

General Assembly

Substitute Bill No. 1058



January Session, 2023

AN ACT CONCERNING THE ATTORNEY GENERAL'S RECOMMENDATIONS REGARDING CONSUMER PROTECTION AND FINANCIAL REPORTING BY CHARITABLE ORGANIZATIONS.

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

- 1 Section 1. Subsections (c) to (f), inclusive, of section 42-110d of the
- 2 general statutes are repealed and the following is substituted in lieu
- 3 thereof (*Effective from passage*):
- 4 (c) In addition to other powers conferred upon the commissioner,
- 5 said commissioner may execute in writing and cause to be served by
- 6 certified mail an investigative demand upon any person suspected of
- 7 using, having used or about to use any method, act or practice declared
- 8 by section 42-110b to be unlawful or upon any person from whom said
- commissioner wants assurance that section 42-110b has not, is not or
- 10 will not be violated. Such investigative demand shall contain a
- 11 description of the method, act or practice under investigation, provide
- 12 a reasonable time for compliance, and require such person to furnish
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under oath or otherwise, as may be specified in said demand, a report

- in writing setting forth relevant facts or circumstances together with 15
- documentary material. Notwithstanding subsection (f) of this section,
- 16 responses to investigative demands issued under this subsection may
- 17 be withheld from public disclosure during the full pendency of the
- 18 investigation.

(d) Said commissioner, in conformance with sections 4-176e to 4-185, inclusive, whenever [he] the commissioner has reason to believe that any person has been engaged or is engaged in an alleged violation of any provision of this chapter, shall mail to such person, by certified mail, a complaint stating the charges and containing a notice of a hearing, to be held upon a day and at a place therein fixed at least fifteen days after the date of such complaint. The person so notified shall have the right to file a written answer to the complaint and charges therein stated and appear at the time and place so fixed for such hearing, in person or otherwise, with or without counsel, and submit testimony and be fully heard. Any person may make application, and upon good cause shown shall be allowed by the commissioner to intervene and appear in such proceeding by counsel or in person. The testimony in any such proceeding, including the testimony of any intervening person, shall be under oath and shall be reduced to writing by the recording officer of the hearing and filed in the office of the commissioner. The commissioner or [his] the commissioner's authorized representatives shall have the power to require by subpoena the attendance and testimony of witnesses and the production of any documentary material at such proceeding. If upon such hearing the commissioner is of the opinion that the method of competition or the act or practice in question is prohibited by this chapter, the commissioner shall make a report in writing to the person complained of in which [he] the commissioner shall state [his] the commissioner's findings as to the facts and shall forward by certified mail to such person an order to cease and desist from using such methods of competition or such act or practice, or, if the amount involved is less than ten thousand dollars, an order directing restitution, or both. The commissioner may apply for the enforcement of any cease and desist order, order directing restitution or consent order issued under this chapter to the superior court for the judicial district of Hartford, or to any judge thereof if the same is not in session, for orders temporarily and permanently restraining and enjoining any person from continuing violations of such cease and desist order, order directing restitution or consent order. Such application for a temporary restraining order, temporary and permanent injunction, order directing

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- restitution and for such other appropriate decree or process shall be brought and the proceedings thereon conducted by the Attorney General.
- (e) In addition to any injunction issued pursuant to subsection (d) of this section, the court may make such additional orders or judgments as may be necessary to restore to any person in interest any moneys or property, real or personal, which may have been acquired by means of any practices prohibited by this chapter, including the appointment of a receiver or the revocation of a license or certificate authorizing the person subject to the order or injunction to engage in business in this state, or both.
- (f) The commissioner or the Attorney General or their employees shall disclose, in accordance with the provisions of the Freedom of Information Act, as defined in section 1-200, all records concerning the investigation of any alleged violation of any provision of this chapter, including, but not limited to, any complaint initiating an investigation and all records of the disposition or settlement of a complaint. For purposes of this section, "disposition" shall include the following action or nonaction with respect to any complaints or investigations: [(A)] (1) No action taken because of [(i)] (A) a lack of jurisdiction, [; (ii)] (B) unsubstantiated allegations, or [(iii)] (C) a lack of sufficient information to draw a conclusion, as determined by the commissioner, after investigation; [(B)] (2) referral to another state agency, or to a federal or local agency, or to law enforcement authorities; [(C)] (3) an acceptance of an assurance of voluntary compliance in accordance with the provisions of section 42-110j; and [(D)] (4) formal action taken, including the institution of administrative proceedings pursuant to subsection (d) of this section or court proceedings pursuant to section 42-110m, 42-110o or 42-110p. The commissioner may withhold such records from disclosure during the pendency of an investigation or examination held in accordance with subsection (a) of this section, but in no event shall the commissioner withhold any such records longer than a period of eighteen months after the date on which the initial complaint was filed

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- with the commissioner or after the date on which the investigation or examination was commenced, whichever is earlier. Nothing herein shall be deemed to affect the rights of litigants, including parties to administrative proceedings, under the laws of discovery of this state.
- 91 Sec. 2. Subsection (c) of section 35-42 of the general statutes is 92 repealed and the following is substituted in lieu thereof (*Effective July 1*, 93 2023):
 - (c) (1) All documentary material furnished to the Attorney General, [his or her] the Attorney General's deputy or any assistant attorney general designated by the Attorney General, pursuant to a demand issued under subsection (a) of this section, shall be held in the custody of the Attorney General, or the Attorney General's designee, and shall not be available to the public. Such documentary material shall be returned to the person furnishing such documentary material, or, if such person furnishes such documentary material in an electronic format, erased, upon the termination of the Attorney General's investigation or final determination of any action or proceeding commenced thereunder.
 - (2) All documentary material or other information furnished voluntarily to the Attorney General, [his or her] the Attorney General's deputy or any assistant attorney general designated by the Attorney General, for suspected violations of the provisions of this chapter, and the identity of the person furnishing such documentary material or other information, shall be held in the custody of the Attorney General, or the Attorney General's designee, and shall not be available to the public. Such documentary material or other information shall be returned to the person furnishing such documentary material or other information, or, if such person furnishes such documentary material or other information in an electronic format, erased, upon the termination of the Attorney General's investigation or final determination of any action or proceeding commenced thereunder.
- Sec. 3. Subsection (d) of section 4-61dd of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1*,

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120 (d) The Attorney General may summon witnesses, require the 121 production of any necessary books, papers or other documents and 122 administer oaths to witnesses, where necessary, for the purpose of an 123 investigation pursuant to this section or for the purpose of investigating 124 a suspected violation of subsection (a) of section 4-275 until such time as 125 the Attorney General files a civil action pursuant to section 4-276. 126 Service of a subpoena ad testificandum, subpoena duces tecum and a 127 notice of deposition, may be made by: (1) Personal service or service at 128 the usual place of abode; or (2) registered or certified mail, return receipt 129 requested, a duly executed copy thereof addressed to the person to be 130 served at such person's principal place of business in this state, or, if 131 such person has no principal place of business in this state, at such 132 person's principal office or such person's residence. Upon the 133 conclusion of the investigation, the Attorney General shall where 134 necessary, report any findings to the Governor, or in matters involving 135 criminal activity, to the Chief State's Attorney. In addition to the exempt 136 records provision of section 1-210, the Auditors of Public Accounts and 137 the Attorney General shall not, after receipt of any information from a 138 person under the provisions of this section or sections 4-276 to 4-280, 139 inclusive, disclose the identity of such person without such person's 140 consent unless the Auditors of Public Accounts or the Attorney General 141 determines that such disclosure is unavoidable, and may withhold 142 records of such investigation, during the pendency of the investigation. 143 All documentary material or other information furnished to the 144 Attorney General, [his or her] the Attorney General's deputy or any 145 assistant attorney general designated by the Attorney General, pursuant 146 to a demand issued under this subsection for the purpose of 147 investigating a suspected violation of subsection (a) of section 4-275, 148 shall be returned to the person furnishing such documentary material 149 or other information, or, if such person furnished such documentary 150 material or other information in an electronic format, erased, upon the 151 termination of the Attorney General's investigation or final 152 determination of any action or proceeding commenced thereunder.

