



Substitute Senate Bill No. 194

Public Act No. 18-40

AN ACT CONCERNING DEPARTMENT OF CONSUMER PROTECTION LICENSE STREAMLINING.

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

Section 1. Section 21a-190b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Every charitable organization not exempted by section 21a-190d shall annually register with the department prior to conducting any solicitation or prior to having any solicitation conducted on its behalf by others. Application for registration shall be in a form prescribed by the commissioner and shall include [payment of] a nonrefundable application fee of fifty dollars. Such application shall include: (1) A registration statement, (2) an annual financial report for such organization for the preceding fiscal year that is prepared in accordance with the provisions of subsection (a) of section 21a-190c, as amended by this act, and (3) an audited financial statement as required by subsection (b) of section 21a-190c, as amended by this act. [Two authorized officers] An authorized officer of the organization shall [sign the registration statement and shall] certify that the statements therein are true and correct to the best of their knowledge. A chapter, branch or affiliate in this state of a registered parent organization shall not be required to register provided the parent organization files a

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consolidated annual registration for itself and its chapter, branch or affiliate. Each charitable organization shall annually renew its registration not later than eleven months after the end of such organization's fiscal year.

(b) In the event the department determines that the application for registration does not contain the documents required in subsection (a) of this section or is not in accordance with the regulations adopted by the commissioner pursuant to this chapter, the department shall notify the charitable organization of such noncompliance not later than ten days after the department's receipt of such application for registration. [An application for registration shall be deemed to be approved if the charitable organization is not notified of noncompliance by the department not later than ten days after the department's receipt of the application for registration.] Any such charitable organization may request a hearing on its noncompliant status [not later than seven days after receipt of such noncompliance notice. Such hearing shall be held not later than seven days after the department's receipt of such request and a determination as to the organization's compliance status shall be rendered no later than three days after such hearing] in accordance with the provisions of chapter 54.

(c) In addition to the application fee required pursuant to subsection (a) of this section, a charitable organization shall pay a late fee of twenty-five dollars for each month, or part thereof, that such application for registration is late. The commissioner may, upon written request and for good cause shown, waive or reduce any late fee under this section.

(d) In the event that a charitable organization fails to register in accordance with the provisions of this section, such organization shall include in its application for registration an annual financial report for each of the previous years in which such organization was required to file an application for registration or an annual financial report.

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(e) Any charitable organization registered in accordance with this section on September 30, 2005, shall be deemed to be registered pursuant to this section until the last day of the fifth month after the close of the fiscal year in effect on September 30, 2005.

Sec. 2. Section 21a-190c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Every charitable organization required to register pursuant to section 21a-190b, as amended by this act, shall annually file with the department, as part of such organization's application for registration, a financial report for its most recently completed fiscal year, which report shall include a financial statement and such other information as the commissioner may require and shall be certified by [two authorized officers] an authorized officer of the organization. [, one of whom shall be the chief fiscal officer of the organization.] The information contained in such report shall be available to the public. Such [officers] officer shall certify that such report is true and correct to the best of their knowledge. The commissioner shall prescribe the form of the report and may prescribe standards for its completion. The commissioner may accept, under such conditions as said commissioner may prescribe, a copy or duplicate original of financial statements, reports or returns filed by the charitable organization with the Internal Revenue Service or another state having requirements similar to the provisions of sections 21a-190a to 21a-190l, inclusive, or a statement attesting that said documents have been filed with the Internal Revenue Service or another state having requirements similar to the provisions of sections 21a-190a to 21a-190l, inclusive. The commissioner may require a charitable organization to submit to the department an updated financial report for the charitable organization's most recently completed fiscal year, which report shall include a financial statement.

(b) A charitable organization with gross revenue in excess of five

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hundred thousand dollars in the year covered by the report shall include with its financial statement an audit report of a certified public accountant. For purposes of this section, gross revenue shall not include grants or fees from government agencies or the revenue derived from funds held in trust for the benefit of the organization. The commissioner may, upon written request and for good cause shown, waive the audit report requirement under this subsection.

(c) Every charitable organization required to file an annual report and every charitable organization subject to the provisions of subdivision (6) of section 21a-190d shall keep true fiscal records which shall be available to the department for inspection upon request. Such organization shall retain such records for no less than three years after the end of the fiscal year to which they relate.

Sec. 3. Section 20-457 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Each person engaged in providing association management services shall (1) exhibit his certificate of registration upon request by any interested party, (2) state in any advertisement the fact that he is registered, and (3) include his registration number in any advertisement.

