



General Assembly

February Session, 2020

***Raised Bill No. 5320***

LCO No. 2114



Referred to Committee on PUBLIC SAFETY AND SECURITY

Introduced by:  
(PS)

***AN ACT CONCERNING OPERATION OF THE LOTTERY BY THE  
DEPARTMENT OF CONSUMER PROTECTION.***

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

1       Section 1. (NEW) (*Effective January 1, 2021*) (a) The Department of  
2       Consumer Protection shall constitute a successor agency, in accordance  
3       with the provisions of sections 4-38d and 4-39 of the general statutes, to  
4       the Connecticut Lottery Corporation, as if the corporation were an  
5       agency, with respect to all functions, powers and duties of the  
6       corporation transferred to the department under this section,  
7       subdivision (12) of section 1-79, sections 1-120, 1-121 and 1-125,  
8       subsection (d) of section 4-66k, subsection (f) of section 5-263b, sections  
9       10-183vv, 12-568a and 12-569, subsection (g) of section 12-707,  
10      subsection (b) of section 12-711, sections 12-801, 12-803, 12-806, 12-806c,  
11      12-806d, 12-807, 12-808, 12-810 and 12-812, subsection (a) of section 12-  
12      813, sections 12-814, 12-815a, 12-817, 12-818, 12-829, sections 12-831 to  
13      12-834, inclusive, subsection (b) of section 17a-713, subsection (c) of  
14      section 52-362d and section 52-367c of the general statutes, as amended  
15      by this act.

16 (b) (1) The department shall transfer employee classifications of the  
17 corporation to classifications in state service. The department shall  
18 recognize collective bargaining agreements existing between  
19 corporation employees and the corporation on December 31, 2020.

20 (2) The lottery fund, as defined in subparagraph (A) of subdivision  
21 (6) of section 12-801 of the general statutes, as amended by this act, of  
22 the Connecticut Lottery Corporation, and all moneys contained in it, on  
23 December 31, 2020, shall become the lottery fund, as defined in  
24 subparagraph (B) of subdivision (6) of section 12-801 of the general  
25 statutes, as amended by this act, of the department on January 1, 2021.

26 (c) The Legislative Commissioners' Office shall, in codifying the  
27 provisions of this section, subdivision (12) of section 1-79, sections 1-120,  
28 1-121 and 1-125, subsection (d) of section 4-66k, subsection (f) of section  
29 5-263b, sections 10-183vv, 12-568a and 12-569, subsection (g) of section  
30 12-707, subsection (b) of section 12-711, sections 12-801, 12-803, 12-806,  
31 12-806c, 12-806d, 12-807, 12-808, 12-810 and 12-812, subsection (a) of  
32 section 12-813, sections 12-814, 12-815a, 12-817, 12-818, 12-829, sections  
33 12-831 to 12-834, inclusive, subsection (b) of section 17a-713, subsection  
34 (c) of section 52-362d, and section 52-367c of the general statutes, as  
35 amended by this act, make such technical, grammatical and punctuation  
36 changes as are necessary to carry out the purposes of this section.

37 Sec. 2. Section 12-801 of the 2020 supplement to the general statutes  
38 is repealed and the following is substituted in lieu thereof (*Effective*  
39 *January 1, 2021*):

40 As used in section 12-563a and sections [12-800] 12-801 to 12-818,  
41 inclusive, as amended by this act, the following terms shall have the  
42 following meanings unless the context clearly indicates another  
43 meaning:

44 [(1) "Board" or "board of directors" means the board of directors of  
45 the corporation;

46 (2) "Corporation" means the Connecticut Lottery Corporation as

47 created under section 12-802;]

48 (1) "Commissioner" means the Commissioner of Consumer  
 49 Protection;

50 (2) "Department" means the Department of Consumer Protection;

51 (3) "Division" means the former Division of Special Revenue in the  
 52 Department of Revenue Services;

53 (4) "Lottery" means (A) the Connecticut state lottery conducted prior  
 54 to the transfer authorized under section 12-808, as amended by this act,  
 55 by the Division of Special Revenue, (B) after such transfer and prior to  
 56 January 1, 2021, the Connecticut state lottery conducted by the  
 57 [corporation pursuant to sections 12-563a and 12-800 to 12-818,  
 58 inclusive, (C)] Connecticut Lottery Corporation, (C) the Connecticut  
 59 state lottery conducted by the department on and after January 1, 2021,  
 60 (D) the state lottery referred to in subsection (a) of section 53-278g, and  
 61 [(D)] (E) keno conducted by the [corporation] department pursuant to  
 62 section 12-806c, as amended by this act;

63 (5) "Keno" means a lottery game in which a subset of numbers are  
 64 drawn from a larger field of numbers by a central computer system  
 65 using an approved random number generator, wheel system device or  
 66 other drawing device. "Keno" does not include a game operated on a  
 67 video facsimile machine;

68 (6) "Lottery fund" means (A) prior to January 1, 2021, a fund or funds  
 69 established by, and under the management and control of, the  
 70 [corporation] Connecticut Lottery Corporation, into which all lottery  
 71 revenues of the corporation are deposited, from which all payments and  
 72 expenses of the corporation are paid and from which transfers to the  
 73 General Fund or the Connecticut Teachers' Retirement Fund Bonds  
 74 Special Capital Reserve Fund, established in section 10-183vv, as  
 75 amended by this act, are made pursuant to section 12-812, as amended  
 76 by this act, and (B) on and after January 1, 2021, the fund or funds  
 77 described in subparagraph (A) of this subdivision transferred pursuant

78 to section 1 of this act to the department on termination of the  
 79 corporation under section 12-803, as amended by this act, which are  
 80 under the management and control of the department, (i) into which all  
 81 lottery revenues of the department are deposited, (ii) from which all  
 82 payments and expenses of the department related to the operation of  
 83 the lottery are paid, and (iii) from which transfers to the General Fund  
 84 or the Connecticut Teachers' Retirement Fund Bonds Special Capital  
 85 Reserve Fund, established in section 10-183vv, as amended by this act,  
 86 are made pursuant to section 12-812, as amended by this act; and

87 (7) "Operating revenue" means total revenue received from lottery  
 88 sales less all cancelled sales and amounts paid as prizes but before  
 89 payment or provision for payment of any other expenses.

90 Sec. 3. Section 12-803 of the general statutes is repealed and the  
 91 following is substituted in lieu thereof (*Effective January 1, 2021*):

92 [The corporation shall have perpetual succession. Such succession  
 93 shall continue until the existence of the corporation is terminated by  
 94 law] The Connecticut Lottery Corporation shall terminate and cease to  
 95 exist and all of its functions are transferred to the department on January  
 96 1, 2021, provided no such termination shall affect any outstanding  
 97 contractual obligation of the corporation and the state shall succeed to  
 98 the obligations of the corporation under any such contract. Upon  
 99 termination of the corporation, its rights and properties shall pass to and  
 100 be vested in the state.

101 Sec. 4. Section 12-806 of the 2020 supplement to the general statutes  
 102 is repealed and the following is substituted in lieu thereof (*Effective*  
 103 *January 1, 2021*):

104 (a) The [purposes of the corporation shall be to] department shall: (1)  
 105 Operate and manage the lottery in an entrepreneurial and business-like  
 106 manner; [free from the budgetary and other constraints that affect state  
 107 agencies;] (2) provide continuing and increased revenue to the people  
 108 of the state through the lottery by being responsive to market forces;  
 109 [and acting generally as a corporation engaged in entrepreneurial

110 pursuits;] (3) pay to the trustee of the Connecticut Teachers' Retirement  
 111 Fund Bonds Special Capital Reserve Fund, established in section 10-  
 112 183vv, as amended by this act, the amounts, if any, required pursuant  
 113 to subsection (c) of section 12-812, as amended by this act; and (4) ensure  
 114 that the lottery continues to be operated with integrity and for the public  
 115 good.

116 (b) The [corporation] department shall have the following powers:

117 (1) To [receive as transferee from the state of Connecticut all of the  
 118 tangible and intangible assets constituting the lottery including the  
 119 exclusive right to] operate the lottery as the exclusive lottery of the state;  
 120 [and, subject to subsection (b) of section 12-808, to assume and discharge  
 121 all of the agreements, covenants and obligations of the Department of  
 122 Consumer Protection entered into which constitute a part of the  
 123 operation and management of the lottery;]

124 (2) To operate and manage the lottery consistent with the provisions  
 125 of sections [1-120, 1-121, 1-125,] 12-563, 12-563a, 12-564, 12-566, 12-568a,  
 126 as amended by this act, and 12-569, as amended by this act, subsection  
 127 (c) of section 12-574, as amended by this act, and sections [12-800] 12-  
 128 801 to 12-818, inclusive, as amended by this act, and as specifically  
 129 provided in section 12-812, as amended by this act;

130 [(3) To have perpetual succession as a body corporate and to adopt  
 131 bylaws, policies and procedures for the operation of its affairs and  
 132 conduct of its businesses;]

133 [(4)] (3) To introduce new lottery games, modify existing lottery  
 134 games, utilize existing and new technologies, determine distribution  
 135 channels for the sale of lottery tickets, introduce keno pursuant to signed  
 136 agreements with the Mashantucket Pequot Tribe and the Mohegan  
 137 Tribe of Indians of Connecticut, in accordance with section 12-806c, as  
 138 amended by this act, and [, to the extent specifically authorized by  
 139 regulations adopted by the Department of Consumer Protection  
 140 pursuant to chapter 54,] introduce instant ticket vending machines,  
 141 kiosks and automated wagering systems or machines, [with all such

142 rights being subject to regulatory oversight by the Department of  
143 Consumer Protection,] except that the [corporation] department shall  
144 not offer any interactive on-line lottery games, including on-line video  
145 lottery games for promotional purposes;

146 [(5) To establish an annual budget of revenues and expenditures,  
147 along with reasonable reserves for working capital, capital  
148 expenditures, debt retirement and other anticipated expenditures, in a  
149 manner and at levels considered by the board of directors as appropriate  
150 and prudent;]

151 [(6)] (4) To adopt [such administrative and operating procedures  
152 which the board of directors] regulations, in accordance with chapter 54,  
153 to implement the provisions of section 12-801 to 12-818, inclusive, as  
154 amended by this act, as the commissioner deems appropriate;

155 [(7)] (5) To enter into agreements with one or more states or territories  
156 of the United States for the promotion and operation of joint lottery  
157 games and to continue to participate in any joint lottery game in which  
158 the [corporation participates] Connecticut Lottery Corporation  
159 participated on July 1, 2003, regardless of whether any government-  
160 authorized lottery operated outside of the United States participates in  
161 such game;

162 [(8) Subject to the provisions of section 12-815, to] (6) To enter into  
163 agreements with vendors with respect to the operation and  
164 management of the lottery, including operation of lottery terminals,  
165 management services, printing of lottery tickets, management expertise,  
166 marketing expertise, advertising or such other goods or services as the  
167 [board of directors] commissioner deems necessary and appropriate;

168 [(9)] (7) To purchase or lease operating equipment, including, but not  
169 limited to, computer gaming and automated wagering systems and to  
170 employ agents or employees to operate such systems;

171 [(10)] (8) To retain unclaimed prize funds as additional revenue for  
172 the state, or to use unclaimed prize funds to increase sales, or to return

173 to participants unclaimed prize funds in a manner designed to increase  
174 sales;

175 [(11)] (9) To establish prize reserve accounts as the [board of  
176 directors] commissioner deems appropriate;

