

Public Safety and Security Committee JOINT FAVORABLE REPORT

Bill No.: HB-5282

AN ACT ALLOWING HARDSHIP WAIVERS OF INTEREST DUE FROM A
DELINQUENT LOTTERY SALES AGENT AND CONCERNING LICENSING OF

Title: CONNECTICUT LOTTERY CORPORATION EMPLOYEES.

Vote Date: 3/19/2024

Vote Action: Joint Favorable Substitute

PH Date: 2/29/2024

File No.:

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SPONSORS OF BILL:

Sen. Jeff Gordon, 35th Dist.

Rep. Travis Simms, 140th Dist.

REASONS FOR BILL:

This bill addresses the streamlining of the lottery licensing process and addressing the elimination of duplicate licensing processes. It also allows for delinquent agents to file for hardship waivers to reduce the amount of interest outstanding and payable on their delinquent principal payments with the President of the CLC can determine if an undue hardship exists and may enter into a payment agreement with the agent.

Substitute Language:

Language added in this bill includes definition of delinquency assessment and what happens if there is a failure to remit all moneys due. It also addressed lottery sales agents whose account is deemed delinquent and applying for hardship waivers, in Section 1(3). Sec. 2(f) addresses license requirement for employees and endorsements required.

RESPONSE FROM ADMINISTRATION/AGENCY:

Bryan Cafferelli, Commissioner – DCP: Testified via in person and via correspondence in support of the general concept outlined in Sections 2 and 3 of this bill, addressing the elimination of duplicate licensing processes.

He thanked the committee for raising this bill related to streamlining the lottery licensing process. He testified that this bill creates the onus on applicants without enhancing public protections and does not reflect the most current language agreed upon between the Connecticut Lottery Corporation and the DCP. The agency requested the adoption of

amended language submitted by the Connecticut Lottery Corporation to ensure applicants satisfy all requirements of the highest level of gaming licensure while eliminating administrative burdens related to duplicate submissions to the DCP.

Greg Smith, President/CEO – Connecticut Lottery Corp. (CLC): Testified via correspondence and in person in support of this bill with suggested amendments. He testified that under the current statute the delinquent agent must pay all principal, penalty and interest in full, with no further option to compromise or settle with CLC. This approach has led to large assessments, with CLC unable to accept any less than principle, penalties and interest from the agent. This becomes difficult for CLC to collect even the principal amount owed the state. Allowing CLC to negotiate payment of monies owed when payment-in-full efforts fail, helps raise additional revenue for the state. CLC is also seeking to modify existing statutes to allow for a single license with appropriate endorsements by DCP, per employee, to reduce the administrative burden on the CLC staff of submitting the same info multiple times and the costs associated with duplicative licensing. In summary of his testimony, President Smith testified that CLC and DCP have worked collaboratively on draft language in pursuit of these legislative changes and respectfully request that Section 2 of this bill as written, be removed as the two agencies agree that employees should have a Class III or IV license with appropriate endorsements in lieu of gaming licenses described in Chapter 229b. Revised language was submitted to the committee to reflect said suggested change.

NATURE AND SOURCES OF SUPPORT:

None Expressed

NATURE AND SOURCES OF OPPOSITION:

None Expressed

Reported by: Michelle Adams

Date: March 22, 2024