



**OFFICE OF THE ATTORNEY GENERAL
ANNUAL REPORT- FISCAL YEAR 2023-2024**

At a Glance

WILLIAM TONG,
Attorney General

EILEEN MESKILL,
Deputy Attorney General

Established – 1897

Statutory authority: Conn. Gen. Stat. §§3-124 to 3-131

Central Office: 165 Capitol Avenue, Hartford, CT 06106

Average number of full-time employees: 310

Recurring General Fund operating expenses: \$ 35,330,987

Revenues Generated: \$ 574,567,330

Mission

The critical missions of this office are to represent and vigorously advocate for the interests of the state and its citizens by performing, with diligence and integrity, the duties and directives assigned to the Attorney General by law, to ensure that state government acts within the letter and spirit of the law, to protect public resources for present and future generations, to safeguard the rights of all consumers, including our most vulnerable citizens, and to preserve and enhance the quality of life of all citizens of the State of Connecticut.

Statutory Responsibility

The Attorney General is the chief civil legal officer of the state. The Office of the Attorney General (OAG) serves as legal counsel to all state agencies. The Connecticut Constitution, statutes and

common law authorize the Attorney General to represent the people of the State of Connecticut to protect the public interest.

REVENUE ACHIEVED BY THE OFFICE OF THE ATTORNEY GENERAL

During the 2023-2024 fiscal year, \$ 574,567,330 was generated by the Attorney General's Office, as described below, including \$ 147,708,139 deposited to the General Fund. The remaining monies were directly paid to, protected and/or used to benefit constituents, businesses, and other entities.

A. Revenue Generated for the General Fund

Tobacco Settlement Fund Collections	\$ 111,190,091
Child Support Collections	23,907,032
DAS Collections	7,724,139
Privacy Violation Settlements	1,355,937
Department of Social Services Collections / Civil	1,159,922
DAS Workers Compensation Collections	697,141
Consumer Protection Collections	5,000
Office of the State Treasurer Collection	1,000
Miscellaneous Collections	1,667,877

Total Revenue Generated for General Fund \$ 147,708,139

B. Revenue Generated for Special Funds

Opioid Settlement Fund	\$ 72,112,939
Special Environmental Projects	2,000,000
Unpaid Wage, Civil Penalty & Unemployment Tax	177,896
Consumer Fund Collection	646,365
Second Injury Fund Collection	88,578

Total Revenue Generated for Special Funds \$ 75,025,778

C. Revenue Generated for Individuals, Agencies and Businesses

Child Support Collected/Enforced for Families	\$ 204,490,859
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Consumer Assistance Section - Recovered for Consumers	1,816,848
Settlement Proceeds collected for DECD	171,799
Home Improvement Contractors -	
Consumer Restitution from Criminal Prosecution	115,071
Court ordered restitution to DCP Guaranty Fund	16,820
Healthcare Advocacy Benefit to Consumers	684,656

Total Revenue Generated Individuals and Businesses \$ 207,296,053

D. Revenue Protected for Consumers and Businesses

Charitable Trusts Protected	\$ 18,700,807
Charitable Funds Recovered or Preserved	2,336,553
Utility Rate Increases Requested (not obtained)	123,500,000

Total Revenue Protected \$ 144,537,360

TOTAL REVENUE ACHIEVED \$ 574,567,330

PUBLIC SERVICE PROVIDED BY THE OFFICE OF THE ATTORNEY GENERAL

The Office is divided into 5 divisions: Appeals, Civil Litigation, Enforcement & Public Protection, Government Administration and Consumer and Constituent Services. Each division contains sections which, along with the Administration, represent agencies that provide particular categories of service to state residents. The Attorney General also participates in the legislative process, represents the State in various lawsuits and claims, maintains an active communication with citizens, promotes the protection of personal data and information, and investigates violations of privacy and breaches of personal information. The overall work completed by this office in fiscal year 2023 - 24 is summarized as follows:

<u>Trial Court Cases</u>	
Instituted	8,807
Completed	7,890
Pending	11,800

<u>Appeals</u>	
Instituted	272
Completed	281

Pending 199

Administrative Proceedings

Instituted 815
Completed 589
Pending 3,606

Antitrust/Fraud Investigations

Instituted 97
Completed 86
Pending 200

Consumer Protection Investigations

Instituted 33
Completed 34
Pending 60

Privacy Investigations

Instituted 2,079
Completed 1,913
Pending 389

Miscellaneous Investigations

Instituted 22
Completed 18
Pending 37

Home Improvement Contractor Cases

Instituted 129
Completed 66
Pending 234

Legal Documents Examined

Instituted 3,063
Completed 3,162

Pending	1,221
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Health Care Advocacy Public Inquiries

