AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS FOR GENERAL GOVERNMENT.

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

Section 1. Subsection (a) of section 12-7c of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(a) The Commissioner of Revenue Services shall, on or before February 15, [2020] 2022, and biennially thereafter, submit to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding, and post on the department's Internet web site a report on the overall incidence of the income tax, sales and excise taxes, the corporation business tax and property tax. The report shall present information on the distribution of the tax burden as follows:
(1) For individuals:

(A) Income classes, including income distribution expressed for every ten percentage points; and

(B) Other appropriate taxpayer characteristics, as determined by said commissioner.

(2) For businesses:

(A) Business size as established by gross receipts;

(B) Legal organization; and

(C) Industry by NAICS code.

Sec. 2. Section 4-8 of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

Each department head shall be qualified by training and experience for the duties of his or her office. Each department head shall act as the executive officer of the Governor for accomplishing the purposes of his or her department. [He] Each department head shall (1) conduct comprehensive planning with respect to the functions of his or her department and coordinate the activities and programs of the state agencies therein; [He shall] (2) cause the administrative organization of [said] such department to be examined with a view to promoting economy and efficiency; [He shall] and (3) organize the department and any agency therein into such divisions, bureaus or other units as he or she deems necessary for the efficient conduct of the business of the department. [and] Each department head may from time to time abolish, transfer or consolidate within the department or any agency therein any division, bureau or other unit as may be necessary for the efficient conduct of the business of the department, provided such organization shall include any division, bureau or other unit which is specifically required by the general statutes. Each department head may appoint such deputies as may be necessary for the efficient
conduct of the business of the department. Each department head shall designate one deputy who shall, in the absence or disqualification of the department head or on his or her death, exercise the powers and duties of the department head until [he] the department head resumes his or her duties or the vacancy is filled. Such deputies shall serve at the pleasure of the department head. Such appointees shall devote their full time to their duties with the department or agency and shall engage in no other gainful employment. Subject to the provisions of chapter 67, each department head shall appoint such other employees as may be necessary for the discharge of his or her duties. [He is empowered to] Each department head may make regulations for the conduct of his or her department. Each department head may enter into [such] contractual agreements, including, but not limited to, contractual agreements with other states, in accordance with established procedures, as may be necessary for the discharge of his or her duties. Subject to the provisions of section 4-32, and unless otherwise provided by law, each department head is authorized to receive any money, revenue or services from the federal government, corporations, associations or individuals, including payments from the sale of printed matter or any other material or services. Each department head may create such advisory boards as he or she deems necessary.

Sec. 3. Section 4-68s of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(a) Not later than October 1, 2018, and annually thereafter, the Departments of Correction, Children and Families, Mental Health and Addiction Services and Social Services and the Court Support Services Division of the Judicial Branch shall compile a program inventory of each of said agency's programs and shall categorize them as evidence-based, research-based, promising or lacking any evidence. Each program inventory shall include a complete list of all agency programs, including the following information for each such program for the prior fiscal year, as applicable: (1) A detailed description of the
program, (2) the names of providers, (3) the intended treatment population, (4) the intended outcomes, (5) the method of assigning participants, (6) the total annual program expenditures, (7) a description of funding sources, (8) the cost per participant, (9) the annual number of participants, (10) the annual capacity for participants, and (11) the estimated number of persons eligible for, or needing, the program.

(b) Each program inventory required by subsection (a) of this section shall be submitted in accordance with the provisions of section 11-4a to the Secretary of the Office of Policy and Management, the joint standing committees of the General Assembly having cognizance of matters relating to children, human services, appropriations and the budgets of state agencies and finance, revenue and bonding, the Office of Fiscal Analysis, and the Institute for Municipal and Regional Policy at Central Connecticut State University.

(c) Not later than November 1, 2018, and annually thereafter by November first, the Institute for Municipal and Regional Policy at Central Connecticut State University shall submit a report containing a cost-benefit analysis of the programs inventoried in subsection (a) of this section to the Secretary of the Office of Policy and Management, the joint standing committees of the General Assembly having cognizance of matters relating to children, appropriations and the budgets of state agencies and finance, revenue and bonding, and the Office of Fiscal Analysis, in accordance with the provisions of section 11-4a.

(d) The Office of Policy and Management and the Office of Fiscal Analysis may include the cost-benefit analysis provided by the Institute for Municipal and Regional Policy under subsection (c) of this section in their reports submitted to the joint standing committees of the General Assembly having cognizance of matters relating to children, appropriations and the budgets of state agencies and finance, revenue and bonding on or before November fifteenth annually,
pursuant to subsection (b) of section 2-36b.

[(e) Not later than January 1, 2019, the Secretary of the Office of
Policy and Management shall create a pilot program that applies the
principles of the Pew-MacArthur Results First cost-benefit analysis
model, with the overall goal of promoting cost-effective policies and
programming by the state, to at least eight grant programs financed by
the state selected by the secretary. Such grant programs shall include,
but need not be limited to, programs that provide services for families
in the state, employment programs and at least one contracting
program that is provided by a state agency with an annual budget of
over two hundred million dollars.