Sec. 4. Section 36a-701b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):

(a) For purposes of this section, (1) "breach of security" means unauthorized access to or unauthorized acquisition of electronic files, media, databases or computerized data, containing personal information when access to the personal information has not been secured by encryption or by any other method or technology that renders the personal information unreadable or unusable; and (2) "personal information" means an individual's (A) first name or first initial and last name in combination with any one, or more, of the following data: (i) Social Security number; (ii) taxpayer identification number; (iii) identity protection personal identification number issued by the Internal Revenue Service; (iv) driver's license number, state identification card number, passport number, military identification number or other identification number issued by the government that is commonly used to verify identity; (v) credit or debit card number; (vi) financial account number in combination with any required security code, access code or password that would permit access to such financial account; (vii) medical information regarding an individual's medical history, mental or physical condition, or medical treatment or diagnosis by a health care professional; (viii) health insurance policy number or subscriber identification number, or any unique identifier used by a health insurer to identify the individual; [or] (ix) biometric information consisting of data generated by electronic measurements of an individual's unique physical characteristics used to authenticate or ascertain the individual's identity, such as a fingerprint, voice print, retina or iris image; or (x) precise geolocation data, as defined in section 42-515; or (B) user name or electronic mail address, in combination with a password or security question and answer that would permit access to an online account. "Personal information" does not include publicly available information that is lawfully made available to the general public from federal, state or local government records or widely distributed media.

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- (b) (1) Any person who owns, licenses or maintains computerized data that includes personal information, shall provide notice of any breach of security following the discovery of the breach to any resident of this state whose personal information was breached or is reasonably believed to have been breached. Such notice shall be made without unreasonable delay but not later than sixty days after the discovery of such breach, unless a shorter time is required under federal law, subject to the provisions of subsection (d) of this section. If the person identifies additional residents of this state whose personal information was breached or reasonably believed to have been breached following sixty days after the discovery of such breach, the person shall proceed in good faith to notify such additional residents as expediently as possible. Such notification shall not be required if, after an appropriate investigation the person reasonably determines that the breach will not likely result in harm to the individuals whose personal information has been acquired or accessed.
- (2) If notice of a breach of security is required by subdivision (1) of this subsection:
 - (A) The person who owns, licenses or maintains computerized data that includes personal information, shall, not later than the time when notice is provided to the resident, also provide notice of the breach of security to the Attorney General; and
 - (B) The person who owns or licenses computerized data that includes personal information, shall offer to each resident whose personal information under clause (i) or (ii) of subparagraph (A) of subdivision (2) of subsection (a) of this section was breached or is reasonably believed to have been breached, appropriate identity theft prevention services and, if applicable, identity theft mitigation services. Such service or services shall be provided at no cost to such resident for a period of not less than [twenty-four months] two years. Such person shall provide all information necessary for such resident to enroll in such service or services and shall include information on how such resident can place a credit freeze on such resident's credit file.

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- (c) Any person that maintains computerized data that includes personal information that the person does not own shall notify the owner or licensee of the information of any breach of the security of the data immediately following its discovery, if the personal information of a resident of this state was breached or is reasonably believed to have been breached.
- (d) Any notification required by this section shall be delayed for a reasonable period of time if a law enforcement agency determines that the notification will impede a criminal investigation and such law enforcement agency has made a request that the notification be delayed. Any such delayed notification shall be made after such law enforcement agency determines that notification will not compromise the criminal investigation and so notifies the person of such determination.
- (e) Any notice to a resident, owner or licensee required by the provisions of this section may be provided by one of the following methods, subject to the provisions of subsection (f) of this section: (1) Written notice; (2) telephone notice; (3) electronic notice, provided such notice is consistent with the provisions regarding electronic records and signatures set forth in 15 USC 7001; (4) substitute notice, provided such person demonstrates in the notice provided to the Attorney General that the cost of providing notice in accordance with subdivision (1), (2) or (3) of this subsection would exceed two hundred fifty thousand dollars, that the affected class of subject persons to be notified exceeds five hundred thousand persons or that the person does not have sufficient contact information. Substitute notice shall consist of the following: (A) Electronic mail notice when the person has an electronic mail address for the affected persons; (B) conspicuous posting of the notice on the web site of the person if the person maintains one; and (C) notification to major state-wide media, including newspapers, radio and television.
- (f) (1) In the event of a breach of login credentials under subparagraph (B) of subdivision (2) of subsection (a) of this section, notice to a resident may be provided in electronic or other form that directs the resident whose personal information was breached or is

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reasonably believed to have been breached to promptly change any password or security question and answer, as applicable, or to take other appropriate steps to protect the affected online account and all other online accounts for which the resident uses the same user name or electronic mail address and password or security question and answer.

- (2) Any person that furnishes an electronic mail account shall not comply with this section by providing notification to the electronic mail account that was breached or reasonably believed to have been breached if the person cannot reasonably verify the affected resident's receipt of such notification. In such an event, the person shall provide notice by another method described in this section or by clear and conspicuous notice delivered to the resident online when the resident is connected to the online account from an Internet protocol address or online location from which the person knows the resident customarily accesses the account.
- (g) Any person that maintains such person's own security breach procedures as part of an information security policy for the treatment of personal information and otherwise complies with the timing requirements of this section, shall be deemed to be in compliance with the security breach notification requirements of this section, provided such person notifies, as applicable, residents of this state, owners and licensees in accordance with such person's policies in the event of a breach of security and in the case of notice to a resident, such person also notifies the Attorney General not later than the time when notice is provided to the resident. Any person that maintains such a security breach procedure pursuant to the rules, regulations, procedures or guidelines established by the primary or functional regulator, as defined in 15 USC 6809(2), shall be deemed to be in compliance with the security breach notification requirements of this section, provided (1) such person notifies, as applicable, such residents of this state, owners, and licensees required to be notified under and in accordance with the policies or the rules, regulations, procedures or guidelines established by the primary or functional regulator in the event of a breach of

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- security, and (2) if notice is given to a resident of this state in accordance with subdivision (1) of this subsection regarding a breach of security, such person also notifies the Attorney General not later than the time when notice is provided to the resident.
- (h) Any person that is subject to and in compliance with the privacy and security standards under the Health Insurance Portability and Accountability Act of 1996 and the Health Information Technology for Economic and Clinical Health Act ("HITECH") shall be deemed to be in compliance with this section, provided that (1) any person required to provide notification to Connecticut residents pursuant to HITECH shall also provide notice to the Attorney General not later than the time when notice is provided to such residents if notification to the Attorney General would otherwise be required under subparagraph (A) of subdivision (2) of subsection (b) of this section, and (2) the person otherwise complies with the requirements of subparagraph (B) of subdivision (2) of subsection (b) of this section.
- (i) All documents, materials and information provided in response to an investigative demand issued pursuant to subsection (c) of section 42-110d, as amended by this act, in connection with the investigation of a breach of security as defined by this section shall be exempt from public disclosure under subsection (a) of section 1-210, provided the Attorney General may make such documents, materials or information available to third parties in furtherance of such investigation.
- (j) Failure to comply with the requirements of this section shall constitute an unfair trade practice for purposes of section 42-110b and shall be enforced by the Attorney General.
- 311 (k) Any civil penalties collected for failure to comply with the 312 requirements of this section may be deposited into the privacy 313 protection guaranty and enforcement account established pursuant to 314 section 42-472a, as amended by this act.
- Sec. 5. Subsections (d) to (h), inclusive, of section 42-471 of the general