177 [(12)] (10) To pay lottery prizes as awarded under section 12-812, as  
178 amended by this act, to purchase annuities to fund such prizes, and to  
179 assure that all annuities from which payments to winners of lottery  
180 prizes are made are invested in instruments issued by agencies of the  
181 United States government and backed by the full faith and credit of the  
182 United States, or are issued by insurance companies licensed to do  
183 business in the state, provided the issuer has been determined by the  
184 [Department of Consumer Protection] commissioner to be financially  
185 stable and meets the minimum investment rating as determined by the  
186 [department] commissioner;

187 [(13)] To pay the Office of Policy and Management to reimburse the  
188 Department of Consumer Protection for the reasonable and necessary  
189 costs arising from the department's regulatory oversight of the  
190 corporation, in accordance with the assessment made pursuant to  
191 section 12-806b, including costs arising directly or indirectly from the  
192 licensing of lottery agents, performance of state police background  
193 investigations, and the implementation of subsection (b) of section 12-  
194 562 and sections 12-563a, 12-568a, 12-569, 12-570, 12-570a and 12-800 to  
195 12-818, inclusive;

196 (14) In the event that the operation or management of the corporation  
197 becomes subject to the federal gaming occupation tax, to pay such tax  
198 on behalf of lottery sales agents and to assist agents subject thereto;]

199 [(15)] (11) To determine the commissions payable to lottery sales  
200 agents, provided any agent's commission shall not average less than  
201 four per cent of such agent's lottery sales;

202 [(16)] To invest in, acquire, lease, purchase, own, manage, hold and  
203 dispose of real property and lease, convey or deal in or enter into

204 agreements with respect to such property on any terms necessary or  
 205 incidental to carrying out the purposes of sections 12-563a and 12-800 to  
 206 12-818, inclusive, provided such transactions shall not be subject to  
 207 approval, review or regulation pursuant to title 4b or any other statute  
 208 by any state agency, except that real property transactions shall be  
 209 subject to review by the State Properties Review Board;

210 (17) To borrow money for the purpose of obtaining working capital;]

211 [(18)] (12) To hold patents, copyrights, trademarks, marketing rights,  
 212 licenses or any other evidence of protection or exclusivity issued under  
 213 the laws of the United States or any state;

214 [(19)] (13) To employ such assistants, agents and other employees as  
 215 may be necessary or desirable to carry out its purposes in accordance  
 216 with sections 12-563a and 12-800 to 12-818, inclusive, as amended by this  
 217 act, to fix their compensation and [, subject to the provisions of  
 218 subsections (e) and (f) of section 12-802,] establish all necessary and  
 219 appropriate personnel practices and policies; to engage consultants,  
 220 accountants, attorneys and financial and other independent  
 221 professionals as may be necessary or desirable to assist the [corporation]  
 222 department in performing its purposes in accordance with sections 12-  
 223 563a and [12-800] 12-801 to 12-818, inclusive, as amended by this act;

224 [(20)] (14) To make and enter into all contracts and agreements  
 225 necessary or incidental to the performance of its duties and the  
 226 execution of its powers under sections 12-563a, as amended by this act,  
 227 and [12-800] 12-801 to 12-818, inclusive, as amended by this act;

228 [(21) In its own name, to sue and be sued, plead and be impleaded,  
 229 adopt a seal and alter the same at pleasure;

230 (22) Subject to the approval of the board and to the requirement to  
 231 remit excess lottery funds to the General Fund as set forth in section 12-  
 232 812, to invest any funds not needed for immediate use or disbursement,  
 233 including any funds held in approved reserve accounts, in investments  
 234 permitted by sections 3-20 and 3-27a for the proceeds of state bonds;



235 (23) To procure insurance against any loss in connection with its  
236 property and other assets in such amounts and from such insurers as it  
237 deems desirable;

238 (24) To the extent permitted under any contract with other persons to  
239 which the corporation is a party, to consent to any termination,  
240 modification, forgiveness or other change of any term of any contractual  
241 right, payment, royalty, contract or agreement of any kind;

242 (25) To acquire, lease, purchase, own, manage, hold and dispose of  
243 personal property, and lease, convey or deal in or enter into agreements  
244 with respect to such property on any terms necessary or incidental to  
245 the carrying out of these purposes;

246 (26) To account for and audit funds of the corporation;

247 (27) To pay or provide for payment from operating revenues all  
248 expenses, costs and obligations incurred by the corporation in the  
249 exercise of the powers of the corporation under sections 12-563a and 12-  
250 800 to 12-818, inclusive;] and

251 [(28)] (15) To exercise any powers necessary to carry out the purposes  
252 of sections 12-563a and [12-800] 12-801 to 12-818, inclusive, as amended  
253 by this act.

254 Sec. 5. Section 12-806c of the general statutes is repealed and the  
255 following is substituted in lieu thereof (*Effective January 1, 2021*):

256 Notwithstanding the provisions of section 3-6c, the Secretary of the  
257 Office of Policy and Management, on behalf of the state of Connecticut,  
258 may enter into separate agreements with the Mashantucket Pequot  
259 Tribe and the Mohegan Tribe of Indians of Connecticut concerning the  
260 operation of keno by the Connecticut Lottery Corporation prior to  
261 January 1, 2021, and the department on and after January 1, 2021, in the  
262 state of Connecticut. Any such agreement shall provide that the state of  
263 Connecticut shall distribute to each tribe a sum not to exceed a twelve  
264 and one-half per cent share of the gross operating revenue received by

265 the state from the operation of keno. The corporation or department, as  
266 the case may be, may not operate keno until such separate agreements  
267 are effective. For the purposes of this section, "gross operating revenues"  
268 means the total amounts wagered, less amounts paid out as prizes.

269 Sec. 6. Section 12-806d of the general statutes is repealed and the  
270 following is substituted in lieu thereof (*Effective January 1, 2021*):

271 The [Connecticut Lottery Corporation] department shall exclusively  
272 operate and manage the sale of lottery games in the state of Connecticut  
273 except on the reservations of the Mashantucket Pequot Tribe and the  
274 Mohegan Tribe of Indians of Connecticut.

275 Sec. 7. Section 12-807 of the general statutes is repealed and the  
276 following is substituted in lieu thereof (*Effective January 1, 2021*):

277 [(a) The corporation shall:

278 (1) Comply with all laws, rules and regulations of the United States  
279 and the state of Connecticut;

280 (2) Comply with regulations, adopted by the Department of  
281 Consumer Protection in accordance with chapter 54;

282 (b) The corporation shall not:

283 (1) Sell, transfer, assign, deliver, license, grant or otherwise alienate  
284 any portion or aspect of the lottery or lottery operations, but may sell  
285 real or personal property, provided any revenue from such sale shall be  
286 remitted to the state;

287 (2) Take]

288 The department shall not take any action with respect to the  
289 introduction or modification of lottery games which would cause a  
290 violation of any compact or any memorandum of understanding or  
291 agreement from time to time in force between the state and the  
292 Mashantucket Pequot Tribal Nation or the Mohegan Tribe of Montville,

293 Connecticut, or any future compact or agreement with a federally  
294 recognized tribe.

295 Sec. 8. Section 12-808 of the general statutes is repealed and the  
296 following is substituted in lieu thereof (*Effective January 1, 2021*):

297 [(a) As soon as practicable after July 1, 1996, and the organization of  
298 the corporation, the corporation shall enter into such agreements as the  
299 board shall authorize in order to effect the transfer, assignment and  
300 delivery to the corporation from the state of all the tangible and  
301 intangible assets constituting the lottery, including the exclusive right to  
302 operate the lottery, and, subject to subsection (b) of this section, to effect  
303 the assignment to and assumption by the corporation of all agreements,  
304 covenants and obligations of the Department of Consumer Protection  
305 and other agencies of the state relating to the operation and  
306 management of the lottery. Such agreements may contain such other  
307 provisions as the board deems necessary or appropriate for the  
308 continued operation of the lottery by the corporation pursuant to  
309 sections 12-563a and 12-800 to 12-818, inclusive.

310 (b) The state shall transfer to the corporation ownership of all  
311 annuities it purchased for payment of lottery prizes and shall not be  
312 liable for any lottery awards. In addition, the state shall not be liable for  
313 any obligations of the lottery arising prior to the date of transfer as  
314 described in subsection (a) of this section, including those arising in the  
315 ordinary course of business under existing contracts specifically  
316 assumed by the corporation. The Department of Consumer Protection  
317 shall assign to the corporation any annuity for payment of any lottery  
318 award arising on or before the date of such transfer. Unless otherwise  
319 agreed to in writing with the department, the corporation shall be solely  
320 responsible for the payment of all lottery prizes and the purchase of all  
321 annuities to provide revenue for such payment.

322 (c) The corporation shall request and obtain all approvals, consents  
323 and rulings of and from all state and federal governmental agencies  
324 necessary or in order to effect the transactions contemplated by this

325 section.]

326 On January 1, 2021, the department shall become the owner of all  
 327 annuities held by the Connecticut Lottery Corporation on December 31,  
 328 2020, for payment of lottery prizes. The corporation shall not be liable  
 329 for any lottery awards, or any obligations of the lottery arising prior to  
 330 January 1, 2021, including those arising in the ordinary course of  
 331 business under existing contracts specifically assumed by the  
 332 department. The department shall be assigned any annuity for payment  
 333 of any lottery award arising on or before January 1, 2021. The  
 334 department shall be solely responsible for the payment of all lottery  
 335 prizes and the purchase of all annuities to provide revenue for such  
 336 payment.

337 Sec. 9. Section 12-810 of the general statutes is repealed and the  
 338 following is substituted in lieu thereof (*Effective January 1, 2021*):

339 (a) The Freedom of Information Act, as defined in section 1-200, shall  
 340 not apply [to all actions, meetings and records of the corporation, except  
 341 (1) where otherwise limited by] (1) as provided in subsection [(c)] (b) of  
 342 this section as to new lottery games and serial numbers of unclaimed  
 343 lottery tickets, and (2) with respect to financial, credit and proprietary  
 344 information submitted by any person to the [corporation] Department  
 345 of Consumer Protection in connection with any proposal to provide  
 346 goods, services or professional advice. [to the corporation as provided  
 347 in section 12-815.]

348 [(b) The records of proceedings as provided in subsection (a) of  
 349 section 12-805 shall be subject to disclosure pursuant to the provisions  
 350 of subsection (a) of section 1-210.]

351 [(c)] (b) Any new lottery game and the procedures for such game,  
 352 until the game is publicly announced by the [corporation] department,  
 353 and any serial number of an unclaimed lottery ticket shall not be  
 354 deemed public records, as defined in section 1-200, and shall not be  
 355 available to the public under the provisions of section 1-210. [The  
 356 president shall submit a fiscal note prepared by the corporation with

357 respect to the procedures for a new lottery game to the joint standing  
358 committees of the General Assembly having cognizance of matters  
359 relating to finance, revenue, bonding and public safety after approval of  
360 such game by the board.]

361 Sec. 10. Section 12-812 of the 2020 supplement to the general statutes  
362 is repealed and the following is substituted in lieu thereof (*Effective*  
363 *January 1, 2021*):

364 (a) The [president of the corporation, subject to the direction of the  
365 board,] commissioner shall conduct daily, weekly, multistate, special  
366 instant or other lottery games and shall determine the number of times  
367 a lottery shall be held each year, the form and price of the tickets and  
368 the aggregate amount of prizes, which shall not be less than forty-five  
369 per cent of the sales unless required by the terms of any agreement  
370 entered into for the conduct of multistate lottery games. The proceeds  
371 of the sale of tickets shall be deposited in the lottery fund [of the  
372 corporation] from which prizes shall be paid, upon vouchers signed by  
373 the [president] commissioner, or by either of two persons designated  
374 and authorized by [him] the commissioner, in such numbers and  
375 amounts as the [president] commissioner determines. The [corporation]  
376 department may limit its liability in games with fixed payouts and may  
377 cause a cessation of sales of tickets of certain designation when such  
378 liability limit has been reached.