(f) Not later than April 1, 2019, the Secretary of the Office of Policy
and Management shall submit a report, in accordance with the
provisions of section 11-4a, to the joint standing committee of the
General Assembly having cognizance of matters relating to
appropriations and the budgets of state agencies. Such report shall
include, but need not be limited to, a description of the grant programs
the secretary has included in the pilot program described in subsection
(e) of this section, the status of the pilot program and any
recommendations.]

Sec. 4. Subsection (a) of section 10a-8c of the general statutes is
repealed and the following is substituted in lieu thereof (Effective from
passage):

(a) Except as provided in subsection (b) of this section,
notwithstanding the provisions of sections 10a-77a, 10a-99a, 10a-109c,
10a-109i and 10a-143a, no funds shall be appropriated to the Office of
Higher Education for grants pursuant to subdivision (2) of subsection
(a) of section 10a-77a, subdivision (2) of subsection (a) of section 10a-
99a, subdivision (2) of subsection (b) of section 10a-109i and
subdivision (2) of subsection (a) of section 10a-143a: (1) Until such time
as the amount in the Budget Reserve Fund, established in section 4-
30a, equals [ten] fifteen per cent of the net General Fund appropriations for the fiscal year in progress, (2) the amount of the grants appropriated shall be reduced proportionately if the amount available is less than the amount required for such grants, and (3) the amount of funds available to be appropriated during any fiscal year for such grants shall not exceed twenty-five million dollars.

Sec. 5. Subsection (b) of section 10a-8 of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(b) The boards of trustees of each of the constituent units may transfer to or from any specific appropriation of such constituent unit a sum or sums totaling up to [fifty] one hundred seventy-five thousand dollars or ten per cent of any such specific appropriation, whichever is less, in any fiscal year without the consent of the Finance Advisory Committee. Any such transfer shall be reported to the Finance Advisory Committee within thirty days of such transfer and such report shall be a record of said committee.

Sec. 6. Subsection (e) of section 7-34a of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2019):

(e) In addition to the fees for recording a document under subsection (a) of this section, town clerks shall receive a fee of forty dollars for each document recorded in the land records of the municipality. The town clerk shall retain one dollar of any fee paid pursuant to this subsection and three dollars of such fee shall become part of the general revenue of the municipality and be used to pay for local capital improvement projects, as defined in section 7-536. Not later than the fifteenth day of each month, town clerks shall remit thirty-six dollars of the fees paid pursuant to this subsection during the previous calendar month to the State Treasurer. Upon deposit in the General Fund, such amount shall be credited to the community funds.
investment account established pursuant to section 4-66aa. The provisions of this subsection shall not apply to any document recorded on the land records by an employee of the state or of a municipality in conjunction with such employee's official duties. As used in this subsection, "municipality" includes each town, consolidated town and city, city, consolidated town and borough, borough, and district, as defined in chapter 105 or 105a, any municipal corporation or department thereof created by a special act of the General Assembly, and each municipal board, commission and taxing district not previously mentioned.

Sec. 7. Subsection (h) of section 49-10 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2019):

(h) Notwithstanding the provisions concerning remittance and retention of fees set forth in section 7-34a, as amended by this act, the recording fees paid in accordance with subsections (a), (d) and (e) of [said] section 7-34a by a nominee of a mortgagee, as defined in subdivision (2) of subsection (a) of [said] section 7-34a, shall be allocated as follows: (1) For fees collected upon a recording by a nominee of a mortgagee, except for the recording of (A) an assignment of mortgage in which the nominee of a mortgagee appears as assignor, and (B) a release of mortgage, as described in section 49-8, by a nominee of a mortgagee, the town clerk shall remit one hundred ten dollars of such fees to the state, such fees shall be deposited into the General Fund; and, upon deposit in the General Fund, thirty-six dollars of such fees shall be credited to the community investment account established pursuant to section 4-66aa; the town clerk shall retain forty-nine dollars of such fees, thirty-nine dollars of which shall become part of the general revenue of such municipality and ten dollars of which shall be deposited into the town clerk fund; and the town clerk shall retain any fees for additional pages beyond the first page in accordance with the provisions of subdivision (2) of subsection (a) of [said] section 7-34a; and (2) for the fee collected upon a recording
of (A) an assignment of mortgage in which the nominee appears as assignor, or (B) a release of mortgage by a nominee of a mortgagee, the town clerk shall remit one hundred twenty-seven dollars of such fee to the state, such fee shall be deposited into the General Fund] and, upon deposit in the General Fund, thirty-six dollars of such fee shall be credited to the community investment account[,] and, until October 1, 2014, sixty dollars of such fee shall be credited to the State Banking Fund for purposes of funding the foreclosure mediation program established by section 49-31m; and the town clerk shall retain thirty-two dollars of such fee, which shall become part of the general revenue of such municipality.