Instituted	304
Completed	304
Pending	3

Consumer Advocacy Public Inquiries

Instituted	2,937
Completed	1,515
Pending	1,430

Consumer Protection Public Inquiries

Instituted	2,784
Completed	4,360
Pending	5,219

Privacy Public Inquiries

Instituted	98
Completed	87
Pending	18

Financial and Revenue Services Inquiries

Instituted	22
Completed	37
Pending	1

OAG Administration Public Inquiries

Instituted	1,228
Completed	484
Pending	1,221

Miscellaneous Public Inquiries

Instituted	13
Completed	6

Pending 389

Formal Opinions Issued 1

Informal Opinions Issued 27

AFFIRMATIVE ACTION

The Office of the Attorney General is firmly committed to equal employment opportunity. Exactly 59.01 % of the full-time attorney workforce consists of women and minorities. Women and minorities comprise 61.54 % of entry-level attorneys and 56.49 % of middle and higher-level attorneys.

APPEALS DIVISION

The Appeals Division directs all the Office’s appellate matters. It also prepares the Attorney General’s formal opinions and coordinates informal opinions.

In most of its appellate matters, the Office represents a party. That means the State – or its officials, agencies, and employees – is an active litigant with a direct stake in the case. In a significant minority of appellate cases, the Office is weighing in as a friend of the court – an *amicus curiae*. In those cases, the State is not officially a party but has an important interest in the outcome.

PARTY REPRESENTATION DATA

The OAG opened 175 appellate matters in which the Office represented a party during the fiscal year, and closed 218.

Table 1:		7/1/20- 6/30/21	7/1/21- 6/30/22	7/1/22- 6/30/23	7/1/23- 6/30/24
Four-year trend of appellate representation	<i>Matters opened</i>	197	192	176	175

matters (excludes <i>amicus</i>)	<i>Matters closed</i>	200	211	155	218
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Over the course of the fiscal year, we represented parties in a total of 364 appellate matters. The bulk of this appellate representation came in child protection and public safety matters, which together made up more than 58% of the cases that the Office opened during the year.

Table 2:		<i>Opened matters</i>	<i>% of all opened</i>
Share of new appellate matters opened by section (excludes <i>amicus</i>), 7/1/23 – 6/30/24	<i>Administration</i>	1	0.57%
	<i>Child Protection</i>	57	32.57%
	<i>Collections/Child Support</i>	1	0.57%
	<i>Employment/Workers' Compensation</i>	16	9.14%
	<i>Energy/Environment</i>	16	9.14%
	<i>Finance</i>	4	2.29%
	<i>Health</i>	8	4.57%
	<i>Public Safety</i>	45	25.71%
	<i>Special Litigation</i>	18	10.29%
	<i>General Litigation</i>	5	2.86%
	<i>Infrastructure</i>	4	2.29%
		<i>TOTAL</i>	175

As usual, the bulk of our appellate representation matters during the year were in state, rather than federal, appellate courts:

Table 3:		<i>Opened matters</i>	<i>% of all opened</i>
Share of appellate matters opened by court (excludes <i>amicus</i>), 7/1/23– 6/30/24	<i>Connecticut Appellate Court</i>	78	44.57%
	<i>Connecticut Supreme Court</i>	31	17.71%

	U.S. Court of Appeals – Second Circuit	49	28%
	Other federal appellate courts, including the U.S. Supreme Court	17	9.71%
	TOTAL	175	

Almost all appeals in which the Office represent a party call for briefing. Many also proceed to oral argument. This fiscal year, the Office argued forty-four cases at the Connecticut Appellate Court; ten cases at the Connecticut Supreme Court; and eleven cases at the United States Court of Appeals for the Second Circuit.

SOME KEY CASES RESOLVED DURING THIS FISCAL YEAR

Public Health: *We the Patriots v. Connecticut Office of Early Childhood Development*

Connecticut began mandatory vaccinations for schoolchildren in 1882. In 1923, the State exempted children for whom vaccines are medically contraindicated. Thirty-six years later, Connecticut created a second exemption for religious objectors. By 2021, though, religious exemption claims were skyrocketing, compromising community (“herd”) immunity across the state. So the General Assembly eliminated that comparatively recent exemption.

The plaintiffs in *We the Patriots* sued, claiming a violation of their First Amendment rights. But, at the AGO’s urging, the U.S. Court of Appeals for the Second Circuit upheld Connecticut’s law, since the Constitution does not require a state to carve out a religious exemption that threatens statewide public health and safety. The plaintiffs then asked the U.S. Supreme Court to hear the case – and the AGO successfully defeated that gambit, too.

Medication Price Fixing: *In re Actavis Holdco*

Connecticut leads a coalition of states suing generic drug manufacturers for illegal price fixing. But that lawsuit has gotten bogged down in a procedural morass in a Pennsylvania court, and every year of delay means more money wrongly extracted from patients.

