



General Assembly

Amendment

January Session, 2007

LCO No. 6874

SB0107206874SD0

Offered by:
SEN. MCDONALD, 27th Dist.

To: Subst. Senate Bill No. 1072 File No. 562 Cal. No. 445

"AN ACT CONCERNING THE COLLECTION OF DELINQUENT TAXES."

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. Section 12-569 of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective from passage*):

5 (a) If the president of the Connecticut Lottery Corporation
6 determines that any lottery sales agent has breached his fiduciary
7 responsibility to the corporation in that the account of such lottery
8 sales agent with respect to moneys received from the sale of lottery
9 tickets has become delinquent in accordance with regulations adopted
10 as provided in section 12-568a, the president shall notify the executive
11 director of the breach of fiduciary duty and the executive director shall
12 impose a delinquency assessment upon such account equal to ten per
13 cent of the amount due or ten dollars, whichever amount is greater,
14 plus interest at the rate of one and one-half per cent of such amount for
15 each month or fraction of a month from the date such amount is due to

16 the date of payment. Subject to the provisions of section 12-3a, the
17 executive director may waive all or part of the penalties provided
18 under this subsection when it is proven to his satisfaction that the
19 failure to pay such moneys to the state within the time allowed was
20 due to reasonable cause and was not intentional or due to neglect. Any
21 such delinquent lottery sales agent shall be notified of such
22 delinquency assessment and shall be afforded an opportunity to
23 contest the validity and amount of such assessment before the
24 executive director who is hereby authorized to conduct such hearing.
25 Upon request of the president of the Connecticut Lottery Corporation,
26 the executive director may prepare and sign a warrant directed to any
27 state marshal, constable or any collection agent employed by the
28 Connecticut Lottery Corporation for distraint upon any property of
29 such delinquent lottery sales agent within the state, whether personal
30 or real property. An itemized bill shall be attached thereto certified by
31 the executive director as a true statement of the amount due from such
32 lottery sales agent. Such warrant shall have the same force and effect
33 as an execution issued in accordance with chapter 906. Such warrant
34 shall be levied on any real, personal, tangible or intangible property of
35 such agent and sale made pursuant to such warrant in the same
36 manner and with the same force and effect as a levy and sale pursuant
37 to an execution. The executive director, with the advice and consent of
38 the board, shall adopt regulations in accordance with chapter 54 to
39 carry out the purposes of this section.

40 (b) Nothing in subsection (a) of this section or the regulations
41 adopted pursuant to section 12-568a, as amended by this act, shall be
42 construed to permit the Division of Special Revenue to deny the
43 issuance of a license as a lottery sales agent to the successor in interest
44 to the delinquent lottery sales agent's business enterprise solely on the
45 grounds of the delinquent lottery sales agent's breach of fiduciary
46 duty, unless the Division of Special Revenue establishes, by a
47 preponderance of the evidence, that the successor in interest is
48 controlled, in whole or in part, by the delinquent lottery sales agent.
49 The successor in interest may apply for a license as a lottery sales agent

50 prior to or after the transfer of interest in such business enterprise.

51 Sec. 502. Section 12-568a of the general statutes is repealed and the
52 following is substituted in lieu thereof (*Effective from passage*):

53 The Division of Special Revenue shall adopt regulations, in
54 accordance with chapter 54, for the purpose of assuring the integrity of
55 the state lottery, concerning the regulation of the state lottery under
56 the operation and management of the Connecticut Lottery
57 Corporation. Such regulations shall include: (1) The licensing of
58 employees of the Connecticut Lottery Corporation and any person or
59 business organization awarded the primary contract by said
60 corporation to provide facilities, components, goods or services which
61 are necessary for the operation of the activities authorized by chapter
62 229a; (2) the approval of procedures of the corporation; (3) the time
63 period for complying with the regulations governing said approval of
64 procedures; (4) offerings of lottery games; (5) minimum prize payouts
65 and payments; (6) regulation of lottery sales agents including
66 qualifications for licensure and license suspension and revocation, in
67 accordance with the provisions of section 12-569, as amended by this
68 act, and section 12-813; (7) assurance of the integrity of the state lottery
69 including the computer gaming system, computer internal control and
70 system testing; and (8) limitations on advertising and marketing
71 content to assure public information as to the odds of winning the
72 lottery and the prohibition of sales of tickets to minors."