316	statutes are repealed and the following is substituted in lieu thereof		
317	(Effective July 1, 2023):		
318	(d) [For] (1) Except as provided in subdivision (2) of this subsection		
	(d) [For] (1) Except as provided in subdivision (2) of this subsection,		
319	<u>for</u> persons who hold a license, registration or certificate issued by, or a		
320	charter subject to the supervision of, a state agency other than the		
321	Department of Consumer Protection, this section shall be enforceable		
322	only by such other state agency pursuant to such other state agency's		
323	existing statutory and regulatory authority.		
324	(2) The provisions of subdivision (1) of this subsection shall not apply		
325	to actions undertaken by the Attorney General.		
326	(e) [Any person or entity that violates the provisions of this section		
327	shall be subject to a civil penalty of five hundred dollars for each		
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	violation, provided such civil penalty shall not exceed five hundred		
329	thousand dollars for any single event. It shall not be a violation of this		
330	section if such violation was unintentional.] A violation of this section		
331	shall constitute an unfair trade practice under subsection (a) of section		
332	<u>42-110b.</u>		
333	(f) The provisions of this section shall not apply to any agency or		
334	political subdivision of the state.		
335	(g) If a financial institution has adopted safeguards that comply with		
336	the standards established pursuant to Section 501(b) of the Gramm-		
337	Leach-Bliley Act of 1999, 15 USC 6801, then such compliance shall		
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338	constitute compliance with the provisions of this section.		
339	(h) Any civil penalties received pursuant to this section [shall] may		
340	be deposited into the privacy protection guaranty and enforcement		
341	account established pursuant to section 42-472a, as amended by this act.		
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Sec. 6. Section 42-472a of the general statutes is repealed and the

(a) There is established a "privacy protection guaranty and

following is substituted in lieu thereof (*Effective October 1, 2023*):

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345 enforcement account" which shall be a nonlapsing account within the 346 General Fund. The account may contain any moneys required by law to 347 be deposited in the account. The account shall be used by the Commissioner of Consumer Protection: (1) For the reimbursement of 348 349 losses (A) sustained by individuals injured by a violation of the 350 provisions of section 42-470, 42-471, as amended by this act, 42-471a, [or] 351 42-472b, 52-571h or 53-454 or any regulation adopted pursuant to 352 section 42-472d, or (B) pursuant to the claims process established in 353 subsections (f) and (g) of this section; (2) for the assignment of restitution 354 ordered by a court of competent jurisdiction as the result of a violation 355 of the provisions of section 21-120, 21-121, subsection (e) of section 42-356 470, section 53a-127, 53a-129b, 53a-129c, 53a-129d, 53a-129e or 53a-130, 357 18 USC 1028 or 18 USC 1028A, where such restitution is owed to a victim 358 who is a resident of this state on the date of such order or the date of 359 such violation; and [(2)] (3) for the enforcement of the provisions of (A) section 36a-701b, as amended by this act, 42-470, 42-471, as amended by 360 this act, 42-471a or 42-472b or any regulation adopted by the 361 362 Commissioner of Consumer Protection pursuant to section 42-472d, or 363 (B) section 53-454 by the Attorney General.

- (b) Payments received pursuant to <u>subsection</u> (g) of section 36a-701b, as amended by this act, section 42-470, 42-471, as amended by this act, 42-471a, [or] 42-472b or 54-360 or any regulation adopted pursuant to section 42-472d, shall be credited to the privacy protection guaranty and enforcement account <u>until</u> the balance in said account equals two hundred fifty thousand dollars, and any portion of such balance that exceeds such amount shall be deposited in the General Fund. Any money in the privacy protection guaranty and enforcement account may be invested or reinvested and any interest arising from such investments shall be credited to said account.
- (c) Whenever an individual obtains a court judgment against any person or entity for a violation of section 42-470, 42-471, as amended by this act, 42-471a, [or] 42-472b, 52-571h or 53-454 or any regulation adopted pursuant to section 42-472d, such individual may, upon the

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final determination of, or expiration of time for appeal in connection with any such judgment, apply to the Commissioner of Consumer Protection for an order directing payment out of [said] the privacy protection guaranty and enforcement account of the amount unpaid upon the judgment for actual damages and costs taxed by the court against the person or entity, exclusive of punitive damages. The application shall be made on forms provided by the commissioner and shall be accompanied by a certified copy of the court judgment, order or decree obtained against the person or entity, together with a notarized affidavit, signed and sworn to by the individual, affirming that the individual: (1) Has complied with all the requirements of this subsection; (2) has obtained a judgment, order or decree stating the amount thereof and the amount owing thereon at the date of application; and (3) except for a judgment obtained by the individual in small claims court, has caused to be issued a writ of execution upon such judgment, and the officer executing the same has made a return showing that no bank accounts or real property of the person or entity liable to be levied upon in satisfaction of the judgment could be found, or that the amount realized on the sale of them or of such of them as were found, under the execution, was insufficient to satisfy the actual damage portion of the judgment, or stating the amount realized and the balance remaining due on the judgment after application thereon of the amount realized. A true and attested copy of such executing officer's return, when required, shall be attached to such application and affidavit.

(d) Whenever an individual who is a victim of identity theft receives an order of restitution for a violation of section 21-120, 21-121, subsection (e) of section 42-470, section 53a-127g, 53a-129b, 53a-129c, 53a-129d, 53a-129e or 53a-130, 18 USC 1028 or 18 USC 1028A, where such victim is a resident of this state on the date of such order or the date of such violation, such victim may apply to the Commissioner of Consumer Protection for an order directing payment out of the privacy protection guaranty and enforcement account. Such victim shall make such application on forms provided by the commissioner, and such

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application shall be accompanied by: (1) A copy of the court judgment, order or decree obtained against the person who, or entity that, committed such identity theft; and (2) a notarized affidavit, signed and sworn to by such victim, affirming that such victim (A) has complied with the requirements established in this subsection, and (B) has been awarded an order of restitution, and stating (i) the amount of such judgment, order or decree, and (ii) the amount owing on such judgment, order or decree on the date of such application.

[(d)] (e) Upon receipt of such application <u>made pursuant to</u> <u>subsection</u> (c) or (d) of this <u>section</u> together with such certified copy of the court judgment, notarized affidavit and true and attested copy of the executing officer's return, when <u>applicable and</u> required, the [commissioner] <u>Commissioner of Consumer Protection</u> or the commissioner's designee shall inspect such documents for their veracity and upon a determination that such documents are complete and authentic, and a determination that the individual has not been paid, the commissioner shall order payment out of [said] <u>the privacy protection guaranty and enforcement</u> account of the amount unpaid upon the judgment for actual damages and costs taxed by the court against the person or entity, exclusive of punitive damages.

[(e)] (f) Whenever an individual is awarded an order of restitution against any person or entity for loss or damages sustained by reason of a violation of section 42-470, 42-471a, [or] 42-472b, 52-571h or 53-454 or any regulation adopted pursuant to section 42-472d in a proceeding brought by the Attorney General at the request of the [commissioner] Commissioner of Consumer Protection pursuant to section 42-470 or 42-471, as amended by this act, or in a proceeding brought by the Attorney General, such individual may, upon the final determination of [,] or expiration of time for appeal in connection with any such order of restitution, apply to the commissioner for an order directing payment out of [said] the privacy protection guaranty and enforcement account of the amount unpaid upon the order of restitution. The commissioner may issue such order upon a determination that the individual has not

445 been paid.

- (g) (1) Subject to the provisions of subdivision (2) of this subsection, in the event that an individual who is a victim of identity theft, as defined in section 53a-129a, would not otherwise qualify for payment from the privacy protection guaranty and enforcement account pursuant to subsection (c) or (d) of this section, such individual may apply to the Commissioner of Consumer Protection for an order directing payment out of the privacy protection guaranty and enforcement account in the amount incurred or lost by such individual due to such identity theft within the prior three years in an amount not to exceed (A) five thousand dollars to reimburse such individual for reasonable costs, including, but not limited to, documented lost wages or costs to resolve or mitigate the effects of such identity theft, and (B) fifteen thousand dollars for actual losses.
- (2) An individual who submits an application to the commissioner pursuant to subdivision (1) of this subsection shall attest to the commissioner, on a form provided by the commissioner, that (A) the individual is a victim of identity theft, as defined in section 53a-129a, and (B) the person or persons who committed such identity theft (i) cannot reasonably be determined or identified, or (ii) have been identified, but such person or persons have not been prosecuted due to any reason other than the noncooperation of such individual except where such noncooperation is due to domestic violence as defined in subsection (b) of section 46b-1.
- (h) (1) Upon receipt of an application made pursuant to subsection (g) of this section and any supporting evidence required by the Commissioner of Consumer Protection, the commissioner or the commissioner's designee shall inspect such application and supporting evidence for their veracity and issue an order directing payment out of the privacy protection guaranty and enforcement account upon a reasonable determination that (A) the individual who submitted such application is likely a victim of identity theft, as defined in section 53a-129a, and (B) the person or persons who committed such identity theft