So the AGO tried to return the case to Connecticut – and the drug companies asked the federal Third Circuit to block the move. But the AGO prevailed, convincing the appellate court that Congress authorized states to enforce antitrust laws in their own home forums precisely so that we can move quickly to protect our residents.

Energy Conservation: *Northland Investment Co. v. PURA*

Some landlords used to practice “Ratio Utility Billing,” billing their tenants for utilities based on square footage and number of occupants. But that forced conservation-minded tenants to

subsidize their less conscientious neighbors. So, PURA – Connecticut’s utilities regulator – banned Ratio Utility Billing, and a landlord took the case to the Connecticut Supreme Court. There, the OAG successfully defended PURA’s ruling, arguing that state law does not let landlords adopt a billing scheme that punishes tenants who try to conserve energy.

AMICUS

When the Office appears as a friend of the court, it often joins briefs written in partnership with other like-minded states and jurisdictions. Sometimes, the AGO leads the way, writing on its own or as the primary author in multistate efforts.

This fiscal year, the Office was the primary author in four amicus briefs.¹ In two, we advocated in the Connecticut courts for the right interpretation of Connecticut laws. In the other two, we led coalitions of many states in federal court, arguing for expanded voting rights (*Hopkins v. Watson*) and for robust interpretation of antitrust laws (*Tri-City ValleyCats v. The Office of the Commissioner of Baseball*).

We reviewed, analyzed, and sometimes contributed to 108 amicus briefs written by other states.² During this fiscal year, the State joined 90 of those briefs, and declined to join 18. The briefs we joined addressed some of the most important issues, in some of the most important cases, resolved this year. At the U.S. Supreme Court, for instance, we fought for the right to medication abortion in *Alliance for Hippocratic Medicine v. Food and Drug Administration*; defended gun safety laws that keep weapons out of the hands of domestic abusers in *United States v. Rahimi*; and stood with civil rights advocates in *Acheson Hotels v. Laufer* and with environmentalists in *Loper Bright v. Raimondo*.

Table 4 shows the subject matter distribution of the amicus briefs we joined:

Table 4:		<i>Number</i>
Multistate amicus briefs joined by subject matter, 7/1/23 – 6/30/24	<i>Antitrust and other consumer protection</i>	11
	<i>Environment</i>	9
	<i>Gun safety</i>	23
	<i>Immigration</i>	6
	<i>LGBTQ+ rights</i>	14
	<i>Other</i>	13

¹ *Amicus briefs filed by the AGO during the period*

² *Total number of amicus briefs written by another office that the AGO joined or declined to join on a date during the period, or that were mooted (usually with the brief ultimately not filed, or the case dismissed) on a date during the period.*

	<i>Reproductive justice and abortion rights</i>	8
	<i>Voting rights and election integrity</i>	3
	<i>Workers' rights</i>	3
	<i>TOTAL</i>	90

OPINIONS

A formal opinion is a published written opinion on a question of law, requested by legislative leaders, executive department heads, or state boards and commission. Formal opinions are archived on the Attorney General's website. Informal opinions are private, confidential legal questions from the AGO's client agencies.

Table 5:		<i>7/1/20- 6/30/21</i>	<i>7/1/21- 6/30/22</i>	<i>7/1/22- 6/30/23</i>	<i>7/1/23- 6/30/24</i>
Four-year trend of formal opinions	<i>Number of formal opinions</i>	2	0	5	1

While we offered dozens of informal opinions to state agencies, this year we published only one formal opinion, explaining that Connecticut's constitution does not allow ranked choice voting in general elections for state office.

SECTIONS

ANTITRUST SECTION

Antitrust Enforcement

The Section's antitrust mandate is focused on identifying and deterring anticompetitive conduct and obtaining civil penalties, restitution, and injunctive relief through fair and effective enforcement of antitrust laws. This benefits the people, state agencies, and businesses of Connecticut by promoting transparent and competitive pricing, increasing consumer choice, and expanding access to high-quality products and services. During the past year the Section devoted significant resources to ensuring competition in Connecticut's healthcare and technology markets, with a primary emphasis on generic pharmaceuticals. In addition, the Section has advocated for effective competition policy at the state and national levels by promoting procompetitive legislation and filing legal briefs in important antitrust cases.

1. Generic Pharmaceutical Manufacturers

The Office of the Attorney General (“the Office”) has continued to lead the bipartisan Multistate civil prosecution of generic pharmaceutical companies and certain of their executives responsible for alleged price fixing and market allocation agreements that increased generic drug costs for state governmental purchasers and consumers. The Multistate is litigating three comprehensive complaints filed in 2016, 2019, and 2020.

