
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)