Sec. 8. Section 22-38a of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2019):

The Commissioner of Agriculture shall establish and administer a program to promote the marketing of farm products grown and produced in Connecticut for the purpose of encouraging the development of agriculture in the state. The commissioner may, within available appropriations, provide a grant-in-aid to any person, firm, partnership or corporation engaged in the promotion and marketing of such farm products, provided the words "CONNECTICUT-GROWN" or "CT-Grown" are clearly incorporated in such promotional and marketing activities. The commissioner shall (1) provide for the design, plan and implementation of a multiyear, state-wide marketing and advertising campaign, including, but not limited to, television and radio advertisements, promoting the availability of, and advantages of purchasing, Connecticut-grown farm products, (2) establish and continuously update a web site connected with such advertising campaign that includes, but is not limited to, a comprehensive listing of Connecticut farmers' markets, pick-your-own farms, roadside and on-farm markets, farm wineries, garden centers and nurseries selling predominantly Connecticut-grown horticultural products and agri-tourism events and attractions, and (3) conduct efforts to promote interaction and business relationships between farmers and
restaurants, grocery stores, institutional cafeterias and other potential institutional purchasers of Connecticut-grown farm products, including, but not limited to, (A) linking farmers and potential purchasers through a separate feature of the web site established pursuant to this section, and (B) organizing state-wide or regional events promoting Connecticut-grown farm products, where farmers and potential institutional customers are invited to participate. The commissioner shall use his best efforts to solicit cooperation and participation from the farm, corporate, retail, wholesale and grocery communities in such advertising, Internet-related and event planning efforts, including, but not limited to, soliciting private sector matching funds. [The commissioner shall use all of the funds provided to the Department of Agriculture pursuant to subparagraph (C) of subdivision (5) of subsection (a) of section 4-66aa for the purposes of this section.] The commissioner shall report annually to the joint standing committee of the General Assembly having cognizance of matters relating to the environment on issues with respect to efforts undertaken pursuant to the requirements of this section, including, but not limited to, the amount of private matching funds received and expended by the department. The commissioner may adopt, in accordance with chapter 54, such regulations as he deems necessary to carry out the purposes of this section.

Sec. 9. Subsection (b) of section 32-1s of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2019):

(b) Any order or regulation of the Connecticut Commission on Culture and Tourism, which is in force on July 1, 2011, shall continue in force and effect as an order or regulation of the Department of Economic and Community Development until amended, repealed or superseded pursuant to law. Where any order or regulation of said commission or said department conflicts, the Commissioner of Economic and Community Development may implement policies and procedures consistent with the provisions of this section and sections
Sec. 10. (Effective July 1, 2019) Notwithstanding the provisions of subsection (c) of section 4-66l of the general statutes:

(1) For the fiscal year ending June 30, 2020, municipal transition grants to municipalities that impose mill rates on real property and personal property other than motor vehicles greater than 45 mills or that, when combined with the mill rate of any district located within the municipality, impose mill rates greater than 45 mills, shall be made in an amount equal to the difference between the amount of property taxes levied by the municipality and any district located within the municipality on motor vehicles for the assessment year commencing October 1, 2016, and the amount such levy would have been if the mill rate on motor vehicles for said assessment year was equal to the mill rate imposed by such municipality and any district located within the municipality on real property and personal property other than motor vehicles; and

(2) For the fiscal year ending June 30, 2021, municipal transition grants to municipalities that impose mill rates on real property and personal property, other than motor vehicles, greater than 45 mills or that, when combined with the mill rate of any district located within...
the municipality, impose mill rates greater than 45 mills, shall be made in an amount equal to the difference between the amount of property taxes levied by the municipality and any district located within the municipality on motor vehicles for the assessment year commencing October 1, 2017, and the amount such levy would have been if the mill rate on motor vehicles for said assessment year was equal to the mill rate imposed by such municipality and any district located within the municipality on real property and personal property other than motor vehicles.