- (i) cannot reasonably be determined or identified, or (ii) have been identified, but such person or persons have not been prosecuted due to any reason other than the noncooperation of such individual except where such noncooperation is due to domestic violence as defined in subsection (b) of section 46b-1.
 - (2) The amount of the payment made pursuant to subdivision (1) of this subsection shall be in the amount incurred or lost by the individual due to the identity theft within the prior three years, which amount shall not exceed (A) five thousand dollars to reimburse such individual for reasonable costs, including, but not limited to, time spent and efforts made to resolve or mitigate the effects of such identity theft, and (B) fifteen thousand dollars for actual losses.
 - [(f)] (i) Before the [commissioner] Commissioner of Consumer <u>Protection</u> shall issue any order directing payment out of the <u>privacy</u> protection guaranty and enforcement account to an individual pursuant to subsections (a) to (g), inclusive, and (j) to (q), inclusive, of this section, the commissioner shall first notify the person or entity of the individual's application for an order directing payment out of the account and of the person or entity's right to a hearing to contest the disbursement in the event that the person or entity has already paid the individual. Such notice shall be given to the person or entity not later than fifteen days after the receipt by the commissioner of the individual's application for an order directing payment out of said account. If the person or entity requests a hearing in writing by certified mail not later than fifteen days after receipt of the notice from the commissioner, the commissioner shall grant such request and shall conduct a hearing in accordance with the provisions of chapter 54. If the commissioner receives no written request by certified mail from the person or entity for a hearing not later than fifteen days after the person's or entity's receipt of such notice, the commissioner shall determine that the individual has not been paid, and the commissioner shall issue an order directing payment out of said account for the amount unpaid upon the judgment for actual damages and costs taxed

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- by the court against the person or entity, exclusive of punitive damages,or for the amount unpaid upon the order of restitution.
- 513 [(g)] (j) The [commissioner] Commissioner of Consumer Protection 514 or the commissioner's designee may proceed against any person or 515 entity for an order of restitution arising from loss or damages sustained 516 by any individual by reason of such person's or entity's violation of any 517 of the provisions of section 42-470, 42-471, as amended by this act, 42-518 471a or 42-472b or any regulation adopted pursuant to section 42-472d. 519 Any such proceeding shall be held in accordance with the provisions of 520 chapter 54. In the course of such proceeding, the commissioner or the 521 commissioner's designee shall decide whether to order restitution 522 arising from such loss or damages, and whether to order payment out 523 of [said] the privacy protection guaranty and enforcement account. The 524 commissioner or the commissioner's designee may hear complaints of 525 all individuals submitting claims against a single person or entity in one 526 proceeding.
 - [(h)] (k) No application for an order directing payment out of [said] the privacy protection guaranty and enforcement account shall be made later than three years from the final determination of or expiration of time for appeal in connection with any judgment or order of restitution or, for an application made pursuant to subsection (g) of this section, more than three years after the date of the loss or damages.
 - [(i)] (1) Whenever an individual satisfies the [commissioner] Commissioner of Consumer Protection or the commissioner's designee that it is not practicable to comply with the requirements of subdivision (3) of subsection (c) of this section and that the individual has taken all reasonable steps to collect the amount of the judgment or the unsatisfied part thereof and has been unable to collect the same, said commissioner or said designee may, in [his or her] said commissioner's or designee's discretion, dispense with the necessity for complying with such requirement.
 - [(j)] (m) In order to preserve the integrity of [said] the privacy

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- protection guaranty and enforcement account, the [commissioner] Commissioner of Consumer Protection, in [his or her] the commissioner's sole discretion, may order payment out of said account of an amount less than the actual loss or damages incurred by the individual or less than the order of restitution awarded by the commissioner or the Superior Court.
- [(k)] (n) If the money deposited in [said] the privacy protection guaranty and enforcement account is insufficient to satisfy any duly authorized claim or portion thereof, the [commissioner] Commissioner of Consumer Protection shall, when sufficient money has been deposited in the account, satisfy such unpaid claims or portions thereof, in the order that such claims or portions thereof were originally determined.
 - [(l) When] (o) Except as provided in subsection (h) of this section, when the [commissioner] Commissioner of Consumer Protection has caused any sum to be paid from [said] the privacy protection guaranty and enforcement account to an individual, the commissioner shall be subrogated to all of the rights of the individual up to the amount paid plus reasonable interest, and prior to receipt of any payment from said account, the individual shall assign all of this right, title and interest in the claim up to such amount to the commissioner, and any amount and interest recovered by the commissioner on the claim shall be deposited in said account.
 - [(m)] (p) If the [commissioner] <u>Commissioner of Consumer Protection</u> orders the payment of any amount as a result of a claim against any party, said commissioner shall determine if the person or entity is possessed of assets liable to be sold or applied in satisfaction of the claim on [said] <u>the privacy protection guaranty and enforcement</u> account. If the commissioner discovers any such assets, the Attorney General shall take any action necessary for the reimbursement of said account.
- [(n)] (q) If the [commissioner] Commissioner of Consumer Protection

orders the payment of an amount as a result of a claim against any party, said commissioner may enter into an agreement with the party whereby the party agrees to repay [said] the privacy protection guaranty and enforcement account in full in the form of periodic payments over a set period of time.

Sec. 7. Subsection (a) of section 42-520 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2023*):

(a) A controller shall: (1) Limit the collection of personal data to what is adequate, relevant and reasonably necessary in relation to the purposes for which such data is processed, as disclosed to the consumer; (2) except as otherwise provided in sections 42-515 to 42-525, inclusive, not process personal data for purposes that are neither reasonably necessary to, nor compatible with, the disclosed purposes for which such personal data is processed, as disclosed to the consumer, unless the controller obtains the consumer's consent; (3) establish, implement and maintain reasonable administrative, technical and physical data security practices to protect the confidentiality, integrity and accessibility of personal data appropriate to the volume and nature of the personal data at issue; (4) not process sensitive data concerning a consumer without obtaining the consumer's consent, or, in the case of the processing of sensitive data concerning a known child, without processing such data in accordance with COPPA; (5) not process personal data in violation of the laws of this state and federal laws that prohibit unlawful discrimination against consumers; (6) provide an effective mechanism for a consumer to revoke the consumer's consent under this section that is at least as easy as the mechanism by which the consumer provided the consumer's consent and, upon revocation of such consent, cease to process the data as soon as practicable, but not later than fifteen days after the receipt of such request; and (7) not process the personal data of a consumer for purposes of targeted advertising, or sell the consumer's personal data without the consumer's consent, under circumstances where a controller has actual knowledge,

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- [and] or wilfully disregards, that the consumer is at least thirteen years of age but younger than sixteen years of age. A controller shall not discriminate against a consumer for exercising any of the consumer rights contained in sections 42-515 to 42-525, inclusive, including denying goods or services, charging different prices or rates for goods or services or providing a different level of quality of goods or services to the consumer.
- Sec. 8. Section 53-289a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):
- (a) As used in this section, "service charge" means any additional fee
 or charge that is designated as an "administrative fee", "service fee" or
 "surcharge" or by using another substantially similar term.
 - (b) No person shall advertise the prices of tickets to any entertainment event, including, but not limited to, any place of amusement, arena, stadium, theater, performance, sport, exhibition or athletic contest given in this state for which a service charge is imposed for the sale of a ticket at the site of the event, without conspicuously disclosing in such advertisement, whether displayed at the site of the event or elsewhere, the total price for each ticket and what portion of each ticket price, stated in a dollar amount, represents a service charge.
 - (c) If a price is charged for admission to a place of entertainment, the operator of the place of entertainment shall print or endorse on the face of each ticket to an entertainment event at such place of entertainment (1) the price established for such ticket, or (2) if such operator, or such operator's agent, sells or resells such ticket at auction, the final auction price of such ticket.
 - (d) (1) Any person that facilitates the sale or resale of a ticket to an entertainment event shall (A) disclose the total price of such ticket, which total price shall include all service charges required to purchase such ticket, and (B) disclose, in a clear and conspicuous manner, to the purchaser of such ticket the portion of the total ticket price, expressed