379 (b) The [president, subject to the direction of the board,]  
380 commissioner may enter into agreements for the sale of product  
381 advertising on lottery tickets, play slips and other lottery media.

382 (c) On a weekly basis, the [president] commissioner shall estimate [,  
383 and certify to the State Treasurer,] that portion of the balance in the  
384 lottery fund which exceeds the current needs of the [corporation]  
385 department for the payment of prizes, the payment of current operating  
386 expenses and funding of approved reserves of the [corporation]  
387 department. The [corporation] department shall transfer the amount so  
388 [certified] estimated from the lottery fund of the [corporation]

389 department to the General Fund, [upon notification of receipt of such  
390 certification by the Treasurer,] except that if the amount on deposit in  
391 the Connecticut Teachers' Retirement Fund Bonds Special Capital  
392 Reserve Fund, established in section 10-183vv, as amended by this act,  
393 is less than the required minimum capital reserve, as defined in  
394 subsection (b) of said section, the [corporation] department shall pay  
395 such amount so [certified] estimated to the trustee of the fund for  
396 deposit in the fund. If the [corporation] department transfers any  
397 moneys to the General Fund at any time when the amount on deposit in  
398 said capital reserve fund is less than the required minimum capital  
399 reserve, the amount of such transfer shall be deemed appropriated from  
400 the General Fund to the Connecticut Teachers' Retirement Fund Bonds  
401 Special Capital Reserve Fund.

402 Sec. 11. Subsection (a) of section 12-813 of the general statutes is  
403 repealed and the following is substituted in lieu thereof (*Effective January*  
404 *1, 2021*):

405 (a) The [corporation] department may sell lottery tickets at any  
406 location in the state determined by the [president] commissioner which,  
407 in the opinion of the [president] commissioner, will best enhance lottery  
408 revenues, except that no license shall be issued by the [Department of  
409 Consumer Protection] department to any person to engage in business  
410 exclusively as a lottery sales agent. Subject to the provisions of  
411 subdivision [(15)] (11) of subsection (b) of section 12-806, as amended by  
412 this act, the [president] commissioner may authorize compensation to  
413 such agents in such manner and amounts and subject to such limitations  
414 as [he] the commissioner may determine if [he] the commissioner finds  
415 such compensation is necessary to assure adequate availability of lottery  
416 tickets, provided, if such agent is a lessee of state property and [his] the  
417 agent's rental fee is based upon the gross receipts of [his] the agent's  
418 business conducted thereon, all receipts from the sale of such lottery  
419 tickets shall be excluded from such gross receipts for rental purposes.  
420 The [president] commissioner may suspend for cause any licensed  
421 agent, subject to a final determination through a hearing. [provided by  
422 the Department of Consumer Protection.]

423 Sec. 12. Section 12-814 of the general statutes is repealed and the  
424 following is substituted in lieu thereof (*Effective January 1, 2021*):

425 (a) In each advertisement intended to promote the purchase of lottery  
426 tickets issued for games authorized under sections 12-563a and [12-800]  
427 12-801 to 12-818, inclusive, as amended by this act, the [corporation]  
428 department shall include a prominent and clear statement of the average  
429 chances of winning per lottery ticket.

430 (b) The provisions of subsection (a) of this section shall apply only to  
431 (1) advertisements in newspapers, magazines, brochures and on posters  
432 and (2) television and radio advertisements thirty seconds or longer for  
433 one game.

434 (c) [On or before October 1, 1999, the corporation shall implement a  
435 code of] The department shall adopt regulations, in accordance with  
436 chapter 54, to establish standards for all advertisements and other  
437 activities intended to promote the purchase of lottery tickets for games  
438 authorized pursuant to this chapter. The [code of] standards shall  
439 include the requirement that no advertisement or promotion shall  
440 denigrate the character or conduct of nonlottery players or praise the  
441 character or conduct of lottery players.

442 Sec. 13. Section 12-815a of the general statutes is repealed and the  
443 following is substituted in lieu thereof (*Effective January 1, 2021*):

444 (a) The Commissioner of Consumer Protection shall issue vendor,  
445 affiliate and occupational licenses in accordance with the provisions of  
446 this section.

447 (b) No person or business organization awarded a primary contract  
448 by the [Connecticut Lottery Corporation] department to provide  
449 facilities, components, goods or services that are necessary for and  
450 directly related to the secure operation of the lottery activities of [said  
451 corporation] the department shall do so unless such person or business  
452 organization is issued a vendor license by the Commissioner of  
453 Consumer Protection. For the purposes of this subsection, "primary

454 contract" means a contract to provide facilities, components, goods or  
 455 services to [said corporation] the department by a person or business  
 456 organization (1) that provides any lottery game or any online wagering  
 457 system related facilities, components, goods or services and that  
 458 receives or, in the exercise of reasonable business judgment, can be  
 459 expected to receive more than seventy-five thousand dollars or twenty-  
 460 five per cent of its gross annual sales from said corporation, or (2) that  
 461 has access to the facilities of [said corporation] the department where  
 462 lottery activities occur and provides services in such facilities without  
 463 supervision by [said corporation] the department. Each applicant for a  
 464 vendor license shall pay a nonrefundable application fee of two  
 465 hundred fifty dollars.

466 (c) No person or business organization, other than a shareholder in a  
 467 publicly traded corporation, may be a subcontractor for the provision of  
 468 facilities, components, goods or services that are necessary for and  
 469 directly related to the secure operation of the lottery activities of the  
 470 [Connecticut Lottery Corporation] department, or may exercise control  
 471 in or over a vendor licensee unless such person or business organization  
 472 is licensed as an affiliate licensee by the commissioner. Each applicant  
 473 for an affiliate license shall pay a nonrefundable application fee of two  
 474 hundred fifty dollars.

475 (d) (1) Each employee of a vendor or affiliate licensee who has access  
 476 to the facilities of the [Connecticut Lottery Corporation] department  
 477 where lottery activities occur and provides services in such facilities  
 478 without supervision by [said corporation] the department or performs  
 479 duties directly related to the lottery activities of [said corporation] the  
 480 department shall obtain an occupational license.

481 (2) Each officer, director, partner, trustee or owner of a business  
 482 organization licensed as a vendor or affiliate licensee and any  
 483 shareholder, executive, agent or other person connected with any  
 484 vendor or affiliate licensee who, in the judgment of the commissioner,  
 485 will exercise control in or over any such licensee shall obtain an  
 486 occupational license.



487 [(3) Each employee of the Connecticut Lottery Corporation shall  
488 obtain an occupational license.]

489 (e) The commissioner shall issue occupational licenses in the  
490 following classes: (1) Class I for persons specified in subdivision (1) of  
491 subsection (d) of this section; and (2) Class II for persons specified in  
492 subdivision (2) of subsection (d) of this section. [; (3) Class III for persons  
493 specified in subdivision (3) of subsection (d) of this section who, in the  
494 judgment of the commissioner, will not exercise authority over or direct  
495 the management and policies of the Connecticut Lottery Corporation;  
496 and (4) Class IV for persons specified in subdivision (3) of subsection (d)  
497 of this section who, in the judgment of the commissioner, will exercise  
498 authority over or direct the management and policies of the Connecticut  
499 Lottery Corporation.] Each applicant for a Class I [or III] occupational  
500 license shall pay a nonrefundable application fee of twenty dollars. Each  
501 applicant for a Class II [or IV] occupational license shall pay a  
502 nonrefundable application fee of one hundred dollars. The  
503 nonrefundable application fee shall accompany the application for each  
504 such occupational license.

505 (f) In determining whether to grant a vendor, affiliate or occupational  
506 license to any such person or business organization, the commissioner  
507 may require an applicant to provide information as to such applicant's:  
508 (1) Financial standing and credit; (2) moral character; (3) criminal record,  
509 if any; (4) previous employment; (5) corporate, partnership or  
510 association affiliations; (6) ownership of personal assets; and (7) such  
511 other information as the commissioner deems pertinent to the issuance  
512 of such license, provided the submission of such other information will  
513 assure the integrity of the state lottery. The commissioner shall require  
514 each applicant for a vendor, affiliate or occupational license to submit to  
515 state and national criminal history records checks and may require each  
516 such applicant to submit to an international criminal history records  
517 check before such license is issued. The state and national criminal  
518 history records checks required pursuant to this subsection shall be  
519 conducted in accordance with section 29-17a. The commissioner shall  
520 issue a vendor, affiliate or occupational license, as the case may be, to

521 each applicant who satisfies the requirements of this subsection and  
522 who is deemed qualified by the commissioner. The commissioner may  
523 reject for good cause an application for a vendor, affiliate or  
524 occupational license.

525 (g) Each vendor, affiliate or Class I or II occupational license shall be  
526 effective for not more than one year from the date of issuance. [Each  
527 Class III or IV occupational license shall remain in effect throughout the  
528 term of employment of any such employee holding such a license. The  
529 commissioner may require each employee issued a Class IV  
530 occupational license to submit information as to such employee's  
531 financial standing and credit annually.] Initial application for and  
532 renewal of any such license shall be in such form and manner as the  
533 commissioner shall prescribe.

534 (h) (1) The commissioner may suspend or revoke for good cause a  
535 vendor, affiliate or occupational license after a hearing held before the  
536 commissioner in accordance with chapter 54. The commissioner may  
537 order summary suspension of any such license in accordance with  
538 subsection (c) of section 4-182.

539 (2) Any such applicant aggrieved by the action of the commissioner  
540 concerning an application for a license, or any person or business  
541 organization whose license is suspended or revoked, may appeal  
542 pursuant to section 4-183.

543 (3) The commissioner may impose a civil penalty on any licensee for  
544 a violation of any provision of this chapter or any regulation adopted  
545 under section 12-568a, as amended by this act, in an amount not to  
546 exceed two thousand five hundred dollars after a hearing held in  
547 accordance with chapter 54.

548 (i) The commissioner may require that the books and records of any  
549 vendor or affiliate licensee be maintained in any manner which the  
550 commissioner may deem best, and that any financial or other statements  
551 based on such books and records be prepared in accordance with  
552 generally accepted accounting principles in such form as the

553 commissioner shall prescribe. The commissioner or a designee may  
554 visit, investigate and place expert accountants and such other persons  
555 as deemed necessary in the offices or places of business of any such  
556 licensee for the purpose of satisfying [himself or herself] the  
557 commissioner that such licensee is in compliance with the regulations of  
558 the department.

559 (j) For the purposes of this section, (1) "business organization" means  
560 a partnership, incorporated or unincorporated association, firm,  
561 corporation, trust or other form of business or legal entity; (2) "control"  
562 means the power to exercise authority over or direct the management  
563 and policies of a licensee; and (3) "person" means any individual.

564 (k) The Commissioner of Consumer Protection may adopt such  
565 regulations, in accordance with chapter 54, as are necessary to  
566 implement the provisions of this section.

567 Sec. 14. Section 12-817 of the general statutes is repealed and the  
568 following is substituted in lieu thereof (*Effective January 1, 2021*):

569 (a) The Superior Court shall have jurisdiction to enter judgment  
570 against the [corporation] Connecticut Lottery Corporation founded  
571 upon any express contract between the corporation and any person or  
572 party thereto for the provision of goods, services or professional advice  
573 to the corporation or the lottery.