Sec. 11. Section 31-230 of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(a) An individual's benefit year shall commence with the beginning of the week with respect to which the individual has filed a valid initiating claim and shall continue through the Saturday of the fifty-first week following the week in which it commenced, provided no benefit year shall end until after the end of the third complete calendar quarter, plus the remainder of any uncompleted calendar week that began in such quarter, following the calendar quarter in which it commenced, and provided further, the benefit year of an individual who has filed a combined wage claim, as described in subsection (b) of section 31-255, shall be the benefit year prescribed by the law of the paying state. In no event shall a benefit year be established before the termination of an existing benefit year previously established under the provisions of this chapter. Except as provided in subsection (b) of this section, the base period of a benefit year shall be the first four of the five most recently completed calendar quarters prior to such benefit year, provided such quarters were not previously used to establish a prior valid benefit year and provided further, the base period with respect to a combined wage claim, as described in subsection (b) of section 31-255, shall be the base period of the paying state, except that for any individual who is eligible to receive or is receiving workers' compensation or who is properly absent from work under the terms of the employer's sick leave or disability leave policy,
the base period shall be the first four of the five most recently worked
quarters prior to such benefit year, provided such quarters were
consecutive and not previously used to establish a prior valid benefit
year and provided further, the last most recently worked calendar
quarter is no more than twelve calendar quarters prior to the date such
individual makes an initiating claim. As used in this section, an
initiating claim shall be deemed valid if the individual is unemployed
and meets the requirements of subdivisions (1) and (3) of subsection
(a) of section 31-235. The base period of an individual's benefit year
shall include wages paid by any nonprofit organization electing
reimbursement in lieu of contributions, or by the state and by any
town, city or other political or governmental subdivision of or in this
state or of any municipality to such person with respect to whom such
employer is subject to the provisions of this chapter. With respect to
weeks of unemployment beginning on or after January 1, 1978, wages
for insured work shall include wages paid for previously uncovered
services. For purposes of this section, the term "previously uncovered
services" means services that (1) were not employment, as defined in
section 31-222, and were not services covered pursuant to section 31-
223, at any time during the one-year period ending December 31, 1975;
and (2) (A) are agricultural labor, as defined in subparagraph (H) of
subdivision (1) of subsection (a) of section 31-222, or domestic service,
as defined in subparagraph (J) of subdivision (1) of subsection (a) of
section 31-222, or (B) are services performed by an employee of this
state or a political subdivision of this state, as provided in
subparagraph (C) of subdivision (1) of subsection (a) of section 31-222,
or by an employee of a nonprofit educational institution that is not an
institution of higher education, as provided in subparagraph (E)(iii) of
subdivision (1) of subsection (a) of section 31-222, except to the extent
that assistance under Title II of the Emergency Jobs and
Unemployment Assistance Act of 1974 was paid on the basis of such
services.

(b) The base period of a benefit year for any individual who is
ineligible to receive benefits using the base period set forth in subsection (a) of this section shall be the four most recently completed calendar quarters prior to the individual's benefit year, provided such quarters were not previously used to establish a prior valid benefit year, except that for any such individual who is eligible to receive or is receiving workers' compensation or who is properly absent from work under the terms of an employer's sick leave or disability leave policy, the base period shall be the four most recently worked calendar quarters prior to such benefit year, provided such quarters were consecutive and not previously used to establish a prior valid benefit year and provided further, the last most recently worked calendar quarter is not more than twelve calendar quarters prior to the date such individual makes the initiating claim. If the wage information for an individual's most recently worked calendar quarter is unavailable to the administrator from regular quarterly reports of systematically accessible wage information, the administrator shall promptly contact the individual's employer to obtain such wage information.

Sec. 12. Subsection (b) of section 31-273 of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(b) (1) Any person who, by reason of fraud, wilful misrepresentation or wilful nondisclosure by such person or by another of a material fact, has received any sum as benefits under this chapter while any condition for the receipt of benefits imposed by this chapter was not fulfilled in such person's case, or has received a greater amount of benefits than was due such person under this chapter, shall be charged with an overpayment and shall be liable to repay to the administrator for the Unemployment Compensation Fund a sum equal to the amount so overpaid to such person. If such person does not make repayment in full of the sum overpaid, the administrator shall recoup such sum by offset from such person's unemployment benefits. The deduction from benefits shall be one hundred per cent of the person's weekly benefit entitlement until the full amount of the overpayment
has been recouped. Where such offset is insufficient to recoup the full amount of the overpayment, the claimant shall repay the remaining amount plus, for any determination of an overpayment made on or after July 1, 2005, interest at the rate of one per cent of the amount so overpaid per month, in accordance with a repayment schedule as determined by the examiner. If the claimant fails to repay according to the schedule, the administrator may recover such overpayment plus interest through a wage execution against the claimant's earnings upon the claimant's return to work in accordance with the provisions of section 52-361a. In addition, the administrator may request the Commissioner of Administrative Services to seek reimbursement for such amount pursuant to section 12-742. If the administrator's actions are insufficient to recover such overpayment, the administrator may submit the outstanding balance to the Internal Revenue Service for the purpose of offsetting the claimant's federal tax refund pursuant to 26 USC 6402(f), 31 USC 3720A or other applicable federal laws. The administrator is authorized, eight years after the payment of any benefits described in this subsection, to cancel any claim for such repayment or recoupment which in the administrator's opinion is uncollectible. Effective January 1, 1996, and annually thereafter, the administrator shall report to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding and the joint standing committee of the General Assembly having cognizance of matters relating to labor and public employees, the aggregate number and value of all such claims deemed uncollectible and therefore cancelled during the previous calendar year.

