Chief Human

546 Rights Referee designated under section 46a-57. Such complaint may be
547 amended if an additional incident giving rise to a claim under this
548 subdivision occurs subsequent to the filing of the original complaint.
549 The Chief Human Rights Referee shall assign the complaint to a human
550 rights referee appointed under section 46a-57, who shall conduct a
551 hearing and issue a decision concerning whether the officer or employee
552 taking or threatening to take the personnel action violated any provision
553 of this subsection. The human rights referee may order a state shellfish
554 grounds lessee to produce (i) an employee of such lessee to testify as a
555 witness in any proceeding under this subdivision, or (ii) books, papers
556 or other documents relevant to the complaint, without issuing a
557 subpoena. If such state shellfish grounds lessee fails to produce such
558 witness, books, papers or documents, not later than thirty days after
559 such order, the human rights referee may consider such failure as
560 supporting evidence for the complainant. If, after the hearing, the
561 human rights referee finds a violation, the referee may award the
562 aggrieved employee reinstatement to the employee's former position,
563 back pay and reestablishment of any employee benefits for which the
564 employee would otherwise have been eligible if such violation had not
565 occurred, reasonable attorneys' fees and any other damages. For the
566 purposes of this subsection, such human rights referee shall act as an
567 independent hearing officer. The decision of a human rights referee
568 under this subsection may be appealed by any person who was a party
569 at such hearing, in accordance with the provisions of section 4-183.

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

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

579 (4) In any proceeding under subdivision (2) or (3) of this subsection
580 concerning a personnel action taken or threatened against any employee
581 of a state shellfish grounds lessee, which personnel action occurs not
582 later than two years after the employee first transmits facts and
583 information to an employee of the leasing agency concerning the state
584 shellfish grounds lease, there shall be a rebuttable presumption that the
585 personnel action is in retaliation for the action taken by the employee
586 under subdivision (1) of this subsection.

587 Sec. 12. Subsection (f) of section 4-278 of the general statutes is
588 repealed and the following is substituted in lieu thereof (*Effective October*
589 *1, 2026*):

590 (f) Notwithstanding the provisions of subsection (e) of this section,
591 where the action is one that the court finds to be based primarily on
592 disclosures of specific information that was not provided by the person
593 bringing the action relating to allegations or transactions (1) in a
594 criminal, civil or administrative hearing, (2) in a report, hearing, audit
595 or investigation conducted by the General Assembly, a committee of the
596 General Assembly, the Auditors of Public Accounts, Office of
597 Government Oversight and Efficiency, a state agency or a quasi-public
598 agency, or (3) from the news media, the court may award from such
599 proceeds to the person bringing the action such sums as it considers
600 appropriate, but in no case more than ten per cent of the proceeds,
601 taking into account the significance of the information and the role of
602 the person bringing the action in advancing the case to litigation. Any
603 such person shall also receive an amount for reasonable expenses that
604 the court finds to have been necessarily incurred, plus reasonable
605 attorneys' fees and costs. All such expenses, fees and costs shall be
606 awarded against the defendant.

607 Sec. 13. Subsection (b) of section 4-282 of the general statutes is
608 repealed and the following is substituted in lieu thereof (*Effective October*
609 *1, 2026*):

610 (b) Unless opposed by the state, the court shall dismiss an action or
611 claim brought under section 4-277 if allegations or transactions that are
612 substantially the same as those alleged in the action or claim were
613 publicly disclosed (1) in a state criminal, civil or administrative hearing
614 in which the state or its agent is a party, (2) in a report, hearing, audit or
615 investigation conducted by the General Assembly, a committee of the
616 General Assembly, the Auditors of Public Accounts, Office of
617 Government Oversight and Efficiency, a state agency or quasi-public
618 agency, or (3) by the news media, except the court shall not dismiss such
619 action or claim if the action or claim is brought by the Attorney General
620 or the person who is an original source of information.

621 Sec. 14. (NEW) (*Effective October 1, 2026*) As used in this section, "state
622 agency" means a department, board, council, commission, institution or
623 other executive branch agency. Not later than thirty days after the
624 passage of a public or special act or the adoption of a regulation that
625 constitutes a material and substantial change in the law, the state agency
626 that is charged with implementing or enforcing such act or regulation
627 shall notify all persons affected by such change in the law for whom the
628 state agency has an electronic mail address for, of such change, and shall
629 post a copy of such notice on the state agency's Internet web site.

630 Sec. 15. (NEW) (*Effective July 1, 2026*) (a) There is established a Results-
631 Based Accountability Working Group to evaluate state agency
632 programs, which shall be part of the Legislative Department.

633 (b) The working group shall consist of the following members:

634 (1) One appointed by the speaker of the House of Representatives,
635 who has expertise in state government;

636 (2) One appointed by the president pro tempore of the Senate, who
637 has expertise in finance;

638 (3) One appointed by the majority leader of the House of
639 Representatives, who has expertise in accounting;

640 (4) One appointed by the majority leader of the Senate, who has
641 expertise in human services;

642 (5) One appointed by the minority leader of the House of
643 Representatives, who has expertise in criminal justice;

644 (6) One appointed by the minority leader of the Senate, who has
645 expertise in public health; and

646 (7) The Secretary of the Office of Policy and Management, or the
647 secretary's designee.