574 (b) Any action brought under subsection (a) of this section shall be  
575 brought in the superior court for the judicial district of Hartford. The  
576 jurisdiction conferred upon the Superior Court by this section includes  
577 any set-off, claim or demand whatsoever on the part of the corporation  
578 against any plaintiff commencing an action under this section. Such  
579 action shall be tried to the court without a jury. All legal defenses, except  
580 governmental immunity, shall be reserved to the corporation. Any  
581 action brought under this section shall be privileged in respect to  
582 assignment for trial upon matters of either party. Nothing in this section  
583 shall be construed to authorize any action against the state of  
584 Connecticut or to abrogate any defense available to the state of

585 Connecticut, including governmental immunity.

586 (c) This section shall apply to all actions commenced prior to January  
 587 1, 2021, and the department shall be substituted as a party on and after  
 588 January 1, 2021, pursuant to subsection (c) of section 4-38d.

589 Sec. 15. Section 12-818 of the general statutes is repealed and the  
 590 following is substituted in lieu thereof (*Effective January 1, 2021*):

591 [For each of the fiscal years ending June 30, 2010, and June 30, 2011,  
 592 the Connecticut Lottery Corporation shall transfer one million nine  
 593 hundred thousand dollars of the revenue received from the sale of  
 594 lottery tickets to the chronic gamblers treatment rehabilitation account  
 595 created pursuant to section 17a-713. For the fiscal years ending June 30,  
 596 2012, to June 30, 2013, inclusive, the Connecticut Lottery Corporation  
 597 shall transfer one million nine hundred thousand dollars of the revenue  
 598 received from the sale of lottery tickets to the chronic gamblers  
 599 treatment rehabilitation account created pursuant to section 17a-713.]  
 600 For the fiscal [year] years ending June 30, 2014, [and each fiscal year  
 601 thereafter,] to June 30, 2020, inclusive, the Connecticut Lottery  
 602 Corporation shall transfer two million three hundred thousand dollars  
 603 of the revenue received from the sale of lottery tickets to the chronic  
 604 gamblers treatment rehabilitation account created pursuant to section  
 605 17a-713. For the fiscal years ending June 30, 2021, and each fiscal year  
 606 thereafter, the Department of Consumer Protection shall transfer two  
 607 million three hundred thousand dollars of the revenue received from  
 608 the sale of lottery tickets to the chronic gamblers treatment rehabilitation  
 609 account created pursuant to section 17a-713, as amended by this act.

610 Sec. 16. Section 12-829 of the general statutes is repealed and the  
 611 following is substituted in lieu thereof (*Effective January 1, 2021*):

612 (a) (1) On or after January 1, 2012, but prior to July 1, 2018, when any  
 613 person redeems a winning lottery ticket worth five thousand dollars or  
 614 more at the central office of the Connecticut Lottery Corporation, the  
 615 Connecticut Lottery Corporation shall check the name and other  
 616 identifying information of such person against a list of taxpayers who

617 are delinquent, supplied by the Commissioner of Revenue Services.

618 (2) On or after July 1, 2018, and prior to January 1, 2021, when any  
619 person redeems a winning lottery ticket worth two thousand dollars or  
620 more at the central office of the Connecticut Lottery Corporation, the  
621 Connecticut Lottery Corporation shall check the name and other  
622 identifying information of such person against a list of taxpayers who  
623 are delinquent, supplied by the Commissioner of Revenue Services.

624 (3) On and after January 1, 2021, when any person redeems a winning  
625 lottery ticket worth two thousand dollars or more at the central office of  
626 the Department of Consumer Protection, the department shall check the  
627 name and other identifying information of such person against a list of  
628 taxpayers who are delinquent supplied by the Commissioner of  
629 Revenue Services.

630 (b) Notwithstanding the provisions of section 12-15, the  
631 Commissioner of Revenue Services may disclose to the [president of the  
632 Connecticut Lottery Corporation] Commissioner of Consumer  
633 Protection: (1) The name and such other information as may be  
634 necessary to identify a person from whom taxes, including penalties and  
635 interest related thereto, are due to the state and unpaid when: (A) A  
636 period in excess of thirty days has elapsed following the date on which  
637 such taxes were due, and (B) such taxes are not the subject of a timely  
638 filed administrative appeal to said commissioner or of a timely filed  
639 appeal pending before any court of competent jurisdiction, and (2) the  
640 amount of such taxes, penalties and interest that are due from such  
641 person.

642 (c) In the event that the person redeeming a lottery ticket described  
643 in subsection (a) of this section is on the list described in said subsection  
644 (a), the [Connecticut Lottery Corporation] Commissioner of Consumer  
645 Protection shall, subsequent to any deductions made pursuant to  
646 subsection (c) of section 52-362d, as amended by this act, if applicable,  
647 deduct and withhold from the lottery prize payment payable to such  
648 person under the provisions of chapter 226 or this chapter, the amount

649 of such taxes, penalties and interest identified by said commissioner  
650 pursuant to subsection (b) of this section.

651 (d) The [president of the Connecticut Lottery Corporation]  
652 Commissioner of Consumer Protection shall promptly notify the  
653 Commissioner of Revenue Services of any amount deducted and  
654 withheld under the provisions of this section and shall pay over such  
655 amount to the Commissioner of Revenue Services in accordance with  
656 said commissioner's instructions.

657 [(e) For the purposes of this section, the Connecticut Lottery  
658 Corporation and its officers and employees shall be treated as officers  
659 and employees of the state, and the provisions of subsections (a), (e), (f),  
660 (g) and (h) of section 12-15 shall apply to the officers and employees of  
661 the Connecticut Lottery Corporation.]

662 Sec. 17. Section 12-831 of the general statutes is repealed and the  
663 following is substituted in lieu thereof (*Effective January 1, 2021*):

664 (a) Except as provided in section 12-833, as amended by this act, no  
665 assignment of a lottery prize, in whole or in part, including an  
666 assignment of a lottery prize to be used as collateral to secure a loan  
667 pursuant to title 42a, shall be valid unless it is executed pursuant to and  
668 approved in accordance with this section. Any such assignment shall  
669 entitle the assignee to receive, to the extent assigned, the lottery prize to  
670 which the assignor would be entitled. Such assignment shall be in  
671 writing and executed by the assignor. Such assignment shall be  
672 accompanied by an affidavit, signed and sworn to by the assignor before  
673 a proper authority, stating that the assignor (1) is of sound mind and not  
674 acting under duress, (2) has been advised by independent legal counsel  
675 and has received independent financial and tax advice concerning the  
676 assignment, (3) understands that he will not receive lottery prize  
677 payments or portions thereof for the time period assigned, (4) has  
678 received a disclosure statement as provided in subsection (b) of this  
679 section, (5) at the time of the execution of the assignment, was informed  
680 in writing by the assignee that the assignor had the right to cancel the

681 assignment no later than three business days following the date on  
 682 which the assignment was signed, (6) will have no outstanding or  
 683 unsatisfied judgments against him when the assignment transaction is  
 684 closed and is not subject to any court order or judgment regarding  
 685 delinquent child support or alimony obligations, and (7) releases the  
 686 [Connecticut Lottery Corporation] Department of Consumer Protection  
 687 and its [directors, officers and] employees from any further liability to  
 688 the assignor upon payment of any lottery prize pursuant to an  
 689 assignment made in accordance with this section.

690 (b) The assignee shall provide to the assignor a one-page written  
 691 disclosure statement in at least ten-point bold type setting forth (1) the  
 692 payments being assigned, by amount and payment dates, (2) the  
 693 purchase price being paid for the assignment of such lottery prize, (3)  
 694 the rate of discount to present value, assuming daily compounding and  
 695 funding on the date of assignment, and (4) the amount, if any, of  
 696 origination or closing fees that will be charged to the assignor. With  
 697 regard to the assignment of a lottery prize to be used as collateral to  
 698 secure a loan, the one-page written disclosure statement required by this  
 699 subsection shall also include (A) the amount of the loan, (B) the interest  
 700 rate to be charged, (C) the interest rate to be charged in case of default,  
 701 and (D) any penalties to be charged upon early repayment of the loan.

702 (c) Upon payment of an entry fee of seventy-five dollars, the assignee  
 703 shall submit the assignment to the superior court for the judicial district  
 704 in which the assignor resides or where the [Connecticut Lottery  
 705 Corporation] Department of Consumer Protection is located for review  
 706 and approval by the court. If, upon review of the assignment and  
 707 accompanying affidavit, the court determines that the requirements of  
 708 subsection (a) of this section have been met, the court shall approve the  
 709 assignment.

710 Sec. 18. Section 12-832 of the general statutes is repealed and the  
 711 following is substituted in lieu thereof (*Effective January 1, 2021*):

712 (a) Not later than twenty days after receipt of a certified copy of a

713 court order required under subsection (c) of section 12-831, as amended  
 714 by this act, the [Connecticut Lottery Corporation] Department of  
 715 Consumer Protection shall issue written confirmation to the assignor  
 716 and the assignee recognizing the assignment.

717 (b) Any assignee of a lottery prize, by acceptance of the lottery prize  
 718 in accordance with sections 12-830 to 12-834, inclusive, as amended by  
 719 this act, agrees to be bound by the general statutes, regulations and all  
 720 duly enacted rules of the [Connecticut Lottery Corporation] Department  
 721 of Consumer Protection. All further assignments of lottery prizes shall  
 722 be subject to the same restrictions and requirements as the initial  
 723 assignment.

724 Sec. 19. Section 12-833 of the general statutes is repealed and the  
 725 following is substituted in lieu thereof (*Effective January 1, 2021*):

726 No person may assign a lottery prize if (1) such person is liable for  
 727 support under the provisions of section 52-362d, as amended by this act,  
 728 (2) such person is liable for any debt owed to the state under section 4a-  
 729 12, (3) such person who does not assign any prize payments would be  
 730 subject to an immediate income tax liability for the value of the entire  
 731 prize rather than annual income tax liability for each installment when  
 732 paid, as determined by a technical rule letter, revenue ruling or other  
 733 public ruling of the Internal Revenue Service or the Department of  
 734 Revenue Services, (4) a court of competent jurisdiction issues a  
 735 published decision that such person who does not assign any prize  
 736 payments would be subject to an immediate income tax liability for the  
 737 value of the entire prize rather than annual income tax liability for each  
 738 installment when paid, (5) the [Connecticut Lottery Corporation]  
 739 Department of Consumer Protection receives such letter or ruling from  
 740 the Internal Revenue Service or the Department of Revenue Services or  
 741 a published decision of a court of competent jurisdiction and the  
 742 corporation files such letter, ruling or decision with the Secretary of the  
 743 State or (6) the assignor's lottery payments are subject to any lien,  
 744 judgment, offset, levy, attachment, execution, garnishment or court  
 745 ordered payment.



746 Sec. 20. Section 12-834 of the general statutes is repealed and the  
747 following is substituted in lieu thereof (*Effective January 1, 2021*):

748 (a) The [Connecticut Lottery Corporation] Department of Consumer  
749 Protection may establish a reasonable fee for any administrative  
750 expenses associated with assignments made pursuant to section 12-831,  
751 as amended by this act, including the cost to the [Connecticut Lottery  
752 Corporation] department of any processing fee that may be imposed by  
753 a private annuity provider. The amount of the fee shall reflect the direct  
754 and indirect costs of processing the assignments by [said corporation]  
755 the department.