(2) (A) For any determination of an overpayment made prior to October 1, 2013, any person who has made a claim for benefits under this chapter and has knowingly made a false statement or representation or has knowingly failed to disclose a material fact in order to obtain benefits or to increase the amount of benefits to which such person may be entitled under this chapter shall forfeit benefits for
not less than one or more than thirty-nine compensable weeks following determination of such offense or offenses, during which weeks such person would otherwise have been eligible to receive benefits. For the purposes of section 31-231b, such person shall be deemed to have received benefits for such forfeited weeks. This penalty shall be in addition to any other applicable penalty under this section and in addition to the liability to repay any moneys so received by such person and shall not be confined to a single benefit year. The provisions of this subparagraph shall not be applicable to claims deemed payable as of October 1, 2019. (B) For any determination of an overpayment made on or after October 1, 2013, any person who has made a claim for benefits under this chapter and has knowingly made a false statement or representation or has knowingly failed to disclose a material fact in order to obtain benefits or to increase the amount of benefits to which such person may be entitled under this chapter shall be subject to a penalty of fifty per cent of the amount of overpayment for the first offense and a penalty of one hundred per cent of the amount of overpayment for any subsequent offense. This penalty shall be in addition to the liability to repay the full amount of overpayment and shall not be confined to a single benefit year. Thirty-five per cent of any such penalty shall be paid into the Unemployment Compensation Trust Fund and sixty-five per cent of such penalty shall be paid into the Employment Security Administration Fund. The penalty amounts computed in this subparagraph shall be rounded to the nearest dollar with fractions of a dollar of exactly fifty cents rounded upward.

(3) Any person charged with the fraudulent receipt of benefits or the making of a fraudulent claim, as provided in this subsection, shall be entitled to a determination of eligibility by the administrator that shall be based upon evidence or testimony presented in a manner prescribed by the administrator including in writing, by telephone or by other electronic means. The administrator may prescribe a hearing by telephone or in person at his or her discretion, provided if an in
person hearing is requested, the request may not be unreasonably
denied by the administrator. Notice of the time and place of such
hearing, and the reasons for such hearing, shall be given to the person
not less than five days prior to the date appointed for such hearing.
The administrator shall determine, on the basis of facts found by the
administrator, whether or not a fraudulent act subject to the penalties
of this subsection has been committed and, upon such finding, shall fix
the penalty for any such offense according to the provisions of this
subsection. Any person determined by the administrator to have
committed fraud under the provisions of this section shall be liable for
repayment to the administrator of the Unemployment Compensation
Fund for any benefits determined by the administrator to have been
collected fraudulently, as well as any other penalties assessed by the
administrator in accordance with the provisions of this subsection.
Until such liabilities have been met to the satisfaction of the
administrator, such person shall forfeit any right to receive benefits
under the provisions of this chapter. Notification of such decision and
penalty shall be provided to such person and shall be final unless such
person files an appeal not later than twenty-one days after the date
such notification was provided to such person, except that (A) any
such appeal that is filed after such twenty-one-day period may be
considered to be timely filed if the filing party shows good cause, as
defined in regulations adopted pursuant to section 31-249h, for the late
filing, (B) if the last day for filing an appeal falls on any day when the
offices of the Employment Security Division are not open for business,
such last day shall be extended to the next business day, (C) if any
such appeal is filed by mail, the appeal shall be considered timely filed
if the appeal was received within such twenty-one-day period or bears
a legible United States postal service postmark that indicates that
within such twenty-one-day period the appeal was placed in the
possession of postal authorities for delivery to the appropriate office,
except posting dates attributable to private postage meters shall not be
considered in determining the timeliness of appeals filed by mail, and
(D) if any such appeal is filed electronically, such appeal shall be
considered timely filed if it was received within such twenty-one-day period. Such appeal shall be heard by a referee in the same manner provided in section 31-242 for an appeal from the decision of an examiner on a claim for benefits. The manner in which such appeals shall be heard and appeals taken therefrom to the board of review and then to the Superior Court, either by the administrator or the claimant, shall be in accordance with the provisions set forth in section 31-249 or 31-249b, as the case may be. Any determination of overpayment made under this subsection which becomes final on or after October 1, 1995, may be enforced in the same manner as a judgment of the Superior Court when the claimant fails to pay according to the claimant's repayment schedule. The court may issue execution upon any final determination of overpayment in the same manner as in cases of judgments rendered in the Superior Court; and upon the filing of an application to the court for an execution, the administrator shall send to the clerk of the court a certified copy of such determination.

Sec. 13. Subsection (a) of section 31-250 of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(a) In administering this chapter, the administrator may adopt such regulations, employ such persons, make such expenditures, require such reports, make such investigations and take such other action as may be necessary or suitable, including, but not limited to, entering into a consortium with other states and entering into any contract or memorandum of understanding associated with such consortium. Such regulations shall be effective upon publication in the manner which the administrator prescribes. As provided in section 4-60, the administrator shall submit to the Governor a report covering the administration and operation of this chapter during the preceding fiscal year and shall make such recommendations for amendments to this chapter as he deems proper. The administrator shall comply with the provisions of Section 303(a)(6) and (7) of the federal Social Security Act, and of Section 303(c), added to the federal Social Security Act by
Section 13(g) of the federal Railroad Unemployment Insurance Act. The administrator is authorized to receive the reimbursement of the federal share of extended benefits paid under the provisions of sections 31-232b to 31-232h, inclusive, and section 31-232k that are reimbursable under the provisions of federal law.