640	purchaser for such ticket.			
641	(2) The disclosures required under subdivision (1) of this subsection			
642	shall be displayed in the ticket listing before the ticket is selected for			
643	purchase. The total ticket price shall not increase during the ticket			
644	purchasing process, except a reasonable fee may be charged for deliver			
645	of a nonelectronic ticket if (A) such fee is based on the delivery metho			
646	selected by the ticket purchaser, and (B) such delivery fee is disclosed t			
647	such purchaser before such purchaser purchases such ticket.			
648	(3) No disclosure required under this subsection shall be (A) false or			
649	misleading, (B) presented more prominently than the total ticket price			
650	or (C) displayed in a font size that is as large or larger than the font size			
651	in which the total ticket price is displayed.			
652	Sec. 9. Section 42-284 of the general statutes is repealed and the			
653	following is substituted in lieu thereof (<i>Effective October 1, 2023</i>):			
654	As used in this section and sections [42-284] 42-285 to 42-288			
655	inclusive, as amended by this act:			
656	(1) "Automated dialing system or recorded message device" means a			
657	device that (A) automatically dials a telephone number and plays a			
658	recorded message once a connection is made, or (B) makes a connection			
659	to an end user by means of an automated system that is used to dial a			
660	telephone number and transmit a voice communication;			
661	[(1)] (2) "Consumer" means an actual or prospective purchaser, lessee			
662	or recipient of goods or services;			
663	(3) "Consumer goods or services" means articles or services that are			
664	purchased, leased, exchanged or received primarily for personal, family			
665	or household purposes, and includes, but is not limited to, warranties			
666	gift cards, stocks, bonds, mutual funds, annuities and other financial			
667	products;			

as a dollar amount, that is attributable to service charges charged to such

- (4) "Marketing or sales solicitation" means the initiation of a 668 669 communication, including, but not limited to, a communication made using a telephone call or message, an automated dialing system or 670 671 recorded message device, a call using soundboard technology, an over-672 the-top message or a text or media message, to encourage the purchase 673 or rental of, or investment in, property, goods or services that is transmitted to any consumer residing in this state, but does not include 674 the initiation of any such communication (A) to any such consumer with 675 such consumer's prior express written consent, or (B) to any such 676 consumer in response to a visit made by such consumer to an 677 establishment selling, leasing or exchanging consumer goods or services 678 at a fixed location; 679
- 680 (5) "Over-the-top message" means a text-based communication on a platform that uses existing Internet services to deliver messages;
- [(2)] (6) "Person" means [a natural person] <u>an individual</u>, corporation, trust, partnership, incorporated or unincorporated association and any other legal entity; [and]
- 685 (7) "Prior express written consent" means a written agreement bearing (A) the signature of a consumer residing in this state whom a 686 687 telemarketer or telephone solicitor calls or contacts that clearly and 688 conspicuously authorizes the telemarketer or telephone solicitor to 689 deliver, or cause to be delivered, to such consumer advertisements or 690 telemarketing messages by using a telephone system, an automated dialing system or recorded message device, a call using soundboard 691 technology, an over-the-top message or a text or media message, and (B) 692 693 the telephone number to which such consumer authorizes such telemarketer or telephone solicitor to deliver, or cause to be delivered, 694 695 such advertisements or telemarketing messages;
 - (8) "Soundboard technology" means a technology that allows an individual to communicate with a call recipient in real-time by playing a recorded audio message instead of using the individual's voice;

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[(3)] (9) "Telemarketer" means any person who initiates the sale, lease or rental of consumer goods or services, or offers gifts or prizes with the intent to sell, lease or rent consumer goods by: (A) Telephonic means; [or] (B) use of television, radio or printed advertisement, postcard or other written notice with requests that the consumer contact the seller by telephone to inquire about goods or services and such advertisement, postcard or notice does not contain the price or a description of the goods or services; (C) automated dialing system or recorded message device; (D) soundboard technology; (E) over-the-top message; or (F) text or media message;

(10) "Telephone solicitor" means any individual, association, corporation, partnership, limited partnership, limited liability company, nonprofit corporation or other business entity, or a subsidiary or affiliate thereof, doing business in this state that makes, or causes to be made, a telephonic sales call;

(11) "Telephonic sales call" (A) means a telephone call made to a consumer residing in this state by or on behalf of a telephone solicitor regardless of whether such call is made using an automated dialing system or recorded message device or soundboard technology, or an over-the-top message or a text or media message, for the purpose of (i) engaging in a marketing or sales solicitation, (ii) soliciting an extension of credit for consumer goods or services, (iii) obtaining information that will or may be used for a marketing or sales solicitation or an exchange or extension of credit for consumer goods or services, (iv) encouraging such consumer to share any personally identifying information or purchase or invest in any property, goods, services or other thing of value if such consumer did not previously express any interest in sharing such personally identifying information or purchasing or investing in such property, goods, services or other thing of value, or (v) soliciting such consumer to donate any money, property, goods, services or other thing of value if such consumer did not previously express any interest in donating such money, property, goods, services or other thing of value, and (B) does not include a telephone call or

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message described in subparagraph (A) of this subdivision if such call is made or message is sent (i) in response to a request or inquiry made by a consumer residing in this state, including a call or message concerning an item that such consumer purchased from the telephone solicitor during the twelve-month period preceding such call or message, (ii) a call made or message sent by a nonprofit organization to a consumer residing in this state who is on a list of bona fide or active members of such nonprofit organization, (iii) a call or message that is limited to polling or soliciting votes or the expression of an idea or opinion, (iv) a call made or message sent as part of a business-tobusiness contact, (v) a call made or message sent to a consumer residing in this state who granted prior express written consent to receiving such call or message, (vi) a call made or message sent primarily in connection with an existing debt or contract, payment or performance of which has not been completed at the time of such call or message, (vii) a call made or message sent to an existing customer of a telephone solicitor unless such customer previously informed the telephone solicitor, orally or in writing, that such customer no longer wishes to receive such calls or messages from such telephone solicitor, or (viii) a call made or message sent for a religious, charitable, political or other noncommercial purpose; and

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(12) "Text or media message" (A) means a message that consists of text or any image, sound or other information that is transmitted by or to a device that is identified as the device that sent or received such text, image, sound or information by using a ten-digit telephone number or a N11 service code, (B) includes a short message and multimedia message service that contains written, audio, video or photographic content and is sent electronically to a mobile telephone or mobile electronic device telephone number, and (C) does not include electronic mail sent to an electronic mail address.

Sec. 10. Subsection (b) of section 42-285 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October* 1, 2023):

- 765 (b) The contract shall include, but shall not be limited to, the following information:
- 767 (1) The <u>telemarketer's legal</u> name, address, [and] telephone number, 768 [of the telemarketer] <u>headquarters location and home state or country</u> 769 for entity registration purposes;
- 770 (2) A list of all prices or fees being charged including any handling, 771 shipping, delivery or other charges;
- 772 (3) The date of the transaction;
- 773 (4) A detailed description of the goods or services being sold, leased 774 or rented; and
- (5) In ten-point boldface type, in a space immediately preceding the space allotted for the consumer's signature, the following statement:
 "YOU ARE NOT OBLIGATED TO PAY ANY MONEY UNLESS YOU SIGN THIS CONTRACT AND RETURN IT TO THE ADDRESS CONTAINED IN THIS CONTRACT".
- Sec. 11. Section 42-286 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):
- (a) A telemarketer shall not accept payment <u>in any form</u> from a consumer, or make or submit any charge to the consumer's credit card, <u>charge card, debit card or electronic payment platform</u> account, unless the telemarketer has received from the consumer a contract, signed by the consumer, which complies with section 42-285, as amended by this act.
 - (b) In the event that the consumer sends payment to the telemarketer, or the telemarketer makes or submits a charge to the consumer's account, including, but not limited to, a credit card, charge card, debit card or electronic payment platform account, and the telemarketer has not received a signed contract from the consumer which complies with section 42-285, as amended by this act, the telemarketer shall fully

