



General Assembly

January Session, 2009

Raised Bill No. 6321

LCO No. 2701

02701_____PS_

Referred to Committee on Public Safety and Security

Introduced by:
(PS)

AN ACT CONCERNING THE DENIAL OF A LICENSE AS A LOTTERY SALES AGENT.

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

1 Section 1. Section 12-569 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) If the president of the Connecticut Lottery Corporation
4 determines that any lottery sales agent has breached [his] such agent's
5 fiduciary responsibility to the corporation in that the account of such
6 lottery sales agent with respect to moneys received from the sale of
7 lottery tickets has become delinquent in accordance with regulations
8 adopted as provided in section 12-568a, the president shall notify the
9 executive director of the breach of fiduciary duty and the executive
10 director shall impose a delinquency assessment upon such account
11 equal to ten per cent of the amount due or ten dollars, whichever
12 amount is greater, plus interest at the rate of one and one-half per cent
13 of such amount for each month or fraction of a month from the date
14 such amount is due to the date of payment. Subject to the provisions of
15 section 12-3a, the executive director may waive all or part of the
16 penalties provided under this subsection when it is proven to [his] the

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

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

51 Sec. 2. 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.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	12-569
Sec. 2	<i>from passage</i>	12-568a

Statement of Purpose:

To prohibit the Division of Special Revenue from denying a license to a prospective lotto agent on the grounds that the prior owner was delinquent.

[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.]