Sec. 14. (NEW) (Effective July 1, 2019) (a) For the purpose of this section:

(1) "Federal act" means the United States Agricultural Marketing Act of 1946, 7 USC 1621 et seq., as amended from time to time;

(2) "Cannabidiol" or "CBD" means the nonpsychotropic compound by the same name derived from the hemp variety of the Cannabis sativa L. plant;

(3) "Certificate of analysis" means a certificate from a laboratory describing the results of the laboratory's testing of a sample;

(4) "Certified seed" means hemp seed for which a certificate or any other instrument has been issued by an agency authorized under the laws of a state, territory or possession of the United States to officially certify hemp seed and that has standards and procedures approved by the United States Secretary of Agriculture to assure the genetic purity and identity of the hemp seed certified;

(5) "Commissioner" means the Commissioner of Agriculture, or the commissioner's designated agent;

(6) "Cultivate" means planting, growing and harvesting a plant or crop;

(7) "Department" means the Department of Agriculture;

(8) "Handling" means possessing or storing hemp for any period of time on premises owned, operated or controlled by a person licensed to cultivate or process hemp and includes possessing or storing hemp
in a vehicle for any period of time other than during the transport of hemp from the premises of a person licensed to cultivate or process hemp to the premises of another person licensed to cultivate or process hemp;

(9) "Hemp" has the same meaning as provided in the federal act;

(10) "Hemp products" means products derived from, or made by, the processing of hemp plants or hemp plant parts;

(11) "Independent testing laboratory" means a facility:

(A) For which no person who has a direct or indirect interest in the laboratory also has a direct or indirect interest in a facility that:

(i) Processes, distributes or sells hemp products, or a substantially similar substance in another state or territory of the United States;

(ii) Cultivates, processes, distributes, dispenses or sells marijuana; or

(iii) Cultivates, processes or distributes hemp; and

(B) That is accredited as a testing laboratory to International Organization for Standardization (ISO) 17025 by a third-party accrediting body such as the American Association for Laboratory Accreditation or the Assured Calibration and Laboratory Accreditation Select Services;

(12) "Laboratory" means a laboratory of the Connecticut Agricultural Experiment Station, the Department of Public Health, the United States Food and Drug Administration, the United States Department of Agriculture or an independent testing laboratory acceptable to the commissioner;

(13) "Law enforcement agency" means the Connecticut State Police, United States Drug Enforcement Administration or other federal, state or local law enforcement agency or drug suppression unit;
(14) "Licensee" means a person who possesses a license issued by the department pursuant to this section to cultivate, handle, process or market hemp or hemp products;

(15) "Market" means promoting, distributing or selling a product within the state, in another state or outside of the United States and includes efforts to advertise and gather information about the needs or preferences of potential consumers or suppliers;

(16) "Pesticide" has the same meaning as provided in section 22a-47 of the general statutes;

(17) "Plot" means a contiguous area in a field, greenhouse or indoor growing structure containing the same variety or strain of hemp throughout the area;

(18) "Post-harvest sample" means a representative sample of the form of hemp taken from the harvested hemp from a particular plot's harvest in accordance with the procedures established by the commissioner;

(19) "Pre-harvest sample" means a composite, representative portion from plants in a hemp plot collected in accordance with the procedures established by the commissioner;

(20) "Processing" means using or converting an agricultural commodity for the purpose of creating a marketable form of the commodity;

(21) "State plan" means a state plan as described in the federal act; and

(22) "THC" means delta-9-tetrahydrocannabinol.

(b) The commissioner shall prepare a state plan in accordance with the federal act, for approval by the Governor and Attorney General. The state plan, upon approval by the Governor and the Attorney
General, shall be submitted to the United States Secretary of Agriculture for approval. The commissioner shall have the authority to amend the state plan, in consultation with the Governor and the Attorney General, as necessary to comply with the federal act.

(c) Following approval of the state plan by the United States Secretary of Agriculture, the Department of Agriculture may enforce regulations adopted in accordance with the federal act and chapter 54 of the general statutes for standards for hemp production in the state. The commissioner may consult, collaborate and enter cooperative agreements with any federal or state agency, municipality or political subdivision of the state concerning application of the provisions of the federal act and the regulations adopted pursuant to the federal act, as may be necessary to carry out the provisions of this section.

(d) In accordance with the state plan approved pursuant to subsection (a) of this section and the provisions of this section, hemp may be cultivated, processed, handled, marketed, researched or possessed. Any person who cultivates, processes, handles, markets, researches or possesses hemp shall: (1) Be licensed by the department pursuant to subsection (f) of this section; and (2) only acquire certified seeds.

(e) Any person who sells hemp products shall not be required to be licensed pursuant to subsection (d) of this section provided such person only engages in (1) the retail sale of hemp in which no further processing of the hemp product occurs and the hemp products are acquired from a person licensed pursuant to subsection (d) of this section, or (2) the retail sale of hemp products that are otherwise authorized under federal law.

(f) Any applicant for a license to cultivate, process, handle, market, research or possess hemp shall meet each of the following requirements:

(1) Each applicant shall submit an application for a license that
consists, at a minimum, of the following: (A) The name and address of the applicant; (B) the name and address of the plot for the hemp operation of the applicant; (C) the global positioning system coordinates and legal description of the plot used for the hemp operation; (D) the acreage size of the plot where the hemp will be cultivated; (E) written consent allowing the Department of Agriculture to conduct both scheduled and random inspections of and around the premises on which the hemp is to be sown, cultivated, harvested, stored and processed; and (F) any other information as may be required by the commissioner;

(2) Each applicant for a license shall submit to and pay for an annual criminal background check;

(3) No person who has been convicted of any felony as defined in the federal act shall be eligible to obtain a license; and

(4) Each applicant who obtains such a license shall pay for all costs of testing any hemp samples at a laboratory approved by the commissioner for the purpose of determining the THC concentration level.