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- refund the consumer's payment or <u>fully</u> credit the consumer's [credit card] account.
- Sec. 12. Section 42-288 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2023*):
- (a) For the purposes of sections 42-284 to 42-287, inclusive, as amended by this act, any transaction which occurs between a telemarketer and a consumer shall be considered to have taken place in this state if [either] (1) the telemarketer is a resident of, or a business entity registered with the Secretary of the State to do business in, this state, or (2) the consumer is [domiciled in] a resident of this state.
- (b) Violation of any provision of sections 42-284 to 42-287, inclusive, as amended by this act, shall be an unfair or deceptive act or practice in violation of subsection (a) of section 42-110b.
- (c) There shall be a rebuttable presumption that a telephonic sales call
 made, a call using an automated dialing system or recorded message
 device made, an over-the-top message sent, a text or media message sent
 or a call using soundboard technology made to a Connecticut area code,
 or to a consumer who is a resident of this state, has taken place in this
 state.
- Sec. 13. Section 42-288a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1*, 2023):
- 815 (a) As used in this section and section 42-288b:
- 816 (1) "Automated dialing system or recorded message device" has the same meaning as provided in section 42-284, as amended by this act;
- 818 (2) "Caller identification service or device" means any telephone 819 service or device which permits a consumer to see the telephone 820 number, caller name or location of an incoming telephonic sales call;
- [(1)] (3) "Commissioner" means the Commissioner of Consumer

822	Protection;		
823 824	[(2)] (4) "Consumer" means any individual who is a resident of this state and a prospective recipient of consumer goods or services;		
825 826 827 828 829	that is purchased, leased, exchanged or received primarily for personal family or household purposes, and includes, but is not limited to, stocks		
830 831	[(4)] (6) "Department" means the Department of Consumer Protection;		
832 833 834 835 836 837	limited to, conducting telephonic sales calls or making calls using an automated dialing system or recorded message device or soundboard technology, or sending over-the-top messages or text or media messages, (A) from a location in this state, or (B) from a location outside		
838 839	(8) "Marketing or sales solicitation" has the same meaning as provided in section 42-284, as amended by this act;		
840 841	(9) "Over-the-top message" has the same meaning as provided in section 42-284, as amended by this act;		
842 843 844	[(6)] (10) "Prior express written consent" [has the meaning provided in 47 CFR 64.1200, as amended from time to time] has the same meaning as provided in section 42-284, as amended by this act;		
845 846 847 848	[(7) "Marketing or sales solicitation" means the initiation of a telephone call or message, including, but not limited to, a text or media message, to encourage the purchase or rental of, or investment in property, goods or services, that is transmitted to any consumer, but		

does not include a telephone call or message, including, but not limited

to, a text or media message (A) to any consumer with such consumer's

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- prior express written consent, (B) by a tax-exempt nonprofit organization, or (C) to a consumer in response to a visit made by such consumer to an establishment selling, leasing or exchanging consumer goods or services at a fixed location;]
- (11) "Soundboard technology" has the same meaning as provided in
 section 42-284, as amended by this act;
- 857 (12) "Telemarketer" has the same meaning as provided in section 42-858 284, as amended by this act;
 - [(8)] (13) "Telephonic sales call" [means a telephone call made by a telephone solicitor, or a text or media message sent by or on behalf of a telephone solicitor, to a consumer for the purpose of (A) engaging in a marketing or sales solicitation, (B) soliciting an extension of credit for consumer goods or services, or (C) obtaining information that will or may be used for marketing or sales solicitation or exchange of or extension of credit for consumer goods or services] has the same meaning as provided in section 42-284, as amended by this act;
 - [(9)] (14) "Telephone solicitor" [means any individual, association, corporation, partnership, limited partnership, limited liability company or other business entity, or a subsidiary or affiliate thereof, doing business in this state that makes or causes to be made a telephonic sales call, including, but not limited to, sending or causing to be sent a text or media message to a consumer's mobile telephone or mobile electronic device;] has the same meaning as provided in section 42-284, as amended by this act; and
 - [(10)] (15) "Text or media message" [means a message that contains written, audio, video or photographic content and is sent electronically to a mobile telephone or mobile electronic device telephone number, but does not include electronic mail sent to an electronic mail address;] has the same meaning as provided in section 42-284, as amended by this act.
- [(11) "Unsolicited telephonic sales call" means any telephonic sales call other than a telephonic sales call made: (A) Pursuant to the prior

express written consent of the consumer who is called or sent a text or media message; (B) primarily in connection with an existing debt or contract, payment or performance of which has not been completed at the time of the telephonic sales call; or (C) to an existing customer, unless such customer has stated to the telephone solicitor that such customer no longer wishes to receive the telephonic sales calls of such telephone solicitor; and

- (12) "Caller identification service or device" means any telephone service or device which permits a consumer to see the telephone number of incoming telephone calls or text or media messages.]
- (b) The department shall establish and maintain a "no sales solicitation calls" listing of consumers who do not wish to receive [unsolicited] telephonic sales calls. The department may contract with a private vendor to establish and maintain such listing, provided (1) the private vendor has maintained national "no sales solicitation calls" listings for more than two years, and (2) the contract requires the vendor to provide the "no sales solicitation calls" listing in a printed hard copy format and in any other format offered at a cost that does not exceed the production cost of the format offered. The department shall provide notice to consumers of the establishment of a "no sales solicitation calls" listing. Any consumer who wishes to be included on such listing shall notify the department by calling a toll-free number provided by the department, or in any other such manner and at such times as the commissioner may prescribe. A consumer on such listing shall be deleted from such listing upon the consumer's written request. The department shall update such listing not less than quarterly and shall make such listing available to telephone solicitors and other persons upon request.
- (c) No <u>telemarketer or</u> telephone solicitor may make or cause to be made any [unsolicited] telephonic sales call to any consumer [(1)] <u>residential</u>, mobile or telephonic paging device telephone number if the consumer's name and telephone number or numbers appear on the [then current quarterly "no sales solicitation calls" listing made available

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by the department under National Do Not Call Registry maintained by the Federal Trade Commission pursuant to 15 USC 6102(a), as amended from time to time, that establishes a national database listing the telephone numbers of subscribers who do not wish to receive telephone solicitations, which number or numbers the department shall include in the listing established and maintained, and made available, pursuant to subsection (b) of this section. [, unless (A) such call was made by a telephone solicitor that first began doing business in this state on or after January 1, 2000, (B) a period of less than one year has passed since such telephone solicitor first began doing business in this state, and (C) the consumer to whom such call was made had not on a previous occasion stated to such telephone solicitor that such consumer no longer wishes to receive the telephonic sales calls of such telephone solicitor, (2) for telephone calls, to be received between the hours of nine o'clock p.m. and nine o'clock a.m., local time, at the consumer's location or, for text or media messages, to be received on the consumer's mobile telephone or mobile electronic device at any time, (3) in the form of electronically transmitted facsimiles, or (4) by use of a recorded message device.]

- (d) Telephonic sales calls made to any consumer residential, mobile or telephonic paging device telephone number not otherwise prohibited by this section shall be limited to being conducted within the hours of nine o'clock a.m. and eight o'clock p.m. local time.
- (e) Any person making a telephonic sales call to a consumer's residential, mobile or telephonic paging device telephone number that is not otherwise prohibited by this section shall disclose such person's identity, the purpose of such telephonic sales call and the identity of the entity for which such person is making such telephonic sales call, if any, not later than ten seconds after such telephonic sales call begins.
- (f) If a telephone solicitor makes a telephonic sales call to a consumer and requests that the consumer donate or gift money or anything of value, the telephone solicitor shall, at the beginning of such telephonic sales call, ask such consumer whether such consumer wishes to continue such telephonic sales call, end such telephonic sales call or be

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removed from such telephone solicitor's list.

