



House of Representatives

General Assembly

File No. 23

February Session, 2008

Substitute House Bill No. 5163

House of Representatives, March 12, 2008

The Committee on Public Safety and Security reported through REP. DARGAN of the 115th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT EXPANDING THE ENFORCEMENT AUTHORITY OF THE DIVISION OF SPECIAL REVENUE.

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

1 Section 1. Section 12-557c of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) There shall be a Division of Special Revenue within the
4 Department of Revenue Services for administrative purposes only. The
5 Division of Special Revenue shall, in cooperation with the Gaming
6 Policy Board, implement and administer the provisions of sections 7-
7 169 to 7-186, inclusive, this chapter and [chapter] chapters 226b and
8 229a under the supervision of an executive director.

9 (b) The Division of Special Revenue shall be under the direction and
10 control of an executive director who shall be responsible for the
11 operation of his division. The executive director shall be appointed by
12 the Governor, with the approval of the General Assembly, and shall be
13 qualified and experienced in the functions performed by the Division

14 of Special Revenue. The executive director may appoint a deputy and
15 an executive assistant for the efficient conduct of the business of the
16 division. The deputy executive director shall, in the absence or
17 disqualification of the executive director or on his death, exercise the
18 powers and duties of the executive director until he resumes his duties
19 or the vacancy is filled. The deputy executive director and the
20 executive assistant shall serve at the pleasure of the executive director.
21 The executive director and the deputy executive director shall not
22 participate actively in political management and campaigns. Such
23 activity includes holding office in a political party, political
24 organization or political club, campaigning for a candidate in a
25 partisan election by making speeches, writing on behalf of a candidate,
26 soliciting votes in support of or in opposition to a candidate and
27 making contributions of time and money to political parties.

28 (c) Whenever the term "Commission on Special Revenue" occurs or
29 is referred to in the public acts of the 1979 session of the General
30 Assembly it shall be deemed to refer to the Division of Special
31 Revenue within the Department of Business Regulation.

32 Sec. 2. Section 12-562 of the general statutes is repealed and the
33 following is substituted in lieu thereof (*Effective from passage*):

34 (a) Except as provided in subsection (b) of this section, the executive
35 director shall have power to enforce the provisions of this chapter and
36 chapter 226b, and with the advice and consent of the board, shall
37 adopt all necessary regulations for that purpose and for carrying out,
38 enforcing and preventing violation of any of the provisions of this
39 chapter, for the inspection of licensed premises or enterprises, for
40 insuring proper, safe and orderly conduct of licensed premises or
41 enterprises and for protecting the public against fraud or overcharge.
42 The executive director shall have power generally to do whatever is
43 reasonably necessary for the carrying out of the intent of this chapter;
44 and may call upon other administrative departments of the state
45 government and of municipal governments for such information and
46 assistance as he deems necessary to the performance of his duties.

47 (b) The special policemen in the Division of Special Revenue and the
 48 legalized gambling investigative unit in the Division of State Police
 49 within the Department of Public Safety shall be responsible for the
 50 criminal enforcement of the provisions of sections 7-169 to 7-186,
 51 inclusive, this chapter and [chapter] chapters 226b and 229a. They shall
 52 have the powers and duties specified in section 29-7c.

53 Sec. 3. Section 29-7c of the general statutes is repealed and the
 54 following is substituted in lieu thereof (*Effective from passage*):

55 There is established a unit in the Division of State Police within the
 56 Department of Public Safety to be known as the legalized gambling
 57 investigative unit. The unit, in conjunction with the special policemen
 58 in the Division of Special Revenue, shall be responsible for (1) the
 59 criminal enforcement of the provisions of sections 7-169 to 7-186,
 60 inclusive, and chapters 226, [and] 226b and 229a, and (2) the
 61 investigation, detection of and assistance in the prosecution of any
 62 criminal matter or alleged violation of criminal law with respect to
 63 legalized gambling, provided the legalized gambling investigative unit
 64 shall be the primary criminal enforcement agency. Nothing in this
 65 section shall limit the powers granted to persons appointed to act as
 66 special policemen in accordance with the provisions of section 29-18c.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	12-557c
Sec. 2	<i>from passage</i>	12-562
Sec. 3	<i>from passage</i>	29-7c

Statement of Legislative Commissioners:

In sections 1, 2 and 3, the references to the 2008 supplement to the general statutes following the string citations were deleted for accuracy.

PS *Joint Favorable Subst.-LCO*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 09 \$	FY 10 \$
Public Safety, Dept.	GF - Savings	Potential Minimal	Potential Minimal
Spec. Revenue, Div. of	GF - See Below	See Below	See Below

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 09 \$	FY 10 \$
Various Municipalities	Savings	Potential Minimal	Potential Minimal

Explanation

State and Municipal Impact:

The bill will result in potential savings to state and local law enforcement agencies because they would no longer be responsible for certain criminal enforcement activities associated with DSR investigations.

The Out Years

State and Municipal Impact:

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

OLR Bill Analysis**sHB 5163*****AN ACT EXPANDING THE ENFORCEMENT AUTHORITY OF THE DIVISION OF SPECIAL REVENUE.*****SUMMARY:**

This bill updates and makes changes in the laws governing the (1) regulatory authority of the Division of Special Revenue (DSR) and (2) criminal enforcement authority of DSR special police officers and the State Police legalized gambling investigative unit.

DSR was established in 1979 to regulate gambling and has regulated charitable gaming since 1987. The bill updates the 1979 law to reflect DSR's current regulatory authority and to conform the 1979 law to other statutes. It also gives DSR special police officers and the State Police legalized gambling investigative unit the same criminal enforcement authority over charitable gaming violations that the units have over other gaming DSR regulates.

The bill restores the explicit authority that DSR had to regulate the Connecticut lottery until 1996 when the Connecticut Lottery Corporation (CLC) was created and the laws governing CLC and DSR were, for the most part, codified in separate chapters. It also restores the explicit criminal enforcement authority of DSR special police officers and the State Police legalized gambling investigative unit over all lottery laws and violations. A separate law, which the bill does not change, gives the law enforcement officials criminal enforcement authority over the conduct of lottery games (CGS § 29-18c).

EFFECTIVE DATE: Upon passage

BACKGROUND***Licensing Authority***

CGS § 12-557e requires the Gaming Policy Board to work with DSR to implement and administer the provisions of chapters 226b (pari-mutuel wagering), 229a (CLC), and CGS §§ 7-169 to 7-186 (charitable gaming). But other DSR enforcement regulatory statutes do not cite chapters 229a and §§ 7-169 to 7-186.

CLC became a quasi-public corporation in 1996 and most of the provisions governing lottery were codified in a new chapter (229a).

COMMITTEE ACTION

Public Safety and Security Committee

Joint Favorable

Yea 23 Nay 0 (02/28/2008)