756 (b) The [Connecticut Lottery Corporation] Department of Consumer  
757 Protection and its [directors, officers and] employees shall be discharged  
758 of all further liability to the assignor upon payment of any lottery prize  
759 pursuant to an assignment made in accordance with section 12-831, as  
760 amended by this act.

761 Sec. 21. Subdivision (12) of section 1-79 of the 2020 supplement to the  
762 general statutes is repealed and the following is substituted in lieu  
763 thereof (*Effective January 1, 2021*):

764 (12) "Quasi-public agency" means Connecticut Innovations,  
765 Incorporated, the Connecticut Health and Education Facilities  
766 Authority, the Connecticut Higher Education Supplemental Loan  
767 Authority, the Connecticut Student Loan Foundation, the Connecticut  
768 Housing Finance Authority, the State Housing Authority, the Materials  
769 Innovation and Recycling Authority, the Capital Region Development  
770 Authority, [the Connecticut Lottery Corporation,] the Connecticut  
771 Airport Authority, the Connecticut Health Insurance Exchange, the  
772 Connecticut Green Bank, the Connecticut Retirement Security  
773 Authority, the Connecticut Port Authority, the Connecticut Municipal  
774 Redevelopment Authority and the State Education Resource Center.

775 Sec. 22. Section 1-120 of the 2020 supplement to the general statutes  
776 is repealed and the following is substituted in lieu thereof (*Effective*  
777 *January 1, 2021*):

778 As used in sections 1-120 to 1-123, inclusive:

779 (1) "Quasi-public agency" means Connecticut Innovations,  
 780 Incorporated, the Connecticut Health and Educational Facilities  
 781 Authority, the Connecticut Higher Education Supplemental Loan  
 782 Authority, the Connecticut Student Loan Foundation, the Connecticut  
 783 Housing Finance Authority, the Connecticut Housing Authority, the  
 784 Materials Innovation and Recycling Authority, the Capital Region  
 785 Development Authority, [the Connecticut Lottery Corporation,] the  
 786 Connecticut Airport Authority, the Connecticut Health Insurance  
 787 Exchange, the Connecticut Green Bank, the Connecticut Retirement  
 788 Security Authority, the Connecticut Port Authority, the Connecticut  
 789 Municipal Redevelopment Authority, the State Education Resource  
 790 Center and the Paid Family and Medical Leave Insurance Authority.

791 (2) "Procedure" means each statement, by a quasi-public agency, of  
 792 general applicability, without regard to its designation, that  
 793 implements, interprets or prescribes law or policy, or describes the  
 794 organization or procedure of any such agency. The term includes the  
 795 amendment or repeal of a prior regulation, but does not include, unless  
 796 otherwise provided by any provision of the general statutes, (A)  
 797 statements concerning only the internal management of any agency and  
 798 not affecting procedures available to the public, and (B) intra-agency  
 799 memoranda.

800 (3) "Proposed procedure" means a proposal by a quasi-public agency  
 801 under the provisions of section 1-121, as amended by this act, for a new  
 802 procedure or for a change in, addition to or repeal of an existing  
 803 procedure.

804 Sec. 23. Section 1-121 of the general statutes is repealed and the  
 805 following is substituted in lieu thereof (*Effective January 1, 2021*):

806 (a) A quasi-public agency, before adopting a proposed procedure,  
 807 shall give at least thirty days' notice by publication in the Connecticut  
 808 Law Journal of its intended action. The notice shall include (1) either a  
 809 statement of the terms or of the substance of the proposed procedure or

810 a description sufficiently detailed so as to apprise persons likely to be  
 811 affected of the issues and subjects involved in the proposed procedure,  
 812 (2) a statement of the purposes for which the procedure is proposed, and  
 813 (3) when, where and how interested persons may present their views on  
 814 the proposed procedure. A quasi-public agency may only adopt a  
 815 proposed procedure by a two-thirds vote of the full membership of the  
 816 board of directors of the quasi-public agency.

817 (b) If a quasi-public agency finds that an imminent peril to the public  
 818 health, safety or welfare requires adoption of a proposed procedure  
 819 upon fewer than thirty days' notice, states in writing its reasons for such  
 820 finding and the agency's board of directors, by a three-fourths vote of  
 821 the statutory membership, approves the finding in writing, the agency  
 822 may proceed, without prior notice or hearing or upon any abbreviated  
 823 notice and hearing that it finds practicable, to adopt an emergency  
 824 proposed procedure not later than ten days, excluding Saturdays,  
 825 Sundays and holidays, prior to the proposed effective date of the  
 826 proposed procedure. An approved emergency procedure may be  
 827 effective for a period of not more than one hundred twenty days and  
 828 renewable once for a period of not more than sixty days. If the necessary  
 829 steps to adopt a permanent procedure, including publication of notice  
 830 of intent to adopt, are not completed prior to the expiration date of an  
 831 emergency procedure, the emergency procedure shall cease to be  
 832 effective on that date.

833 [(c) The provisions of subsections (a) and (b) of this section shall not  
 834 apply to the Connecticut Lottery Corporation, established pursuant to  
 835 section 12-802, prior to July 1, 1997.]

836 Sec. 24. Section 1-125 of the 2020 supplement to the general statutes  
 837 is repealed and the following is substituted in lieu thereof (*Effective*  
 838 *January 1, 2021*):

839 The directors, officers and employees of Connecticut Innovations,  
 840 Incorporated, the Connecticut Higher Education Supplemental Loan  
 841 Authority, the Connecticut Student Loan Foundation, the Connecticut

842 Housing Finance Authority, the Connecticut Housing Authority, the  
 843 Materials Innovation and Recycling Authority, including ad hoc  
 844 members of the Materials Innovation and Recycling Authority, the  
 845 Connecticut Health and Educational Facilities Authority, the Capital  
 846 Region Development Authority, the Connecticut Airport Authority,  
 847 [the Connecticut Lottery Corporation,] the Connecticut Health  
 848 Insurance Exchange, the Connecticut Green Bank, the Connecticut  
 849 Retirement Security Authority, the Connecticut Port Authority, the  
 850 Connecticut Municipal Redevelopment Authority, the State Education  
 851 Resource Center and the Paid Family and Medical Leave Insurance  
 852 Authority and any person executing the bonds or notes of the agency  
 853 shall not be liable personally on such bonds or notes or be subject to any  
 854 personal liability or accountability by reason of the issuance thereof, nor  
 855 shall any director or employee of the agency, including ad hoc members  
 856 of the Materials Innovation and Recycling Authority, be personally  
 857 liable for damage or injury, not wanton, reckless, wilful or malicious,  
 858 caused in the performance of his or her duties and within the scope of  
 859 his or her employment or appointment as such director, officer or  
 860 employee, including ad hoc members of the Materials Innovation and  
 861 Recycling Authority. The agency shall protect, save harmless and  
 862 indemnify its directors, officers or employees, including ad hoc  
 863 members of the Materials Innovation and Recycling Authority, from  
 864 financial loss and expense, including legal fees and costs, if any, arising  
 865 out of any claim, demand, suit or judgment by reason of alleged  
 866 negligence or alleged deprivation of any person's civil rights or any  
 867 other act or omission resulting in damage or injury, if the director,  
 868 officer or employee, including ad hoc members of the Materials  
 869 Innovation and Recycling Authority, is found to have been acting in the  
 870 discharge of his or her duties or within the scope of his or her  
 871 employment and such act or omission is found not to have been wanton,  
 872 reckless, wilful or malicious.

873       Sec. 25. Subsection (d) of section 4-66k of the 2020 supplement to the  
 874 general statutes is repealed and the following is substituted in lieu  
 875 thereof (*Effective January 1, 2021*):

876 (d) There is established a regionalization subaccount within the  
 877 regional planning incentive account. If the [Connecticut Lottery  
 878 Corporation] Department of Consumer Protection offers online its  
 879 existing lottery draw games through the corporation's Internet web site,  
 880 online service or mobile application, the revenue from such online  
 881 offering that exceeds an amount equivalent to the costs of the debt-free  
 882 community college program under section 10a-174 shall be deposited in  
 883 the subaccount, or, if such online offering is not established, the amount  
 884 provided under subsection (b) of section 364 of public act 19-117\* for  
 885 regionalization initiatives shall be deposited in the subaccount. Moneys  
 886 in the subaccount shall be expended only for the purposes  
 887 recommended by the task force established under section 4-66s.

888 Sec. 26. Subsection (f) of section 5-263b of the 2020 supplement to the  
 889 general statutes is repealed and the following is substituted in lieu  
 890 thereof (*Effective January 1, 2021*):

891 (f) Any suggestion that involves the following shall not be eligible for  
 892 an award under this section: (1) Deferred maintenance or replacement  
 893 of essential equipment and supplies; (2) individual employee  
 894 compensation or position classification; (3) personal grievances or  
 895 complaints; (4) suggestions that require a change to or that conflict with,  
 896 federal or state law; (5) suggestions already submitted by another  
 897 employee; (6) matters resulting from an agency audit, study, survey,  
 898 review or research; (7) suggestions that involve correcting a condition  
 899 that exists because established procedures are not being followed; (8)  
 900 suggestions that constitute opinions only, and which cannot be  
 901 supported by demonstrating a better idea, and the need for same; (9)  
 902 suggestions concerning any matter subject to collective bargaining; (10)  
 903 suggestions circumventing competitive procurement procedures  
 904 provided by state law or policy; (11) suggestions which recommend or  
 905 require formal studies, surveys, investigation or similar research  
 906 activity to establish the benefits of a suggestion referred to; (12)  
 907 suggestions which are hypothetical, vague, based on inconclusive  
 908 justification or deal with generalities; (13) suggestions concerning the  
 909 structure of lottery games conducted by the [Connecticut Lottery

910 Corporation] Department of Consumer Protection, including, but not  
911 limited to, game design, prize patterns, draw dates and draw frequency;  
912 (14) any suggestion made by the agency suggestion coordinator or  
913 agency or department head; (15) suggestions concerning a practice that  
914 is an alleged gross waste of funds that the suggesting employee  
915 participated in committing; and (16) any suggestion resulting in less  
916 than ten thousand dollars in estimated savings to the agency.

917 Sec. 27. Section 10-183vv of the 2020 supplement to the general  
918 statutes is repealed and the following is substituted in lieu thereof  
919 (*Effective January 1, 2021*):

920 (a) There is established the Connecticut Teachers' Retirement Fund  
921 Bonds Special Capital Reserve Fund, which shall contain any moneys  
922 required by law to be deposited in the fund, including, but not limited  
923 to, deposits from the [Connecticut Lottery Corporation] Department of  
924 Consumer Protection in accordance with section 12-812, as amended by  
925 this act. The purpose of the fund shall be to provide, and it is determined  
926 that such fund does provide, adequate provision for the protection of  
927 the holders of bonds of the state issued pursuant to section 10-183qq and  
928 any bonds refunding such bonds. The fund shall secure the payment of  
929 the principal of and interest on such bonds and shall be held in trust for  
930 the benefit of the holders of the bonds secured thereby, separate and  
931 apart from other funds of the state. During any period when any bonds  
932 secured by the fund remain outstanding, amounts on deposit in the  
933 fund shall not be commingled with other state funds and the state shall  
934 have no claim to or against, or interest in, the fund, except as hereinafter  
935 provided. Amounts in such fund shall be deposited in a separate  
936 account or accounts in a trust company or bank having the powers of a  
937 trust company within the state, which shall serve as the trustee of the  
938 fund. The Treasurer shall enter into an agreement with such trust  
939 company or bank in accordance with the provisions of this section,  
940 sections 10-183b, 10-183z, 10-183ww, 12-801, as amended by this act, 12-  
941 806, as amended by this act, and 12-812, as amended by this act, and  
942 section 90 of public act 19-117.