648 (c) Any member of the working group appointed under subdivisions
649 (1) to (6), inclusive, of subsection (b) of this section may be a member of
650 the General Assembly.

651 (d) All initial appointments to the working group shall be made not
652 later than September 1, 2026, and shall terminate on August 31, 2029,
653 regardless of when the initial appointment was made. Any member of
654 the working group may serve more than one term.

655 (e) The speaker of the House of Representatives and the president pro
656 tempore of the Senate shall select the chairpersons of the working group
657 from among the members of the working group. Such chairpersons shall
658 schedule the first meeting of the working group, which shall be held not
659 later than September 1, 2026.

660 (f) The administrative staff of the joint standing committee of the
661 General Assembly having cognizance of matters relating to government
662 oversight shall serve as administrative staff of the working group.

663 (g) Appointed members of the working group shall serve for three-
664 year terms which shall commence on the date of appointment, except as
665 provided in subsection (d) of this section. Members shall continue to
666 serve until their successors are appointed.

667 (h) Any vacancy shall be filled by the appointing authority. Any

668 vacancy occurring other than by expiration of term shall be filled for the
669 balance of the unexpired term.

670 (i) A majority of the working group shall constitute a quorum for the
671 transaction of any business.

672 (j) The members of the working group shall serve without
673 compensation, but shall, within the limits of available funds, be
674 reimbursed for expenses necessarily incurred in the performance of
675 their duties.

676 (k) The working group shall have the following powers and duties:
677 (1) Evaluate the mission and programs of each state agency, including
678 how well each state agency implements such programs and whether the
679 state's population benefits as a result of such programs; (2) obtain from
680 any executive department, board, commission or other agency of the
681 state or Auditors of Public Accounts such assistance and data as
682 necessary and available to carry out the purposes of this section; (3)
683 accept any gift, donation or bequest for the purpose of performing the
684 duties described in this section; and (4) perform such other acts as may
685 be necessary and appropriate to carry out the duties described in this
686 section.

687 (l) The working group shall meet at least quarterly and as often as
688 deemed necessary by the chairpersons or a majority of the working
689 group. The working group may hold hearings and require department
690 heads, as defined in section 4-5 of the general statutes, to attend its
691 public hearings or meetings to provide information to the working
692 group.

693 (m) Not later than January 1, 2027, and annually thereafter, the
694 working group shall submit a report, in accordance with the provisions
695 of section 11-4a of the general statutes, to the Governor and the joint
696 standing committees of the General Assembly having cognizance of
697 matters relating to government oversight and appropriations and the
698 budgets of state agencies on the results of the program evaluations

699 conducted by the working group during the prior year and any
700 recommendations for policy changes and amendments to the general
701 statutes necessary to improve or eliminate such programs.

702 Sec. 16. Section 2-92a of the general statutes is repealed and the
703 following is substituted in lieu thereof (*Effective October 1, 2026*):

704 (a) Except as provided in subsection (b) of this section, each joint
705 standing committee of the General Assembly having cognizance of any
706 state agency that is the subject of a report issued by the Auditors of
707 Public Accounts pursuant to any provision of the general statutes and
708 the joint standing committee of the General Assembly having
709 cognizance of matters relating to government [administration]
710 oversight shall hold a joint public hearing concerning such report not
711 later than one hundred eighty days after such report is submitted to the
712 General Assembly by the auditors. In the case of an audit report that has
713 financial implications, the joint standing committees of the General
714 Assembly having cognizance of matters relating to government
715 oversight and the appropriations and the budgets of state agencies shall
716 hold such joint hearing, and the Secretary of the Office of Policy and
717 Management, the auditors and the head of the state agency that is the
718 subject of such report shall attend such hearing.

719 (b) The chairpersons of any such committee may elect not to hold a
720 public hearing on any auditor report that (1) contains no state agency
721 violations of state statute or regulation, (2) contains only minor or
722 technical recommendations, or (3) the chairpersons determine does not
723 otherwise necessitate a public hearing.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</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>	New section
Sec. 6	<i>October 1, 2026</i>	1-101pp
Sec. 7	<i>October 1, 2026</i>	1-110a(c)
Sec. 8	<i>October 1, 2026</i>	2-90(f)
Sec. 9	<i>October 1, 2026</i>	4-33a
Sec. 10	<i>October 1, 2026</i>	4-37j
Sec. 11	<i>October 1, 2026</i>	4-61dd
Sec. 12	<i>October 1, 2026</i>	4-278(f)
Sec. 13	<i>October 1, 2026</i>	4-282(b)
Sec. 14	<i>October 1, 2026</i>	New section
Sec. 15	<i>July 1, 2026</i>	New section
Sec. 16	<i>October 1, 2026</i>	2-92a

Statement of Purpose:

To establish a working group to uncover fraud and waste in state government, establish the Office of Government Oversight and Efficiency, require state agencies to notify affected parties of material and substantial changes in law, establish the Results-Based Accountability Working Group and require the involvement of additional committees and public officials for audit reports that have financial implications.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]