(g) Any license issued by the department pursuant to this section shall expire annually on December thirty-first and may be renewed during the preceding month of October. Such licenses shall not be transferable.

(h) The following fees shall apply for each such license and inspection:

(1) A nonrefundable license application fee of two hundred dollars;

(2) A nonrefundable annual license fee of four hundred fifty dollars for one plot consisting of ten acres or less and a nonrefundable annual license fee of four hundred fifty dollars for each additional plot that consists of not more than ten acres; and
(3) In the event that resampling is required due to a test result that shows a violation of any provision of this section or any regulation adopted pursuant to this section, the licensee shall pay a resampling inspection fee of three hundred dollars. Such fee shall be paid prior to the collection by the department of the post-harvest sample.

(i) After receipt and review of an application for licensure pursuant to subsection (f) of this section, the commissioner may grant an annual license upon a finding that the applicant meets the requirements of subsection (f) of this section.

(j) The department may temporarily suspend a license for a period of not more than sixty days if the licensee:

(1) Violated any provision of this section or a regulation adopted pursuant to this section;

(2) Made any false statement to the department or the department's representatives;

(3) Pled guilty to, or has been convicted of, any felony, as defined in the federal act;

(4) Failed to comply with the state plan; or

(5) Failed to comply with an order of the department, a representative of the Connecticut State Police or any law enforcement agency.

(k) The department may temporarily suspend a license for a period not to exceed sixty days, for cause, without giving the licensee advance notice of the charge against him or her or an opportunity to be heard.

(l) The department shall not permanently revoke any license issued pursuant to subsection (f) of this section until the department notifies the licensee of the charge against him or her and gives the licensee an opportunity for a hearing before the commissioner.
(m) The department may permanently revoke a license if the licensee admits, or is found in a hearing, to have:

(1) Violated any provision of this section or any regulation adopted pursuant to this section;

(2) Made any false statement to the department or a representative of the department;

(3) Pled guilty to, or been convicted of a felony, as defined in the federal act; or

(4) Failed to comply with any order from the department, a representative of the Connecticut State Police or any law enforcement officer.

(n) Any violation of the state plan by any licensee shall be subject to enforcement in accordance with the federal act.

(o) The department may impose a monetary civil penalty, not to exceed two thousand five hundred dollars per violation, and two hundred fifty dollars per day, on any person who violates the provisions of this section or any regulation adopted pursuant to this section.

(p) All documents included in an application for a license submitted under this section shall be subject to disclosure in accordance with chapter 14 of the general statutes except the address of a licensee's cultivation or production facility, any document describing, depicting or otherwise outlining a licensee's security schematics or global positioning system coordinates.

(q) The department may inspect and shall have access to the buildings, equipment, supplies, vehicles, records, real property and other information deemed necessary to carry out the department's duties pursuant to this section from any person participating in the planting, cultivating, harvesting, possessing, processing, purchasing,
marketing or researching of hemp. The department shall establish an
inspection and testing program to determine THC levels and ensure
compliance with the limits on THC concentration in all hemp grown in
the state by a licensee. The licensee shall be responsible for all costs of
disposal of hemp samples and any hemp produced by a licensee that
violates the provisions of this section or any regulation adopted
pursuant to this section. The department shall order and conduct post-
harvest THC testing of a plot if the results of an initial THC test on the
pre-harvest sample provided and collected by the licensee indicate a
THC concentration in the pre-harvest sample in excess of permitted
levels.

(r) The department may issue any order necessary to effectuate the
purposes of this section provided nothing in this section shall be
construed to limit or interfere with any authority of the Commissioner
of Consumer Protection. Any person aggrieved by any such order may
request a hearing in accordance with the provisions of chapter 54 of
the general statutes.

(s) All licensees shall maintain records required by the federal act,
this section and any regulation adopted pursuant to this section. Each
licensee shall make such records available to the department upon
request of the commissioner.

(t) The commissioner may adopt regulations, in accordance with the
provisions of chapter 54 of the general statutes, to implement the
provisions of this section, including, but not limited to: (1) Provisions
for the licensure of persons who wish to commercially cultivate,
handle, process, research or market hemp; (2) establishing fees for
licensing, inspections and testing conducted pursuant to this section;
(3) establishing sampling and testing procedures to ensure that hemp
and hemp products cultivated, processed or marketed under the
authority of this section do not exceed the concentration levels defined
in the federal act; (4) prescribing a procedure for the effective disposal
of plants, whether growing or not, that are produced in violation of the
federal act or the provisions of this section or the state plan and products derived from those plants; and (5) the investigation of complaints, the imposition of disciplinary sanctions, including suspension and revocation of licenses, and the imposition of monetary fines.

