



General Assembly

February Session, 2018

***Raised Bill No. 194***

LCO No. 1294



Referred to Committee on GENERAL LAW

Introduced by:  
(GL)

***AN ACT CONCERNING DEPARTMENT OF CONSUMER PROTECTION  
LICENSE STREAMLINING.***

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

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 Section 21a-190b of the general statutes is repealed and  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

3 (a) Every charitable organization not exempted by section 21a-190d  
4 shall annually register with the department prior to conducting any  
5 solicitation or prior to having any solicitation conducted on its behalf  
6 by others. Application for registration shall be in a form prescribed by  
7 the commissioner and shall include [payment of] a nonrefundable  
8 application fee of fifty dollars. Such application shall include: (1) A  
9 registration statement, (2) an annual financial report for such  
10 organization for the preceding fiscal year that is prepared in  
11 accordance with the provisions of subsection (a) of section 21a-190c, as  
12 amended by this act, and (3) an audited financial statement as required  
13 by subsection (b) of section 21a-190c, as amended by this act. [Two  
14 authorized officers] An authorized officer of the organization shall  
15 [sign the registration statement and shall] certify that the statements

16 therein are true and correct to the best of their knowledge. A chapter,  
17 branch or affiliate in this state of a registered parent organization shall  
18 not be required to register provided the parent organization files a  
19 consolidated annual registration for itself and its chapter, branch or  
20 affiliate. Each charitable organization shall annually renew its  
21 registration not later than eleven months after the end of such  
22 organization's fiscal year.

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

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

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

49 file an application for registration or an annual financial report.

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

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

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

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

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

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

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

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

102 (b) No person shall: (1) Present or attempt to present, as his own, the  
103 certificate of another, (2) knowingly give false evidence of a material  
104 nature to the commission or department for the purpose of procuring a  
105 certificate, (3) represent himself falsely as, or impersonate, a registered  
106 community association manager, (4) use or attempt to use a certificate  
107 which has expired or which has been suspended or revoked, (5) offer  
108 to provide association management services without having a current  
109 certificate of registration under sections 20-450 to 20-462, inclusive, (6)  
110 represent in any manner that his registration constitutes an  
111 endorsement of the quality of his services or of his competency by the  
112 commission or department. In addition to any other remedy provided  
113 for in sections 20-450 to 20-462, inclusive, any person who violates any  
114 provision of this subsection shall be fined not more than one thousand

115 dollars or imprisoned for not more than one year or be both fined and  
116 imprisoned. A violation of any of the provisions of sections 20-450 to  
117 20-462, inclusive, shall be deemed an unfair or deceptive trade practice  
118 under subsection (a) of section 42-110b.

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

121 (d) All certificates issued under the provisions of sections 20-450 to  
122 20-462, inclusive, shall expire annually on the thirty-first day of  
123 January. A holder of a certificate of registration who seeks to renew his  
124 or her certificate shall, when filing an application for renewal of the  
125 certificate, submit documentation to the department which establishes  
126 that he or she has passed any examination and completed any  
127 educational coursework, as the case may be, required for certification  
128 under this chapter. The fee for renewal of a certificate shall be two  
129 hundred dollars.

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

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

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

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

144 [(h) (1) The department may issue a permit to sell sealed tickets to  
145 any organization or group specified in subsection (c) of section 7-169

146 which holds a bingo permit issued in accordance with the provisions  
147 of section 7-169. Such permit shall be renewed annually.

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

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

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

164 Sec. 5. Section 21a-4 of the 2018 supplement to the general statutes is  
165 repealed and the following is substituted in lieu thereof (*Effective July*  
166 *1, 2018*):

167 (a) The Commissioner of Consumer Protection may refund to any  
168 permittee the fee paid by him for any permit issued by said  
169 commissioner and returned to him prior to its use, provided  
170 application for such refund shall be made not later than sixty days  
171 after the effective date of such permit.

172 (b) The Commissioner of Consumer Protection may impose a fine of  
173 twenty dollars on any applicant for a permit or license issued by the  
174 Commissioner of Consumer Protection who issues to the  
175 commissioner a check drawn on the account of such applicant in  
176 payment of a permit or license fee and whose check is returned to the

177 Department of Consumer Protection as uncollectible. In addition, the  
178 commissioner may require the applicant to pay to the department any  
179 fees charged by a financial institution to the department as a result of  
180 such returned check.

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

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

199 (e) When a license, permit, certification or registration has lapsed for  
200 a period longer than the length of time allowing automatic  
201 reinstatement, or the general statutes are silent as to the period of time  
202 during which reinstatement of the license, permit, certification or  
203 registration is permissible, an applicant may apply for reinstatement to  
204 the department. Upon receipt of such application and payment of the  
205 corresponding application fee, the department may, if application was  
206 made not later than three years after the date allowing automatic  
207 reinstatement, reinstate the lapsed license, permit, certification or  
208 registration without examination. The applicant, prior to reinstatement  
209 by the department, shall pay all back license and late fees, unless the

210 applicant attests that he or she has not worked in the applicable  
 211 occupation or profession in this state while the license, permit,  
 212 certification or registration was lapsed, in which case the applicant  
 213 shall pay the current year's renewal fee for reinstatement. If the license,  
 214 permit, certification or registration lapse is three years or more, the  
 215 applicant shall apply for a new license, permit, certification or  
 216 registration.

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

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	21a-190b
Sec. 2	<i>from passage</i>	21a-190c
Sec. 3	<i>from passage</i>	20-457
Sec. 4	<i>from passage</i>	7-169h(h)
Sec. 5	<i>July 1, 2018</i>	21a-4

**Statement of Purpose:**

To streamline various Department of Consumer Protection licensing requirements.

*[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.]*