943 (b) The moneys held in the Connecticut Teachers' Retirement Fund  
 944 Bonds Special Capital Reserve Fund, except as provided in this section,  
 945 shall be pledged to payment on bonds secured by the fund and shall be  
 946 used solely for the payment of the principal of bonds secured by the  
 947 fund as such bonds become due by reason of maturity or sinking fund  
 948 redemption, the purchase of such bonds, the payment of interest on such  
 949 bonds and the payment of any redemption premium required to be paid  
 950 when such bonds are redeemed prior to maturity. In the event the state  
 951 has not otherwise timely made available moneys to pay principal or  
 952 interest due on such bonds, the Treasurer shall direct the trustee of the  
 953 fund to transfer from the fund to the paying agent for such bonds the  
 954 amount necessary to timely pay such principal or interest then due.  
 955 Except for the payment of the principal of bonds secured by the fund as  
 956 such bonds become due and the payment of interest on such bonds, no  
 957 moneys shall be withdrawn from the fund in such amount as would  
 958 reduce the amount on deposit in the fund to less than the required  
 959 minimum capital reserve. The pledge made by the state pursuant to this  
 960 section shall be valid and binding from the time when the pledge is  
 961 made. The lien of such pledge shall be valid and binding as against all  
 962 parties having claims of any kind in tort, contract or otherwise against  
 963 the state, irrespective of whether the parties have notice of the claims.  
 964 Notwithstanding any provision of the Uniform Commercial Code, no  
 965 instrument by which such pledge is created need be recorded or filed.  
 966 Any moneys so pledged and later received by the state shall be subject  
 967 immediately to the lien of the pledge without any physical delivery  
 968 thereof or further act and such lien shall have priority over all other  
 969 liens. For the purpose of evaluation of such fund, obligations acquired  
 970 as an investment shall be valued at market. For purposes of this section,  
 971 "required minimum capital reserve" means the maximum amount of  
 972 principal and interest becoming due on bonds of the state issued  
 973 pursuant to section 10-183qq, and any bonds refunding such bonds then  
 974 outstanding, by reason of maturity or a required sinking fund  
 975 installment in any succeeding fiscal year.

976 (c) The amounts payable from the [Connecticut Lottery Corporation]

977 Department of Consumer Protection into such fund as provided in  
 978 section 12-812, as amended by this act, shall be sufficient for the  
 979 payment of the principal of and interest on the bonds secured by the  
 980 Connecticut Teachers' Retirement Fund Bonds Special Capital Reserve  
 981 Fund when due, whether at maturity or by mandatory sinking fund  
 982 installments.

983 (d) The Treasurer shall certify to the Governor, the Teachers'  
 984 Retirement Board and the [president of the Connecticut Lottery  
 985 Corporation] Department of Consumer Protection the amount on  
 986 deposit in the Connecticut Teachers' Retirement Fund Bonds Special  
 987 Capital Reserve Fund when such amount first equals or exceeds the  
 988 required minimum capital reserve. Whenever the amount on deposit in  
 989 the fund is in excess of the required minimum capital reserve, the  
 990 Treasurer may direct the trustee for the fund to remit to the Treasurer  
 991 for deposit into the General Fund any amount in excess of the required  
 992 minimum capital reserve.

993 (e) The Connecticut Teachers' Retirement Fund Bonds Special Capital  
 994 Reserve Fund shall terminate and, upon direction of the Treasurer, any  
 995 moneys remaining therein shall be transferred to the Budget Reserve  
 996 Fund, established in section 4-30a: (1) Upon payment in full of the  
 997 principal and interest on all bonds secured by the fund; (2) if there has  
 998 been deposited in an irrevocable trust for the benefit of the holders of  
 999 the bonds secured by the fund either (A) moneys in an amount that shall  
 1000 be sufficient to pay, when due, the principal of and interest on such  
 1001 bonds, and any redemption premium required to be paid when such  
 1002 bonds are redeemed prior to maturity, or (B) noncallable and  
 1003 nonprepayable direct obligations of, or obligations the timely payment  
 1004 of principal of and interest on which are unconditionally guaranteed by,  
 1005 the United States of America, the principal of and the interest on which  
 1006 when due, without reinvestment, will provide moneys that together  
 1007 with the moneys, if any, deposited with the trustee at the same time,  
 1008 shall be sufficient to pay when due the principal of and interest on such  
 1009 bonds, and any redemption premium required to be paid when such  
 1010 bonds are redeemed prior to maturity; (3) if the amount of the annual



1011 required contribution to the fund for the Connecticut teachers'  
 1012 retirement system is determined in accordance with the provisions of  
 1013 subsection (b) of section 10-183l and section 10-183z, as such sections  
 1014 were in effect on April 30, 2008; or (4) if the Teachers' Retirement Board  
 1015 fails to approve the credited interest percentage for member accounts  
 1016 and return assumption in accordance with subsection (a) of section 10-  
 1017 183ww.

1018 (f) Pending the use or application of amounts in the fund, moneys in  
 1019 the fund may be invested and reinvested at the direction of the  
 1020 Treasurer in such obligations, securities and investments as are set forth  
 1021 in subsection (f) of section 3-20 and in participation certificates in the  
 1022 Short Term Investment Fund created under section 3-27a.

1023 (g) The state pledges to the holders of the bonds of the state issued  
 1024 pursuant to section 10-183qq, and any bonds refunding such bonds, that  
 1025 the state shall not limit or alter the rights of such holders under this  
 1026 section or reduce the transfer or deposit of moneys into the fund  
 1027 pursuant to section 10-183ww or section 12-812, as amended by this act,  
 1028 until all such bonds are fully paid or until provision for the payment of  
 1029 such bonds has been made as provided in subdivision (2) of subsection  
 1030 (e) of this section, provided nothing contained in this section shall  
 1031 preclude such limitation, alteration or reduction if adequate provision  
 1032 is made by law for the protection of the holders of such bonds.

1033 Sec. 28. Section 12-568a of the general statutes is repealed and the  
 1034 following is substituted in lieu thereof (*Effective January 1, 2021*):

1035 The Department of Consumer Protection shall adopt regulations, in  
 1036 accordance with chapter 54, for the purpose of assuring the integrity of  
 1037 the state lottery. [, concerning the regulation of the state lottery under  
 1038 the operation and management of the Connecticut Lottery Corporation.]  
 1039 Such regulations shall include: (1) The licensing of [employees of the  
 1040 Connecticut Lottery Corporation and] any person or business  
 1041 organization awarded the primary contract by [said corporation] the  
 1042 department to provide facilities, components, goods or services which

1043 are necessary for the operation of the activities authorized by chapter  
 1044 229a; [(2) the approval of procedures of the corporation; (3) the time  
 1045 period for complying with the regulations governing said approval of  
 1046 procedures; (4)] (2) offerings of lottery games; [(5)] (3) minimum prize  
 1047 payouts and payments; [(6)] (4) regulation of lottery sales agents  
 1048 including qualifications for licensure and license suspension and  
 1049 revocation; [(7)] (5) assurance of the integrity of the state lottery  
 1050 including the computer gaming system, computer internal control and  
 1051 system testing; and [(8)] (6) limitations on advertising and marketing  
 1052 content to assure public information as to the odds of winning the  
 1053 lottery and the prohibition of sales of tickets to minors.

1054 Sec. 29. Section 12-569 of the general statutes is repealed and the  
 1055 following is substituted in lieu thereof (*Effective January 1, 2021*):

1056 (a) If the [president of the Connecticut Lottery Corporation]  
 1057 Commissioner of Consumer Protection determines that any lottery sales  
 1058 agent has breached such agent's fiduciary responsibility to the  
 1059 [corporation] department in that the account of such lottery sales agent  
 1060 with respect to moneys received from the sale of lottery tickets has  
 1061 become delinquent in accordance with regulations adopted as provided  
 1062 in section 12-568a, as amended by this act, [the president shall notify the  
 1063 commissioner of the breach of fiduciary duty and] the commissioner  
 1064 shall impose a delinquency assessment upon such account equal to ten  
 1065 per cent of the amount due or ten dollars, whichever amount is greater,  
 1066 plus interest at the rate of one and one-half per cent of such amount for  
 1067 each month or fraction of a month from the date such amount is due to  
 1068 the date of payment. Subject to the provisions of section 12-3a, the  
 1069 commissioner may waive all or part of the penalties provided under this  
 1070 subsection when it is proven to the commissioner's satisfaction that the  
 1071 failure to pay such moneys to the state within the time allowed was due  
 1072 to reasonable cause and was not intentional or due to neglect. Any such  
 1073 delinquent lottery sales agent shall be notified of such delinquency  
 1074 assessment and shall be afforded an opportunity to contest the validity  
 1075 and amount of such assessment before the commissioner who may  
 1076 conduct such hearing. [Upon request of the president of the Connecticut

1077 Lottery Corporation, the] The commissioner may prepare and sign a  
 1078 warrant directed to any state marshal, constable or any collection agent  
 1079 employed by the [Connecticut Lottery Corporation] department for  
 1080 distraint upon any property of such delinquent lottery sales agent  
 1081 within the state, whether personal or real property. An itemized bill  
 1082 shall be attached to the warrant certified by the commissioner as a true  
 1083 statement of the amount due from such lottery sales agent. Such warrant  
 1084 shall have the same force and effect as an execution issued in accordance  
 1085 with chapter 906. Such warrant shall be levied on any real, personal,  
 1086 tangible or intangible property of such agent and sale made pursuant to  
 1087 such warrant in the same manner and with the same force and effect as  
 1088 a levy and sale pursuant to an execution.

1089 (b) The commissioner shall adopt regulations in accordance with  
 1090 chapter 54 to carry out the purposes of this section.

1091 Sec. 30. Subsection (g) of section 12-707 of the general statutes is  
 1092 repealed and the following is substituted in lieu thereof (*Effective January*  
 1093 *1, 2021*):

1094 (g) As used in this section and sections 12-705 and 12-706:

1095 (1) "Employer" means an employer, as defined in Section 3401 of the  
 1096 Internal Revenue Code;

1097 (2) "Payer" means a person making a payment of nonpayroll amounts  
 1098 to one or more payees;

1099 (3) "Payee" means a person receiving a payment of nonpayroll  
 1100 amounts from a payer;

1101 (4) "Nonpayroll amounts" includes (A) gambling winnings, other  
 1102 than Connecticut lottery winnings, that are paid to a resident, or to a  
 1103 person receiving payment on behalf of a resident, and that are subject to  
 1104 federal income tax withholding; (B) Connecticut lottery winnings that  
 1105 are required to be reported by the [Connecticut Lottery Corporation]  
 1106 Department of Consumer Protection to the Internal Revenue Service,

1107 whether or not subject to federal income tax withholding, whether paid  
1108 to a resident, nonresident or a part-year resident, and whether paid to  
1109 an individual, trust or estate; (C) pension and annuity distributions, for  
1110 which the payer is required to deduct and withhold tax under this  
1111 chapter; (D) military retired pay, where the payee is a resident  
1112 individual and has requested that tax be deducted and withheld under  
1113 this chapter; (E) unemployment compensation, where the recipient has  
1114 requested that tax be deducted and withheld under this chapter; and (F)  
1115 payments made to an athlete or entertainer, where the payments are not  
1116 wages for federal income tax withholding purposes and where the  
1117 commissioner requires the payer to deduct and withhold tax under this  
1118 chapter;

1119 (5) "Reported liability" means, in the case of an employer, the liability  
1120 for the tax required to be deducted and withheld under this chapter, as  
1121 shown on the employer's withholding tax returns for the four quarterly  
1122 periods within the twelve-month look-back period, and, in the case of a  
1123 payer, the liability for the tax required to be deducted and withheld  
1124 under this chapter, as shown on the payer's withholding tax return for  
1125 the look-back calendar year;

1126 (6) "Twelve-month look-back period" means the twelve-month  
1127 period that ended on the June thirtieth next preceding the calendar year  
1128 for which the annual determination for an employer is made by the  
1129 commissioner;

1130 (7) "Look-back calendar year" means the calendar year preceding by  
1131 two years the calendar year for which the annual determination for a  
1132 payer is made by the commissioner;

1133 (8) "Seasonal employer" means an employer that regularly in the  
1134 same one or more quarterly periods of each calendar year pays no wages  
1135 to employees;

1136 (9) "Household employee" means an employee whose services of a  
1137 household nature in or about a private home of an employer constitute  
1138 domestic service in a private home of the employer, as the phrase is used

1139 in Section 3121(a)(7) of the Internal Revenue Code or in regulations  
1140 adopted thereunder;

1141 (10) "Household employer" means an employer of a household  
1142 employee;

1143 (11) "Weekly period" means the seven-day period beginning on a  
1144 Saturday and ending on the following Friday; and

1145 (12) "Quarterly period" means the period of three full months  
1146 beginning on the first day of January, April, July or October.

