



General Assembly

February Session, 2012

Raised Bill No. 357

LCO No. 1957

01957_____FIN

Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

**AN ACT CONCERNING VARIOUS STATUTES PERTAINING TO THE
DEPARTMENT OF REVENUE SERVICES.**

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

1 Section 1. Section 5-240 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2012*):

3 (a) An appointing authority, subject to any regulations issued by the
4 Secretary of the Office of Policy and Management, may reprimand or
5 warn an employee in the classified service under the appointing
6 authority's jurisdiction or suspend such an employee without pay or
7 with reduced pay for an aggregate period not exceeding sixty calendar
8 days in any calendar year. For any employee not included in any
9 collective bargaining unit of state employees, any written reprimand or
10 warning shall be included in the employee's personnel file and, if not
11 merged in the next service rating, shall be expunged after twelve
12 months from the date of reprimand or warning. Any such written
13 reprimand or warning may be reviewed in accordance with the
14 procedures established in subsections (h) and (i) of section 5-202.

15 (b) An appointing authority, subject to any regulations issued by the

16 Secretary of the Office of Policy and Management, may demote an
17 employee in the classified service under the appointing authority's
18 jurisdiction from a position in any given class or grade to a position in
19 a lower class or grade. The appointing authority shall give the
20 Secretary of the Office of Policy and Management or the secretary's
21 designated representative written notice of the authority's intention to
22 effect any such demotion not less than two weeks before the date it is
23 intended to become effective. The Secretary of the Office of Policy and
24 Management may transfer such an employee whose record is
25 otherwise satisfactory to a position under the jurisdiction of another
26 appointing authority, with the approval of such other appointing
27 authority.

28 (c) An appointing authority may dismiss any employee in the
29 classified service when the authority considers the good of the service
30 will be served thereby. A permanent employee shall be given written
31 notice of such dismissal at least two weeks in advance of the
32 employee's dismissal, except as hereinafter provided, and a copy of the
33 same shall be filed with the Secretary of the Office of Policy and
34 Management or the secretary's designated representative. Such notice
35 shall set forth the reasons for dismissal in sufficient detail to indicate
36 whether the employee was discharged for misconduct, incompetence
37 or other reasons relating to the effective performance of the employee's
38 duties and shall be prepared in such form and given in such manner as
39 the Secretary of the Office of Policy and Management prescribes. The
40 Secretary of the Office of Policy and Management may provide by
41 regulation for the waiving of advance notice in cases of serious
42 misconduct by an employee affecting the public, the welfare, health or
43 safety of patients, inmates or state employees or the protection of state
44 property. Such regulation shall provide for written notice to a
45 permanent employee who has attained permanent status and shall not
46 preclude whatever rights any employee may have to appeal. The name
47 of any such employee dismissed for incompetence or other reasons
48 relating to the effective performance of the employee's duties shall be
49 immediately removed from the eligible list in the office of the

50 Commissioner of Administrative Services. No appointing authority
51 shall pay any dismissed employee notice period pay or any other
52 separation pay at a rate that exceeds the dismissed employee's rate of
53 compensation, at the time of dismissal, for two weeks, or the amount
54 of notice period provided for in an applicable collective bargaining
55 agreement.

56 (d) An appointing authority, subject to any regulations issued by the
57 Secretary of the Office of Policy and Management, may lay off any
58 employee in the classified service as provided in section 5-241.

59 (e) (1) Notwithstanding the provisions of section 12-15, the
60 Commissioner of Revenue Services may, subject to such terms and
61 conditions as said commissioner may prescribe, disclose return or
62 return information in connection with a personnel proceeding,
63 including any administrative or judicial proceedings related thereto,
64 involving an employee or former employee of the Department of
65 Revenue Services, if said commissioner determines that such
66 information is relevant and material to such proceeding. Return and
67 return information disclosed under this subsection shall be used only
68 for purposes of and to the extent necessary in such proceeding and
69 shall not be further disclosed by any person involved in such
70 proceeding.

71 (2) Any person who violates any provision of this subsection shall
72 be fined not more than one thousand dollars or imprisoned not more
73 than one year, or both.

74 Sec. 2. Section 12-3a of the general statutes is repealed and the
75 following is substituted in lieu thereof (*Effective July 1, 2012*):

76 (a) There is created a Penalty Review Committee which shall consist
77 of the State Comptroller or an employee of the office of the State
78 Comptroller designated by said Comptroller, the Secretary of the
79 Office of Policy and Management or an employee of the Office of
80 Policy and Management designated by said secretary and the

81 Commissioner of Revenue Services or an employee of the Department
82 of Revenue Services designated by said commissioner. Said committee
83 shall meet monthly or as often as necessary to approve any waiver of
84 penalty, where such waiver is in excess of one thousand dollars, which
85 the Commissioner of Revenue Services [, or the Commissioner of
86 Consumer Protection,] is authorized to waive in accordance with this
87 title, [which is in excess of five hundred dollars] or which the
88 Commissioner of Consumer Protection is authorized to waive in
89 accordance with chapter 226. A majority vote of the committee shall be
90 required for approval of such waiver.

