

General Assembly

Raised Bill No. 160

February Session, 2022

LCO No. 1425



Referred to Committee on PUBLIC SAFETY AND SECURITY

Introduced by: (PS)

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

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

- Section 1. Section 12-569 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2022*):
- 3 (a) (1) If the president of the Connecticut Lottery Corporation 4 determines that any lottery sales agent has breached such agent's 5 fiduciary responsibility to the corporation in that the account of such 6 lottery sales agent with respect to moneys received from the sale of 7 lottery tickets has become delinquent in accordance with regulations 8 adopted [as provided in] under section 12-568a, the president shall 9 notify the commissioner of the breach of fiduciary duty and the 10 commissioner shall impose a delinquency assessment upon such 11 account equal to ten per cent of the amount due or ten dollars, 12 whichever amount is greater, plus simple interest at the rate of one and 13 one-half per cent of such amount for each month or fraction of a month 14 from the date such amount is due to the date of payment.
  - (2) A lottery sales agent whose account was delinquent prior to July

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- 16 1, 2022, and whose delinquency assessment was subject to
- 17 compounding interest on June 30, 2022, may apply to the commissioner
- on or after July 1, 2022, for a hardship waiver to reduce the amount of
- 19 interest delinquent, outstanding and payable to an amount based on
- 20 simple interest.

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- 21 (3) Subject to the provisions of section 12-3a, the commissioner may 22 waive all or part of the penalties provided under this subsection when 23 it is proven to the commissioner's satisfaction that the failure to pay such 24 moneys to the state within the time allowed was due to reasonable cause
- and was not intentional or due to neglect.
- 26 (4) Any such delinquent lottery sales agent shall be notified of such delinquency assessment and shall be afforded an opportunity to contest 27 28 the validity and amount of such assessment before the commissioner 29 who may conduct such hearing. Upon request of the president of the 30 Connecticut Lottery Corporation, the commissioner may prepare and 31 sign a warrant directed to any state marshal, constable or any collection 32 agent employed by the Connecticut Lottery Corporation for distraint 33 upon any property of such delinquent lottery sales agent within the 34 state, whether personal or real property. An itemized bill shall be 35 attached to the warrant certified by the commissioner as a true 36 statement of the amount due from such lottery sales agent. Such warrant 37 shall have the same force and effect as an execution issued in accordance 38 with chapter 906. Such warrant shall be levied on any real, personal, 39 tangible or intangible property of such agent and sale made pursuant to 40 such warrant in the same manner and with the same force and effect as 41 a levy and sale pursuant to an execution.
- 42 (b) The commissioner shall adopt regulations in accordance with 43 chapter 54 to carry out the purposes of this section.
- Sec. 2. Section 12-814 of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July* 1, 2022):
  - (a) In each advertisement intended to promote the purchase of lottery

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tickets issued for games authorized under sections 12-563a, [and] 12-800 to 12-818, inclusive, and 12-850 to 12-872, inclusive, the corporation shall include a prominent and clear statement of the average chances of winning per specific lottery ticket. A prominent and clear statement in any written digital or print advertising shall mean a type font no smaller than ten per cent of the largest font included in such advertisement, provided, for digital advertising posted in a physical retail location, the type font shall be no smaller than ten per cent of the largest font displayed that is applicable to the specific game to which the odds apply.

- (b) The provisions of subsection (a) of this section shall apply [only] to (1) <u>digital or print</u> advertisements [in] <u>including</u>, <u>but not limited to</u>, <u>social media</u>, <u>electronic mail communications</u>, newspapers, magazines and brochures and on posters, [and] (2) [television and radio advertisements thirty seconds or longer for one game] <u>video</u> advertisements, and (3) audio-only advertisements, except those that are less than thirty seconds for (A) the sale of tickets for lottery draw games through the Internet, an online service or a mobile application, or (B) keno through the Internet, an online service or a mobile application.
- (c) On or before October 1, 1999, the corporation shall implement a code of standards for all advertisements and other activities intended to promote the purchase of lottery tickets for games authorized pursuant to this chapter. The code of standards shall include the requirement that no advertisement or promotion shall denigrate the character or conduct of nonlottery players or praise the character or conduct of lottery players.
  - (d) The corporation shall not publish the photograph of any person who redeems a winning lottery ticket on the corporation's Internet web site without the prior written consent of such person.
  - (e) If a person who redeems a winning lottery ticket requests to be excluded from the list of winners published on the corporation's Internet web site, the corporation shall remove such person's name from

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such list not later than five days after receiving such request.

This act shall take effect as follows and shall amend the following		
sections:		
Section 1	July 1, 2022	12-569
Sec. 2	July 1, 2022	12-814

## Statement of Purpose:

To (1) specify that simple interest is charged on delinquency assessments of lottery sales agents, (2) allow an agent whose delinquency assessment remains due and was subject to compounding interest to request a hardship waiver from the Commissioner of Consumer Protection to recalculate the interest owed, (3) specify the font size required in lottery advertising statements of the average chances of winning per specific lottery ticket, and (4) expand the types of lottery advertisements that are subject to advertising 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.]

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