- (g) A telephone solicitor shall end a telephonic sales call not later than ten seconds after a consumer states or otherwise indicates that the consumer wishes to end such telephonic sales call.
- (h) If a consumer informs a telephone solicitor, at any point during a telephonic sales call, that the consumer does not wish to receive future telephonic sales calls from the telephone solicitor, or wishes such telephone solicitor to remove such consumer's name, telephone number or other contact information from such telephone solicitor's list, such telephone solicitor shall: (1) Inform such consumer that such consumer's contact information will be removed from such telephone solicitor's list for at least one full year; (2) end such telephonic sales call not later than ten seconds after such consumer expresses such wish; (3) refrain from making any additional telephonic sales calls to such consumer at any telephone number associated with such consumer for at least one full year; and (4) not give or sell such consumer's name, telephone number or other contact information to any other entity, or receive anything of value from any other entity in exchange for such consumer's name, telephone number or other contact information.
- [(d)] (i) No telemarketer or telephone solicitor may [intentionally] cause to be installed or [may intentionally] use any blocking device or service to circumvent a consumer's use of a caller identification service or device. No telephone solicitor may intentionally transmit inaccurate or misleading caller identification information.
- [(e)] (j) (1) Any person who obtains the name, residential address or telephone number of any consumer from published telephone directories or from any other source and republishes or compiles such information, electronically or otherwise, and sells or offers to sell such publication or compilation to telephone solicitors for marketing or sales solicitation purposes, shall exclude from any such publication or compilation, and from the database used to prepare such publication or compilation, the name, address and telephone number or numbers of

any consumer if the consumer's name and telephone number or numbers appear [in the then current quarterly "no sales solicitation calls" listing made available by the department under subsection (b) of this section on the National Do Not Call Registry maintained by the Federal Trade Commission pursuant to 15 USC 6102(a), 16 CFR Part 310 and 47 CFR 64.1200, as amended from time to time, that establishes a national database listing the telephone numbers of subscribers who do not wish to receive telephone solicitations.

- (2) This subsection does not apply to (A) any telephone company, as defined in section 16-1, for the sole purpose of compiling, publishing or distributing telephone directories or causing the compilation, publication or distribution of telephone directories or providing directory assistance, and (B) any person, for the sole purpose of compiling, publishing or distributing telephone directories for such telephone company pursuant to an agreement or other arrangement with such telephone company.
- [(f)] (k) The commissioner may adopt regulations, in accordance with chapter 54, to carry out the provisions of this section. Such regulations may include, but shall not be limited to, provisions governing the availability and distribution of the listing established under subsection (b) of this section and notice requirements for consumers wishing to be included on the listing established under subsection (b) of this section consistent with information on the National Do Not Call Registry maintained by the Federal Trade Commission pursuant to 15 USC 6102(a), 16 CFR Part 310 and 47 CFR 64.1200, as amended from time to time.
 - [(g)] (1) A violation of any of the provisions of this section shall be deemed an unfair or deceptive trade practice under subsection (a) of section 42-110b. [, except that no telephone solicitor may be liable under this section for a call made in violation of subdivision (1) of subsection (c) of this section if such telephone solicitor demonstrates that: (1) Such telephone solicitor established and implemented written procedures and trained its employees to follow such procedures to comply with

- subdivision (1) of subsection (c) of this section; (2) such telephone solicitor deleted from its call list any listing of a consumer on the then current quarterly "no sales solicitation calls" listing maintained pursuant to subsection (b) of this section; and (3) such call was made inadvertently.]
- [(h)] (m) No telemarketer or telephone solicitor may make, or cause to be made, [an unsolicited, automatically dialed, recorded] a telephonic sales call to a consumer without such consumer's prior express written consent.
- [(i) In addition to the requirements of subsections (b) to (h), inclusive, of this section, if a consumer's mobile telephone or mobile electronic device telephone number does not appear on the then current quarterly "no sales solicitation calls" listing made available by the department under subsection (b) of this section, no telephone solicitor may send or cause to be sent a text or media message to such number for the purpose of marketing or sales solicitation of consumer goods, unless such telephone solicitor has received the prior express written consent of the consumer to receive such text or media message.]
- (n) In addition to the requirements established in subsections (b) to (m), inclusive, of this section, if a consumer's mobile telephone or mobile electronic device telephone number does not appear on the then current quarterly "no sales solicitation calls" listing made available by the department pursuant to subsection (b) of this section, no telephone solicitor may send, or cause to be sent, a call using soundboard technology, an over-the-top message or a text or media message to such number for the purpose of marketing, selling or soliciting sales of consumer goods unless the telephone solicitor received express written consent from the consumer to receive such call using soundboard technology, over-the-top message or text or media message before such telephone solicitor made such call or sent such message or caused such call to be made or message to be sent.
- [(j)] (o) Notwithstanding the provisions of subsections (c) and [(i)] (j)

of this section, a telecommunications company, as defined in section 16-1, may send <u>an over-the-top message or</u> a text or media message to an existing customer, provided [:] (1) [Such] <u>such</u> telecommunications company does not charge the customer a fee for such <u>over-the-top message or</u> text or media message, and (2) such <u>over-the-top message or</u> text or media message is primarily in connection with (A) an existing debt, payment of which has not been completed at the time the <u>over-the-top message or</u> text or media message is sent, (B) an existing contract between the telecommunications company and the customer, (C) a wireless emergency alert authorized by federal law, or (D) a prior request for customer service that was initiated by the customer.

[(k)] (p) In addition to any penalty imposed under chapter 735a, any telephone solicitor, who is liable under the provisions of subsections [(g)] (b) to [(i)] (n), inclusive, of this section, shall be fined not more than twenty thousand dollars for each violation.

- Sec. 14. (NEW) (Effective October 1, 2023) (a) As used in this section:
- (1) "Automated dialing system or recorded message device" has the same meaning as provided in section 42-284 of the general statutes, as amended by this act;
- (2) "Commercial solicitation" (A) means the unsought initiation of a telephone conversation or voice communication for the purpose of (i) encouraging a consumer to purchase property, goods or services, or (ii) obtaining personal information or any other thing of value, and (B) does not include (i) an unsought telephone conversation or voice communication with a consumer who provides advance (I) written nonassignable consent to such conversation or communication, or (II) electronic nonassignable consent to such conversation communication if the consumer has been provided a clear, conspicuous, detailed disclosure concerning the scope of such consent before such consumer provides such consent and if such consent only applies to conversations or communications initiated by the person seeking such consent, or (ii) any portion of an unsought voice communication that

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1077 involves a live conversation between the voice communication recipient 1078 and a person with whom such recipient has an established business 1079 relationship; 1080 (3) "Consumer" has the same meaning as provided in section 42-288a 1081 of the general statutes, as amended by this act; 1082 (4) "Established business relationship" means an existing relationship 1083 that is formed by a voluntary two-way communication between a 1084 consumer or entity and a business, with or without an exchange of 1085 consideration, on the basis of an application, purchase or transaction regarding property, goods or services offered by the business or entity, 1086 1087 which relationship has not been previously terminated by either party; 1088 (5) "Over-the-top message" has the same meaning as provided in 1089 section 42-284 of the general statutes, as amended by this act; 1090 (6) "Person" has the same meaning as provided in section 42-284 of 1091 the general statutes, as amended by this act; 1092 (7) "Personal information" has the same meaning as provided in 1093 section 36a-701b of the general statutes, as amended by this act; 1094 (8) "Soundboard technology" has the same meaning as provided in 1095 section 42-284 of the general statutes, as amended by this act; 1096 (9) "Telephonic sales call" has the same meaning as provided in section 42-284 of the general statutes, as amended by this act; 1097 1098 (10) "Terminating provider" means a telecommunications provider upon whose network a voice communication terminates to a call 1099 1100 recipient or end user; 1101 (11) "Text or media message" has the same meaning as provided in 1102 section 42-284 of the general statutes, as amended by this act; and 1103 (12) "Voice communication" (A) means a communication that is made

by an individual or, in whole or in part, by using an artificial or

- prerecorded message, (B) includes, but is not limited to, a voice message transmitted directly to a recipient's voicemail regardless of whether the recipient's phone rings as part of the transmission, and (C) does not include an automated warning required by law.
- 1109 (b) (1) Except as provided in subdivision (2) of this subsection, no 1110 person shall:
- 1111 (A) Initiate a commercial solicitation or telephonic sales call by using 1112 an automated dialing system or recorded message device, technology to 1113 send an over-the-top message or a text or media message, or by using soundboard technology to contact (i) a telephone number with a 1114 1115 Connecticut area code, or (ii) a telephone registered to a resident of this 1116 state whose telephone number appears on the National Do Not Call 1117 Registry maintained by the Federal Trade Commission pursuant to 15 1118 USC 6102(a), as amended from time to time; or
 - (B) Provide substantial assistance or support to the initiator of a commercial solicitation or telephonic sales call that enables the initiator to initiate, originate or transmit a commercial solicitation or telephonic sales call if such person knows, or avoids knowing, that such initiator is engaged, or intends to engage, in fraud or any practice that violates any provision of this section or sections 42-284 to 42-288b, inclusive, of the general statutes, as amended by this act.
 - (2) No provision of subdivision (1) of this subsection shall be construed to prohibit:
- 1128 (A) Any person from designing, manufacturing or distributing any 1129 component, product or technology that has a commercially significant 1130 use other than circumventing or violating the provisions of this section;
- 1131 (B) Any telecommunications provider or other entity from providing 1132 access to the Internet for the purpose of excluding initiation of a voice 1133 communication or text message; or
- 1134 (C) Any terminating provider from taking any action concerning

