



**PA 22-120—SB 160**

*Public Safety and Security Committee*

**AN ACT CONCERNING INTEREST ON LOTTERY SALES AGENT  
DELINQUENCY ASSESSMENTS AND LOTTERY ADVERTISING**

**SUMMARY:** This act requires that the interest charged on lottery sales agents' (i.e., licensed lottery ticket retailers') delinquency assessments be calculated using simple rather than compound interest, which was the prior practice (see BACKGROUND). By law, delinquency assessments are equal to 10% of the amount due or \$10, whichever is greater, plus interest of 1.5% per month or part of a month from the due date to the payment date.

For delinquency assessments subject to compounding interest and outstanding on June 30, 2022, the act allows sales agents to request a hardship waiver from the Department of Consumer Protection (DCP) commissioner to reduce what is owed, by recalculating the interest owed using simple interest. Sales agents can apply beginning July 1, 2022.

Additionally, the act makes several changes concerning advertising by the Connecticut Lottery Corporation (CLC). Existing law requires CLC to include a prominent and clear statement of the average chances of winning in each advertisement promoting lottery ticket purchases for its retail draw games. The act extends this requirement to its online lottery draw games and requires that the type font for this statement in any written digital or print advertising generally be at least 10% of the size of the largest font included in the ad. For digital advertising posted in a physical retail location however, the act requires the statement to be at least 10% of the size of the largest font displayed that applies to the specific game related to the statement.

Prior law required the above statement on advertisements (1) in newspapers, magazines, and brochures; (2) on posters; and (3) on TV and radio that were at least 30 seconds long for one game. The act instead requires the following to include the odds statement: (1) digital and print advertisements, including social media, email communications, newspapers, magazines, brochures, and posters; (2) video advertisements; and (3) audio-only advertisements, except for ones that are less than 30 seconds long for the sale of tickets for online lottery draw games or online keno.

Lastly, the act makes technical changes.

EFFECTIVE DATE: July 1, 2022

**BACKGROUND**

*Prior Practice Regarding Interest Charged*

A May 5, 2010, declaratory ruling by the executive director for the former

## OLR PUBLIC ACT SUMMARY

Division of Special Revenue held that CGS § 12-569 supports imposing delinquency assessments using compound interest calculations. (PA 11-51 eliminated the division and transferred its responsibilities to DCP.) DCP used compound interest calculations on delinquency assessments prior to this act.

### *Delinquency Assessments*

By law, lottery sales agents are delinquent when they fail to remit money due from their lottery ticket sales by the settlement dates established by CLC. The CLC president is responsible for making delinquency determinations and notifying the DCP commissioner, who in turn must impose the delinquency assessments (CGS § 12-569; Conn. Agencies Regs. §§ 12-568a-1 and -12).