(b) No person shall: (1) Present or attempt to present, as his own, the certificate of another, (2) knowingly give false evidence of a material nature to the commission or department for the purpose of procuring a certificate, (3) represent himself falsely as, or impersonate, a registered community association manager, (4) use or attempt to use a certificate which has expired or which has been suspended or revoked, (5) offer to provide association management services without having a current certificate of registration under sections 20-450 to 20-462, inclusive, (6) represent in any manner that his registration constitutes an endorsement of the quality of his services or of his competency by the

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commission or department. In addition to any other remedy provided for in sections 20-450 to 20-462, inclusive, any person who violates any provision of this subsection shall be fined not more than one thousand dollars or imprisoned for not more than one year or be both fined and imprisoned. A violation of any of the provisions of sections 20-450 to 20-462, inclusive, shall be deemed an unfair or deceptive trade practice under subsection (a) of section 42-110b.

(c) Certificates issued to community association managers shall not be transferable or assignable.

(d) All certificates issued under the provisions of sections 20-450 to 20-462, inclusive, shall expire annually on the thirty-first day of January. A holder of a certificate of registration who seeks to renew his or her certificate shall, when filing an application for renewal of the certificate, submit documentation to the department which establishes that he or she has passed any examination and completed any educational coursework, as the case may be, required for certification under this chapter. The fee for renewal of a certificate shall be two hundred dollars.

[(e) A community association manager whose certificate has expired more than one month before his application for renewal is made shall have his registration restored upon payment of a fee of fifty dollars in addition to his renewal fee. Restoration of a registration shall be effective upon approval of the application for renewal by the commission.

(f) A certificate shall not be restored unless it is renewed not later than one year after its expiration.]

[(g)] (e) Failure to receive a notice of expiration or a renewal application shall not exempt a community association manager from the obligation to renew.

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Sec. 4. Subsection (h) of section 7-169h of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

[(h) (1) The department may issue a permit to sell sealed tickets to any organization or group specified in subsection (c) of section 7-169 which holds a bingo permit issued in accordance with the provisions of section 7-169. Such permit shall be renewed annually.

(2) The department may issue a permit to sell sealed tickets to any organization or group specified in subsection (c) of section 7-169 which holds a club permit or nonprofit club permit under the provisions of chapter 545. Such permit shall be renewed annually.]

[(3)] (h) The department may issue a permit to sell sealed tickets to any organization or group specified in section 7-172, [which holds a permit to operate a bazaar, issued in accordance with the provisions of sections 7-170 to 7-186, inclusive.]

[(4) The department may issue a permit to sell sealed tickets to any charitable, civic, educational, fraternal, veterans' or religious organization, volunteer fire department or grange authorizing such organization to sell sealed tickets in conjunction with any social function or event sponsored or conducted by such organization. Any such organization shall have been organized for not less than two years prior to the date of its application for such permit. Such permit shall be renewed annually.]

Sec. 5. Section 21a-4 of the 2018 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2018*):

(a) The Commissioner of Consumer Protection may refund to any permittee the fee paid by him for any permit issued by said commissioner and returned to him prior to its use, provided

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application for such refund shall be made not later than sixty days after the effective date of such permit.

(b) The Commissioner of Consumer Protection may impose a fine of twenty dollars on any applicant for a permit or license issued by the Commissioner of Consumer Protection who issues to the commissioner a check drawn on the account of such applicant in payment of a permit or license fee and whose check is returned to the Department of Consumer Protection as uncollectible. In addition, the commissioner may require the applicant to pay to the department any fees charged by a financial institution to the department as a result of such returned check.

(c) The Commissioner of Consumer Protection may impose a fine on any applicant who fails to renew a license, permit, certificate or registration not later than the expiration date of such license, permit, certificate or registration. The amount of the fine shall be equal to ten per cent of the renewal fee but shall not be less than ten dollars or more than one hundred dollars.

(d) Notwithstanding any other provision of the general statutes, each applicant whose license has lapsed for a period longer than the length of time allowing automatic reinstatement may apply for reinstatement to the appropriate board. Upon receipt of such application and payment of the fee, the department may, at its discretion, reinstate a lapsed license without examination, provided such application for reinstatement is accompanied by a notarized letter and supporting documentation attesting to the applicant's related work experience in their occupation or profession from the time he or she had let such license lapse. Such applicant, upon approval by the department, shall pay all back license and late fees in order for such license to be reinstated.

(e) When a license, permit, certification or registration has lapsed for

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a period longer than the length of time allowing automatic reinstatement, or the general statutes are silent as to the period of time during which reinstatement of the license, permit, certification or registration is permissible, an applicant may apply for reinstatement to the department. Upon receipt of such application and payment of the corresponding application fee, the department may, if application was made not later than three years after the date allowing automatic reinstatement, reinstate the lapsed license, permit, certification or registration without examination. The applicant, prior to reinstatement by the department, shall pay all back license and late fees, unless the applicant attests that he or she has not worked in the applicable occupation or profession in this state while the license, permit, certification or registration was lapsed, in which case the applicant shall pay the current year's renewal fee for reinstatement. If the license, permit, certification or registration lapse is three years or more, the applicant shall apply for a new license, permit, certification or registration.

(f) Unless expressly provided otherwise by law, application fees for a license, permit, certification or registration within the purview of the Department of Consumer Protection shall be nonrefundable.

Approved May 31, 2018