1147 Sec. 31. Subsection (b) of section 12-711 of the general statutes is  
1148 repealed and the following is substituted in lieu thereof (*Effective January*  
1149 *1, 2021*):

1150 (b) (1) Items of income, gain, loss and deduction derived from or  
1151 connected with sources within this state shall be those items attributable  
1152 to: (A) The ownership or disposition of any interest in real property in  
1153 this state or tangible personal property in this state, as determined  
1154 pursuant to subdivision (6) of this subsection; (B) a business, trade,  
1155 profession or occupation carried on in this state; (C) in the case of a  
1156 shareholder of an S corporation, the ownership of shares issued by such  
1157 corporation, to the extent determined under section 12-712; or (D)  
1158 winnings from a wager placed in a lottery conducted by the  
1159 [Connecticut Lottery Corporation] Department of Consumer Protection,  
1160 if the proceeds from such wager are required, under the Internal  
1161 Revenue Code or regulations adopted thereunder, to be reported by the  
1162 [Connecticut Lottery Corporation] Department of Consumer Protection  
1163 to the Internal Revenue Service.

1164 (2) (A) Before, on and after December 29, 2015, income from a  
1165 business, trade, profession or occupation carried on in this state  
1166 includes, but is not limited to, compensation paid to a nonresident  
1167 natural person for rendering personal services as an employee in this  
1168 state. For taxable years commencing on or after January 1, 2016,  
1169 compensation for personal services rendered in this state by such

1170 nonresident employee who is present in this state for not more than  
1171 fifteen days during a taxable year shall not constitute income derived  
1172 from sources within this state. If a nonresident employee is present in  
1173 this state for more than fifteen days during a taxable year, all  
1174 compensation the employee receives for the rendering of all personal  
1175 services in this state during the taxable year shall constitute income  
1176 derived from sources within this state during the taxable year.

1177 (B) For purposes of determining whether a nonresident employee is  
1178 "present in this state" under subparagraph (A) of this subdivision,  
1179 presence in this state for any part of a day constitutes being present in  
1180 this state for that entire day unless such presence is solely for the  
1181 purpose of transit through this state. The provisions of this  
1182 subparagraph shall not apply to subsection (c) of this section or to any  
1183 other provision of law unless expressly provided.

1184 (C) For purposes of determining the compensation derived from or  
1185 connected with sources within this state, a nonresident natural person  
1186 shall include income from days worked outside this state for such  
1187 person's convenience if such person's state of domicile uses a similar  
1188 test.

1189 (D) The provisions of this subdivision shall not apply to sources of  
1190 income from a business, trade, profession, or occupation carried on in  
1191 this state other than compensation for personal services rendered by a  
1192 nonresident employee, and shall not apply to sources of income derived  
1193 by an athlete, entertainer or performing artist, including, but not limited  
1194 to, a member of an athletic team.

1195 (3) Income from intangible personal property, including annuities,  
1196 dividends, interest and gains from the disposition of intangible personal  
1197 property, shall constitute income derived from sources within this state  
1198 only to the extent that such income is from (A) property employed in a  
1199 business, trade, profession or occupation carried on in this state, or (B)  
1200 winnings from a wager placed in a lottery conducted by the  
1201 [Connecticut Lottery Corporation] Department of Consumer Protection,

1202 if the proceeds from such wager are required, under the Internal  
1203 Revenue Code or regulations adopted thereunder, to be reported by the  
1204 [Connecticut Lottery Corporation] Department of Consumer Protection  
1205 to the Internal Revenue Service.

1206 (4) Deductions with respect to capital losses and net operating losses  
1207 shall be based solely on income, gain, loss and deduction derived from  
1208 or connected with sources within this state, under regulations adopted  
1209 by the commissioner, but otherwise shall be determined in the same  
1210 manner as the corresponding federal deductions.

1211 (5) Income directly or indirectly derived by an athlete, entertainer or  
1212 performing artist, including, but not limited to, a member of an athletic  
1213 team, from closed-circuit and cable television transmissions of an event,  
1214 other than events occurring on a regularly scheduled basis, taking place  
1215 within this state as a result of the rendition of services by such athlete,  
1216 entertainer or performing artist shall constitute income derived from or  
1217 connected with sources within this state only to the extent that such  
1218 transmissions were received or exhibited within this state.

1219 (6) For purposes of subparagraph (A) of subdivision (1) of this  
1220 subsection, "real property in this state" includes an interest in an entity,  
1221 and "entity" means a partnership, limited liability company or S  
1222 corporation that owns, directly or indirectly, real property that is located  
1223 within this state and has a fair market value that equals or exceeds fifty  
1224 per cent of all the assets of the entity on the date of sale or disposition  
1225 by a nonresident natural person of such person's interest in the entity.  
1226 Only those assets that the entity owned, directly or indirectly, for at least  
1227 two years prior to the date of the sale or disposition of the person's  
1228 interest in the entity shall be used in determining the fair market value  
1229 of all the assets of the entity on the date of such sale or disposition. The  
1230 gain or loss derived from Connecticut sources from such person's sale  
1231 or disposition of an interest in such entity is the total gain or loss for  
1232 federal income tax purposes from such sale or disposition multiplied by  
1233 a fraction, the numerator of which is the fair market value of all real  
1234 property located in this state owned, directly or indirectly, by the entity

1235 on the date of such sale or disposition, and the denominator of which is  
1236 the fair market value of all the assets of the entity on the date of such  
1237 sale or disposition.

1238 Sec. 32. Section 15-120mm of the general statutes is repealed and the  
1239 following is substituted in lieu thereof (*Effective July 1, 2020*):

1240 (a) The authority shall be a successor employer to the state and shall  
1241 recognize existing bargaining units and collective bargaining  
1242 agreements existing at the time of transfer of Bradley and the general  
1243 aviation airports to the authority. The employees of the authority shall  
1244 be considered state employees under the provisions of sections 5-270 to  
1245 5-280, inclusive. Managerial employees and other employees not  
1246 covered by a collective bargaining agreement shall be exempt from the  
1247 classified service. With regard to unclassified positions, the authority  
1248 shall not be required to comply with personnel policies and procedures  
1249 of the Department of Administrative Services and the Office of Policy  
1250 and Management with regard to approval for the creation of new  
1251 positions, the number of such positions, the decision to fill such  
1252 positions or the time for filling such positions. The authority, not the  
1253 executive branch, shall have the power to determine whether an  
1254 individual is qualified to fill an unclassified position at the authority.  
1255 Employees of the authority covered by a collective bargaining  
1256 agreement shall be members of the classified service. The authority shall  
1257 establish classifications and determine the qualifications and set the  
1258 terms and conditions of employment of employees not covered by a  
1259 collective bargaining agreement, including the establishment of  
1260 compensation and incentive plans.

1261 (b) Existing aviation employees, as defined in section 15-120oo, in  
1262 collective bargaining units shall be transferred with their position to the  
1263 authority, if, as and when the authority shall have been ceded the  
1264 powers of the commissioner to perform the functions performed by  
1265 such employees. If the authority elects to employ a smaller number of  
1266 persons in such positions at the authority than the number of existing  
1267 aviation employees in collective bargaining units, the opportunity to



1268 transfer to the authority shall be offered on the basis of seniority as  
1269 defined by statute or collective bargaining agreement. Employees who  
1270 are offered the opportunity to transfer to the authority may decline to  
1271 do so. Any person who is covered by a collective bargaining agreement  
1272 as an employee of the Department of Transportation who accepts  
1273 employment with the authority shall transfer with his or her position  
1274 and shall remain in the same bargaining unit of which he or she was a  
1275 member as an employee of the Department of Transportation.

1276 (c) No employee covered by a collective bargaining agreement as an  
1277 employee of the Department of Transportation shall be laid off as a  
1278 result of the creation of the authority. Each bargaining unit employee of  
1279 the Department of Transportation who does not transfer to the authority  
1280 and who, by virtue of sections 15-101l to 15-101n, inclusive, is no longer  
1281 employed by the Department of Transportation shall be retained by said  
1282 department or assigned with his or her position to another state agency  
1283 in accordance with the provisions of the State Employees Bargaining  
1284 Agent Coalition agreement. Such opportunities shall be offered in the  
1285 order of seniority. Seniority shall be defined in the same way as cases of  
1286 transfer under the appropriate collective bargaining agreements. Such  
1287 assignments shall be made only with the approval of the Office of Policy  
1288 and Management and shall be reported at the end of the fiscal year to  
1289 the Finance Advisory Committee. Employees may choose to be laid off  
1290 in lieu of accepting any such assignment. In such case, they shall be  
1291 entitled to all collective bargaining rights under their respective  
1292 collective bargaining agreements including the State Employees  
1293 Bargaining Agent Coalition. Sections 1-120, as amended by this act, 1-  
1294 121, as amended by this act, 1-125, as amended by this act, 12-563, 12-  
1295 563a, 12-564, 12-566, 12-567, 12-568a, as amended by this act, and 12-569,  
1296 as amended by this act, and subsection (c) of section 12-574 [and sections  
1297 12-800 to 12-818, inclusive,] shall in no way affect the collective  
1298 bargaining rights of employees of the Department of Transportation.

1299 (d) (1) In addition to positions transferred to the authority under  
1300 subsection (b) of this section, the authority may create one or more new  
1301 classifications of employees as determined by the board of directors.

1302 Such classifications shall not be deemed comparable to other  
1303 classifications in state service and shall be exempt from classified  
1304 service.

1305 (2) On and after July 1, 2011, the authority may hire employees into  
1306 new unclassified positions without regard to any collective bargaining  
1307 agreement then in effect and may set the initial terms and conditions of  
1308 employment for all employees in new unclassified positions.

1309 (e) The executive branch shall be authorized and empowered to  
1310 negotiate on behalf of the authority for employees of the authority  
1311 covered by collective bargaining and represent the authority in all other  
1312 collective bargaining matters. The authority shall be entitled to have a  
1313 representative present at all such bargaining.