91 (b) An itemized statement of all waivers approved under this
92 section shall be available to the public for inspection by any person.

93 (c) The Penalty Review Committee created pursuant to subsection
94 (a) of this section shall adopt regulations in accordance with chapter 54
95 establishing guidelines for the waiver of any penalty, where such
96 waiver is in excess of [five hundred] one thousand dollars.

97 (d) Any person aggrieved by the action of the Penalty Review
98 Committee may, within one month after notice of such action is
99 delivered or mailed to such person, appeal therefrom to the superior
100 court for the judicial district of New Britain, which shall be
101 accompanied by a citation to the members of said committee to appear
102 before said court. Such citation shall be signed by the same authority,
103 and such appeal shall be returnable at the same time and served and
104 returned in the same manner as is required in case of a summons in a
105 civil action. The authority issuing the citation shall take from the
106 appellant a bond or recognizance to the state of Connecticut with
107 surety to prosecute the appeal to effect and to comply with the orders
108 and decrees of the court in the premises. Such appeals shall be
109 preferred cases, to be heard, unless cause appears to the contrary, at
110 the first session, by the court or by a committee appointed by it. Said
111 court may grant such relief as may be equitable. If the appeal is
112 without probable cause, the court may tax double or triple costs, as the

113 case demands; and, upon all such appeals which may be denied, costs
114 may be taxed against the appellant at the discretion of the court, but no
115 costs shall be taxed against the state.

116 Sec. 3. Subsection (b) of section 38a-91nn of the 2012 supplement to
117 the general statutes, as amended by section 66 of public act 11-1 of the
118 October special session, is repealed and the following is substituted in
119 lieu thereof (*Effective July 1, 2012*):

120 (b) Each captive insurance company shall pay to the Commissioner
121 of Revenue Services, [in the month of March] on or before March first
122 of each year, a tax at the rate of (1) two hundred fourteen thousandths
123 of one per cent on the first twenty million dollars, (2) one hundred
124 forty-three thousandths of one per cent on the next twenty million
125 dollars, (3) forty-eight thousandths of one per cent on the next twenty
126 million dollars, and (4) twenty-four thousandths of one per cent on
127 each dollar thereafter, on assumed reinsurance premiums collected or
128 contracted for on policies or contracts of insurance written by the
129 captive insurance company during the year ending December thirty-
130 first next preceding, provided no tax under this subsection shall apply
131 to premiums for risks or portions of risks that are subject to taxation on
132 a direct basis pursuant to subsection (a) of this section. No tax under
133 this subsection shall be payable in connection with the receipt of assets
134 in exchange for the assumption by a captive insurance company of loss
135 reserves and other liabilities of another insurer under common
136 ownership and control, if such transaction is part of a plan to
137 discontinue the operations of such other insurer and if the intent of the
138 parties to such transaction is to renew or maintain such business with
139 the captive insurance company.

140 Sec. 4. Subsection (d) of section 38a-91nn of the 2012 supplement to
141 the general statutes, as amended by section 66 of public act 11-1 of the
142 October special session, is repealed and the following is substituted in
143 lieu thereof (*Effective July 1, 2012, and applicable to calendar years*
144 *commencing on or after January 1, 2012*):

145 (d) The provisions of sections 12-204, [12-204d,] 12-204c to 12-204g,
 146 inclusive, and 12-205 to 12-208, inclusive, shall apply to the provisions
 147 of sections 38a-91aa to 38a-91tt, inclusive, as amended by this act, in
 148 the same manner and with the same force and effect as if the language
 149 of said sections 12-204, [12-204d,] 12-204c to 12-204g, inclusive, and 12-
 150 205 to 12-208, inclusive, had been incorporated in full into this section
 151 and had expressly referred to the tax due under this section, except to
 152 the extent that any such language is inconsistent with a provision of
 153 said sections 38a-91aa to 38a-91tt, inclusive, as amended by this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2012</i>	5-240
Sec. 2	<i>July 1, 2012</i>	12-3a
Sec. 3	<i>July 1, 2012</i>	38a-91nn(b)
Sec. 4	<i>July 1, 2012, and applicable to calendar years commencing on or after January 1, 2012</i>	38a-91nn(d)

Statement of Purpose:

To authorize a limited disclosure of return information in state personnel proceedings, to increase the threshold for review of penalty waivers from five hundred dollars to one thousand dollars, and to make technical changes to the captive insurer provisions adopted in the October special session.

[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.]