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- 1135 completion of a voice communication.
- 1136 (c) There shall be a rebuttable presumption that a commercial solicitation, voice communication or telephonic sales call made by using an automated dialing system or recorded message device, or technology that sends an over-the-top message or a text or media message, to any telephone number with a Connecticut area code or to a consumer has taken place in this state.
 - (d) A violation of this section shall be deemed an unfair or deceptive trade practice under subsection (a) of section 42-110b of the general statutes. In addition to any penalty imposed under chapter 735a of the general statutes, any person who violates any provision of this section shall be fined not more than twenty thousand dollars for each such violation.
- Sec. 15. Subsections (c) to (k), inclusive, of section 21a-190f of the general statutes are repealed and the following is substituted in lieu thereof (*Effective from passage*):
 - (c) [No] Not less than [twenty days] one business day prior to the commencement of each solicitation campaign, a paid solicitor shall file with the department a copy of the contract described in subsection (d) of this section and shall complete a solicitation notice in a form prescribed by the commissioner. A solicitation notice shall be certified by the paid solicitor as true and correct to the best of the solicitor's knowledge and shall include a description of the solicitation event or campaign, the location and telephone number from which the solicitation is to be conducted, the names and residence addresses of all employees, agents or other persons however styled who are to solicit during such campaign and the account number and location of all bank accounts where receipts from such campaign are to be deposited. [Copies of campaign solicitation literature, including the text of any solicitation to be made orally, shall be submitted to the department.] The charitable organization on whose behalf the paid solicitor is acting shall certify that the solicitation notice and accompanying material are true

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- and complete. [Prior to the commencement of such solicitation campaign, the commissioner shall publicize such solicitation by posting on the department's web site information describing the terms of the contract between the paid solicitor and the charitable organization, the dates of such solicitation campaign and the percentage of the raised funds to be retained by the paid solicitor. The commissioner may publicize such solicitation through any additional means the commissioner deems appropriate.]
 - (d) A contract between a paid solicitor and a charitable organization shall be in writing, shall clearly state the respective obligations of the paid solicitor and the charitable organization and shall state the minimum amount that the charitable organization shall receive as a result of the solicitation campaign, which minimum amount shall be stated as a percentage of the gross revenue. Such minimum amount shall not include any amount that the charitable organization is to pay as expenses of the solicitation campaign.
 - (e) A paid solicitor shall, prior to orally requesting a contribution, and at the same time at which a written request for a contribution is made, clearly and conspicuously disclose at the point of solicitation such solicitor's name as on file with the department [,] and the fact that such solicitor is a paid solicitor. [and the percentage of the gross revenue which the charitable organization shall receive as identified in subsection (d) of this section.]
 - (f) A paid solicitor shall, in the case of a solicitation campaign conducted orally, whether by telephone or otherwise, send a written confirmation to each person who has pledged to contribute, no more than five days after such person has been solicited, which confirmation shall include a clear and conspicuous disclosure of the information required by subsection (e) of this section.
 - (g) A paid solicitor shall not represent that any part of the contributions received will be given or donated to any charitable organization unless such organization has consented in writing to the

- use of its name, prior to the solicitation. Such written consent, if given, shall be signed by two authorized officers, directors or trustees of the charitable organization.
- (h) No paid solicitor may represent that tickets to an event are to be donated for use by another, unless the paid solicitor has first obtained a commitment, in writing, from a charitable organization stating that it will accept donated tickets and specifying the number of tickets which it is willing to accept and provided no more contributions for donated tickets shall be solicited than the number of ticket commitments received from the charitable organization.
- (i) A paid solicitor shall require any person such solicitor directly or indirectly employs, procures or engages to solicit to comply with the provisions of subsections (e) to (h), inclusive, of this section.
- (j) A paid solicitor shall file a financial report for the campaign with the department no more than ninety days after a solicitation campaign has been completed, and on the anniversary of the commencement of any solicitation campaign which lasts more than one year, in a form prescribed by the commissioner. The financial report shall include gross revenue and an itemization of all expenditures incurred. The report shall be completed on a form prescribed by the department. An authorized official of the paid solicitor and two authorized officials of the charitable organization shall certify that such report is true and complete to the best of their knowledge. The information contained in such report shall be available to the public.
- (k) A paid solicitor shall maintain during each solicitation campaign and for not less than three years after the completion of each such campaign the following records: [, which shall be available to the department for inspection upon request:] (1) The name and address of each contributor, if known to the paid solicitor, and the date and amount of the contribution; [, provided the department shall not disclose this information except to the extent necessary for investigative or law enforcement purposes;] (2) the name and residence of each employee,

- agent or other person involved in the solicitation; and (3) records of all income received and expenses incurred in the course of the solicitation campaign. The paid solicitor shall make the records required under
- subdivisions (2) and (3) of this subsection, as well as records containing
- the dates and amounts described in subdivision (1) of this subsection,
- 1236 <u>available to the department for inspection upon request.</u>
- Sec. 16. Subsection (b) of section 21a-190c of the general statutes is
- 1238 repealed and the following is substituted in lieu thereof (Effective from
- 1239 *passage*):
- 1240 (b) A charitable organization shall include with the charitable 1241 organization's financial statement (1) an audit report of a certified public 1242 accountant if the charitable organization had gross revenue in excess of 1243 [five hundred thousand] one million dollars in the year covered by [the] 1244 such report, [shall include with its financial statement an audit report of 1245 a certified public accountant] or (2) an audit or review report of a 1246 certified public accountant if the charitable organization had gross 1247 revenue in excess of five hundred thousand dollars but not more than 1248 one million dollars in the year covered by such report. For purposes of 1249 this section, gross revenue shall not include grants or fees from 1250 government agencies or the revenue derived from funds held in trust 1251 for the benefit of the organization. The commissioner may, upon written 1252 request and for good cause shown, waive the audit or review report 1253 requirement under this subsection.
 - Sec. 17. Subsection (a) of 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 a nonrefundable application fee of fifty dollars. Such application shall include: (1) A registration statement, (2)

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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 or reviewed financial statement as required by subsection (b) of section 21a-190c, as amended by this act. An authorized officer of the organization 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 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.

Sec. 18. Section 42-288c of the general statutes is repealed. (*Effective October 1, 2023*)

This act shall take effect as follows and shall amend the following					
sections:					
Section 1	from passage	42-110d(c) to (f)			
Sec. 2	July 1, 2023	35-42(c)			
Sec. 3	July 1, 2023	4-61dd(d)			
Sec. 4	October 1, 2023	36a-701b			
Sec. 5	July 1, 2023	42-471(d) to (h)			
Sec. 6	October 1, 2023	42-472a			
Sec. 7	July 1, 2023	42-520(a)			
Sec. 8	October 1, 2023	53-289a			
Sec. 9	October 1, 2023	42-284			
Sec. 10	October 1, 2023	42-285(b)			
Sec. 11	October 1, 2023	42-286			
Sec. 12	October 1, 2023	42-288			
Sec. 13	October 1, 2023	42-288a			
Sec. 14	October 1, 2023	New section			
Sec. 15	from passage	21a-190f(c) to (k)			
Sec. 16	from passage	21a-190c(b)			
Sec. 17	from passage	21a-190b(a)			
Sec. 18	October 1, 2023	Repealer section			

JUD Joint Favorable Subst.