1314 (f) In any interest arbitration regarding employees of the authority,  
1315 the arbitrator shall take into account as a factor, in addition to those  
1316 factors specified in section 5-276a, the purposes of sections 1-120, as  
1317 amended by this act, 1-121, as amended by this act, 1-125, as amended  
1318 by this act, 12-563, 12-563a, 12-564, 12-566, 12-567, 12-568a, as amended  
1319 by this act, and 12-569 [.] and subsection (c) of section 12-574 [and  
1320 sections 12-800 to 12-818, inclusive,] the entrepreneurial mission of the  
1321 authority and the necessity to provide flexibility and innovation to  
1322 facilitate the success of the authority in the marketplace.

1323 (g) The officers and all other employees of the authority shall be state  
1324 employees for the purposes of group welfare benefits and retirement,  
1325 including, but not limited to, those provided under chapter 66 and  
1326 sections 5-257 and 5-259. The authority shall reimburse the appropriate  
1327 state agencies for all costs incurred by such designation.

1328 (h) The executive director, as described in subsection (d) of section  
1329 15-120bb, may, at the discretion of the authority and at the one-time  
1330 irrevocable option of the executive director, be exempted from the  
1331 provision of subsection (g) of this section for the purposes of retirement  
1332 under chapter 66 or group welfare benefits under sections 5-257 and 5-  
1333 259. If the executive director elects either or both such options, as

1334 approved by the authority, the executive director's participation in the  
 1335 retirement or group benefits plan, as applicable, shall be suspended  
 1336 during the period of such election while the executive director is an  
 1337 employee of the authority. The authority may develop and implement  
 1338 retirement plans and group welfare benefits for the executive director.  
 1339 Such plans shall not be subject to supervision, oversight or approval by  
 1340 the State Employees Retirement Commission under chapter 66 or the  
 1341 Comptroller, Attorney General or Insurance Commissioner under  
 1342 chapter 67, provided any such retirement plan shall be considered a  
 1343 Connecticut retirement plan for purposes of subsection (d) of section 5-  
 1344 160. The authority shall pay all costs, fees, contributions and other  
 1345 expenses incurred as a result of any such retirement plan or group  
 1346 welfare benefit.

1347 Sec. 33. Section 21a-1b of the general statutes is repealed and the  
 1348 following is substituted in lieu thereof (*Effective July 1, 2020*):

1349 (a) (1) Wherever the term "executive director of the Division of  
 1350 Special Revenue" is used in the following general statutes, the term  
 1351 "Commissioner of Consumer Protection" shall be substituted in lieu  
 1352 thereof, (2) wherever the term "executive director" is used in the  
 1353 following general statutes, the term "commissioner" shall be substituted  
 1354 in lieu thereof, and (3) wherever the term "division" is used in the  
 1355 following general statutes, the term "department" shall be substituted in  
 1356 lieu thereof: 7-173, 7-174, 7-177a, 7-178, 7-180 to 7-183, inclusive, 12-560,  
 1357 12-561, 12-563, 12-563a, 12-564, 12-564a, 12-565, 12-566, 12-567, 12-568a,  
 1358 as amended by this act, 12-571, 12-571a, 12-572, 12-573, 12-574, 12-575,  
 1359 12-573a, 12-574a, 12-574c, 2-574d, 12-576, 12-578, 12-584, 12-585, [12-  
 1360 802a,] 12-806, as amended by this act, [12-806a,] 12-807, as amended by  
 1361 this act, 12-808, as amended by this act, 12-813, as amended by this act,  
 1362 [12-815,] 12-815a, as amended by this act, 17a-713, as amended by this  
 1363 act, 29-18c, 30-20 and 53-278g.

1364 (b) Wherever the term "executive director of the Division of Special  
 1365 Revenue" is used in the general statutes or in any special or public act of  
 1366 2011, the term "Commissioner of Consumer Protection" shall be

1367 substituted in lieu thereof. Wherever the term "Division of Special  
1368 Revenue" is used in the general statutes or any public or special act of  
1369 2011, the term "Department of Consumer Protection" shall be  
1370 substituted in lieu thereof.

1371 (c) The Legislative Commissioners' Office shall, in codifying the  
1372 provisions of this section, make such technical, grammatical and  
1373 punctuation changes as are necessary to carry out the purposes of this  
1374 section.

1375 Sec. 34. Subsection (b) of section 17a-713 of the general statutes is  
1376 repealed and the following is substituted in lieu thereof (*Effective January*  
1377 *1, 2021*):

1378 (b) The program established by subsection (a) of this section shall be  
1379 funded by: [imposition of:] (1) [A] Imposition of a fee of one hundred  
1380 thirty-five dollars on each association license, for each performance of  
1381 jai alai or dog racing conducted under the provisions of chapter 226,  
1382 provided no such licensee shall contribute more than forty-five  
1383 thousand dollars in any one year; (2) imposition of a fee of twenty-five  
1384 dollars for each teletheater performance on each operator of a teletheater  
1385 facility; and (3) the amount received from the Connecticut Lottery  
1386 Corporation or the Department of Consumer Protection pursuant to  
1387 section 12-818, as amended by this act. The Commissioner of Consumer  
1388 Protection shall collect the fee from each association licensee or such  
1389 operator on a monthly basis. The receipts shall be deposited in the  
1390 General Fund and credited to a separate, nonlapsing chronic gamblers  
1391 treatment and rehabilitation account which shall be established by the  
1392 Comptroller. All moneys in the account are deemed to be appropriated  
1393 and shall be expended for the purposes established in subsection (a) of  
1394 this section.

1395 Sec. 35. Subsection (c) of section 52-362d of the general statutes is  
1396 repealed and the following is substituted in lieu thereof (*Effective January*  
1397 *1, 2021*):

1398 (c) When any person redeems a winning lottery ticket worth five

1399 thousand dollars or more at the central office of the [Connecticut Lottery  
1400 Corporation] Department of Consumer Protection, the [Connecticut  
1401 Lottery Corporation] Department of Consumer Protection shall check  
1402 the name and other identifying information of such person against a list  
1403 of obligors supplied by the Commissioner of Social Services. If such  
1404 person is included on the list of obligors, the [Connecticut Lottery  
1405 Corporation] Department of Consumer Protection shall request  
1406 confirmation from the Commissioner of Social Services that such person  
1407 is in fact an obligor, and upon notification by the Commissioner of Social  
1408 Services that money is due from any such person as a result of a claim  
1409 for support which has been assigned to the state pursuant to section 17b-  
1410 77, or is to be paid to the state acting by and through the IV-D agency,  
1411 the [Connecticut Lottery Corporation] Department of Consumer  
1412 Protection shall withhold from any lottery winnings payable to such  
1413 person under the provisions of chapter 226 or chapter 229a the amount  
1414 of such claim for support owed to an individual for any portion of  
1415 support which has not been assigned to the state and then the amount  
1416 of such claim for support owed to the state, provided the [Connecticut  
1417 Lottery Corporation] Department of Consumer Protection shall notify  
1418 such person that (1) lottery winnings have been withheld as a result of  
1419 the amount due for such support, and (2) such person has the right to a  
1420 hearing before a hearing officer designated by the Commissioner of  
1421 Social Services if such person contests the amount of the alleged claim  
1422 for support. The [Connecticut Lottery Corporation] Department of  
1423 Consumer Protection shall pay any such person in accordance with any  
1424 decisions of the hearing officer or the court upon appeal of the hearing  
1425 officer's decision.

1426 Sec. 36. Section 52-367c of the general statutes is repealed and the  
1427 following is substituted in lieu thereof (*Effective January 1, 2021*):

1428 (a) Notwithstanding any other provision of the general statutes, on  
1429 application of a judgment creditor or his attorney, stating that a  
1430 judgment remains unsatisfied and the amount due thereon, and subject  
1431 to the expiration of any stay of enforcement and expiration of any right  
1432 of appeal, the clerk of the court in which the money judgment was

1433 rendered shall issue an execution against any winnings of the judgment  
 1434 debtor pursuant to chapter 226 or 229a, as the case may be. The  
 1435 execution shall be directed to (1) the State Comptroller who shall  
 1436 withhold any order of the State Treasurer, or (2) the [president of the  
 1437 Connecticut Lottery Corporation] Department of Consumer Protection,  
 1438 as the case may be, for payment due from winnings pursuant to chapter  
 1439 226 or 229a to such judgment debtor until the judgment is satisfied.

1440 (b) The [Connecticut Lottery Corporation] Department of Consumer  
 1441 Protection may establish a reasonable fee for any administrative  
 1442 expenses associated with executions made pursuant to subsection (a) of  
 1443 this section, including the cost to the [Connecticut Lottery Corporation]  
 1444 Department of Consumer Protection of any fee that may be imposed by  
 1445 the clerk of the court. The amount of the fee shall reflect the direct and  
 1446 indirect costs of processing the executions by said corporation.

1447 Sec. 37. Sections 12-570b, 12-800, 12-802, 12-802a, 12-804, 12-805, 12-  
 1448 806a, 12-806b, 12-809, 12-811, 12-815 and 12-816 of the general statutes  
 1449 are repealed. (*Effective January 1, 2021*)

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>January 1, 2021</i>	New section
Sec. 2	<i>January 1, 2021</i>	12-801
Sec. 3	<i>January 1, 2021</i>	12-803
Sec. 4	<i>January 1, 2021</i>	12-806
Sec. 5	<i>January 1, 2021</i>	12-806c
Sec. 6	<i>January 1, 2021</i>	12-806d
Sec. 7	<i>January 1, 2021</i>	12-807
Sec. 8	<i>January 1, 2021</i>	12-808
Sec. 9	<i>January 1, 2021</i>	12-810
Sec. 10	<i>January 1, 2021</i>	12-812
Sec. 11	<i>January 1, 2021</i>	12-813(a)
Sec. 12	<i>January 1, 2021</i>	12-814
Sec. 13	<i>January 1, 2021</i>	12-815a
Sec. 14	<i>January 1, 2021</i>	12-817
Sec. 15	<i>January 1, 2021</i>	12-818
Sec. 16	<i>January 1, 2021</i>	12-829

Sec. 17	<i>January 1, 2021</i>	12-831
Sec. 18	<i>January 1, 2021</i>	12-832
Sec. 19	<i>January 1, 2021</i>	12-833
Sec. 20	<i>January 1, 2021</i>	12-834
Sec. 21	<i>January 1, 2021</i>	1-79(12)
Sec. 22	<i>January 1, 2021</i>	1-120
Sec. 23	<i>January 1, 2021</i>	1-121
Sec. 24	<i>January 1, 2021</i>	1-125
Sec. 25	<i>January 1, 2021</i>	4-66k(d)
Sec. 26	<i>January 1, 2021</i>	5-263b(f)
Sec. 27	<i>January 1, 2021</i>	10-183vv
Sec. 28	<i>January 1, 2021</i>	12-568a
Sec. 29	<i>January 1, 2021</i>	12-569
Sec. 30	<i>January 1, 2021</i>	12-707(g)
Sec. 31	<i>January 1, 2021</i>	12-711(b)
Sec. 32	<i>July 1, 2020</i>	15-120mm
Sec. 33	<i>July 1, 2020</i>	21a-1b
Sec. 34	<i>January 1, 2021</i>	17a-713(b)
Sec. 35	<i>January 1, 2021</i>	52-362d(c)
Sec. 36	<i>January 1, 2021</i>	52-367c
Sec. 37	<i>January 1, 2021</i>	Repealer section

**Statement of Purpose:**

To terminate the Connecticut Lottery Corporation and transfer responsibility for operating the lottery to the Department of Consumer Protection.

*[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.]*