(u) Notwithstanding any provision of the general statutes: (1) Marijuana does not include hemp or hemp products, (2) THC that is found in hemp shall not be considered to be THC that constitutes a controlled substance; (3) hemp-derived cannabinoids, including CBD, shall not constitute controlled substances or adulterants; (4) hemp products that contain one or more hemp-derived cannabinoids, such as CBD, intended for ingestion are to be considered foods, not controlled substances or adulterated products; and (5) whenever the commissioner believes or has reasonable cause to believe that the actions of a licensee or any employee of a licensee will violate any state law concerning the growing, cultivation or possession of marijuana, the commissioner shall notify the Department of Emergency Services and Public Protection and the State Police.

(v) The commissioner may establish and operate an agricultural pilot program, as defined in 7 USC 5940, as amended from time to time, for hemp research to enable the department, and its licensees, to study methods of cultivating, processing and marketing hemp. All licensees pursuant to this section shall be deemed participants in the state agricultural pilot program for hemp research. Such pilot program shall operate until the earlier of the date of a fully approved state plan under the federal act or the date of repeal of the federal law permitting the state's agricultural pilot program for hemp research.

(w) No person shall ship, transport or deliver within this state, or market, sell or offer for sale, any edible hemp product that contains retail packaging information advertising the presence of CBD or as containing CBD and intended for human consumption, unless the name of the brand, trade name or other distinctive characteristic by
which such edible hemp product is bought and sold, the name and
address of the manufacturer of such product and the name and
address of each wholesaler who is authorized by the manufacturer or
such manufacturer's representative to sell such edible hemp product is
registered with the department, and until such brand, trade name or
other distinctive characteristic has been approved by the department.
Such registration shall be valid for a period of two years.

(1) The registration of brands shall be made on forms provided by
the commissioner. Each brand registration shall be accompanied by a
sample label that contains at a minimum the following information:

(A) A scannable bar code or Quick Response Code linked to a
document that contains information with respect to the manufacture of
the hemp product, including the:

(i) Batch identification number;

(ii) Product name;

(iii) Batch date;

(iv) Expiration date;

(v) Ingredients used, including the:

(I) Ingredient name;

(II) Name of the company that manufactured the ingredient;

(III) Company or product identification number or code, if
applicable; and

(IV) Ingredient lot number; and

(vi) Download link for a certificate of analysis for the hemp product.

(B) A statement that the edible hemp product contains not more
than three-tenths per cent (0.3%) total THC, including precursors, by weight.

(2) The fee for such registration, or renewal thereof, shall be two hundred dollars for out-of-state shippers and fifty dollars for Connecticut manufacturers for each brand so registered, payable by the manufacturer or such manufacturer's authorized representative when such edible hemp products are manufactured in the United States and by the importer or such importer's authorized representative when such edible hemp products are imported into the United States.

(3) Nothing in this section shall be construed to mean the registration of any product that is regulated as a drug under the federal Food, Drug and Cosmetic Act, 21 USC 301 et seq., as amended from time to time, or any product licensed or registered pursuant to section 21a-246 or chapter 420f of the general statutes.

Sec. 15. Section 5-156a of the general statutes is amended by adding subsection (h) as follows (Effective July 1, 2019):

(NEW) (h) Any recovery of pension costs from appropriated or nonappropriated sources other than the General Fund and Special Transportation Fund that causes the payments to the State Employees Retirement System to exceed the actuarially determined employer contribution for any fiscal year shall be deposited into the State Employees Retirement Fund as an additional employer contribution at the end of such fiscal year.

Sec. 16. Subsection (h) of section 10-183g of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2019):

(h) A benefit computed under subsections (a) to (d), inclusive, of this section and under subsections (a) to (g), inclusive, of section 10-83aa shall continue until the death of the member. [If]
Notwithstanding the provisions of subsection (a) of section 10-183c, if twenty-five per cent of the aggregate benefits paid to a member before July 1, 2019, and prior to death, plus fifty per cent of the aggregate benefits paid to a member on or after July 1, 2019, and prior to death, are less than such member's accumulated regular contributions, including any one per cent contributions withheld prior to July 1, 1989, and any voluntary contributions plus credited interest, the member's designated beneficiary shall be paid on the death of the member a lump sum amount equal to the difference between such aggregate payments and such accumulated contributions plus credited interest that had been accrued to the date benefits commenced.

Sec. 17. (NEW) (Effective July 1, 2019) Notwithstanding the provisions of chapters 16 and 66 of the general statutes, transportation allowances for members of the General Assembly pursuant to section 2-15 of the general statutes shall be excluded from the calculations of base salary for the purpose of determining the retirement income of any member who retires on or after July 1, 2019.

Sec. 18. Sections 4-66aa and 4-66bb of the general statutes are repealed. (Effective July 1, 2019)

This act shall take effect as follows and shall amend the following sections:

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<td>Sec. 12</td>
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<td>31-273(b)</td>
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Statement of Purpose:
To implement the Governor's budget recommendations.

[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.]