These cases, commonly referred to as “GDMS”, originated in July 2014. At that time, the Office initiated an investigation into the cause of suspicious price increases of certain generic pharmaceuticals. In the fall of 2016, after accumulating significant evidence of potential antitrust violations, the Office organized a bipartisan working group of state Attorneys General to assist with the investigation, which had broadened considerably since its inception.

In December 2016, the Office and 19 other state Attorneys General filed the first of the three federal antitrust lawsuits in Connecticut against six generic pharmaceutical manufacturers alleging the companies had engaged in a well-coordinated and long-running conspiracy to fix prices and allocate markets for two generic pharmaceuticals: doxycycline hyclate delayed release and glyburide. The lawsuit was subsequently transferred to a Multidistrict Litigation (MDL) in the Eastern District of Pennsylvania to coordinate with the ongoing private generic pharmaceutical actions that involved common questions of fact.

In May, 2019, the Office led an expanded 44-state coalition that marked a significant broadening of the investigation by filing a second lawsuit against Teva Pharmaceuticals and 19 of the nation's largest generic drug manufacturers, alleging a vast conspiracy to inflate and manipulate prices, reduce competition and unreasonably restrain trade for more than 100 different generic drugs. The lawsuit, which was filed in U.S. District Court for the District of Connecticut and subsequently transferred to the federal court in the Eastern District of Pennsylvania, also names 15 individual senior executive defendants at the heart of the conspiracy who were responsible for sales, marketing, pricing, and operations. The drugs at issue account for billions of dollars of sales in the United States, and the increased prices affect the health insurance market, taxpayer-funded healthcare programs like Medicare and Medicaid, and individuals who must pay artificially inflated prices for their generic prescription drugs.

In 2020, the Office led the filing of the third lawsuit in the coalition’s ongoing investigation into price fixing in the U.S. generic drug market. The civil lawsuit, brought on behalf of 51 states and U.S. territories, alleges that 26 corporate defendants and 10 individual defendants fixed the prices on 80 topical generic drugs that account for billions of dollars of sales in the United States. The topical drugs at the center of the complaint include creams, gels, lotions, ointments, shampoos, and solutions used to treat a variety of skin conditions, pain, and allergies. The complaint was filed in the U.S. District Court for the District of Connecticut and again subsequently transferred to the federal court in the Eastern District of Pennsylvania. The Complaint, akin to the first two actions, seeks damages, civil penalties, and actions by the court to restore competition to the generic drug market.

In May 2021, the Court selected the third Complaint as the bellwether case, reconsidering its earlier ruling selecting the Teva case as bellwether due to the intervening indictment of Teva by the U.S. Department of Justice on related claims. In November 2021, various Defendants filed motions to dismiss the June 10, 2020 Complaint and the Attorneys General responded. In February 2023, the Court granted in part and denied in part the defendants' motion to dismiss claims for injunctive relief under federal law. The Court denied all other motions to dismiss except the motion to dismiss the state law claims, which is still pending. In May 2023, the Court amended the schedule of proceedings for the bellwether cases, including the third lawsuit, and established a fact discovery deadline of October 2, 2023.

In January 2024, the Multistate, relying on the passage of the 2022 State Antitrust Enforcement Venue Act that provides state Attorneys General the Authority to choose where to litigate state antitrust actions, moved the federal Judicial Panel Multidistrict Litigation (JPML) to have the three Complaints sent back to federal district court in Connecticut. The JPML remanded the trio of cases to Connecticut, thereby separating them from the expansive generic pharmaceutical MDL centralized in Pennsylvania. The remand was a significant win as it validated the intent of 2022 State Antitrust Enforcement Venue Act and affords state Attorneys General the benefit as federal antitrust enforcers—a level of choice as to where to litigate. The three actions are now before the United States District Judge Michael P. Shea of the District of Connecticut.

The Attorneys General continue to be fully engaged in affirmative and defensive discovery in this complex matter.

2. Big Tech

Over the last few years, policymakers, members of the business community, consumer advocates, and academia have raised concerns about the size and potential market power of large U.S.-based technology companies—“Big Tech”—and their respective ability to raise prices, diminish quality, and stifle innovation and competition in established and burgeoning markets. To address those issues the Attorney General is working in collaboration with other Attorneys General to investigate the business practices of large technology companies. These complex antitrust investigations and resulting litigation are ongoing.

a. Amazon

In September 2023, the Office, as a multistate lead with the New York and Pennsylvania Offices of Attorneys General, joined the Federal Trade Commission and more than 14 other states in suing Amazon.com alleging the online retail and technology company is a monopolist that uses a set of interlocking anticompetitive and unfair strategies to illegally maintain its monopoly power. The FTC and States allege that Amazon's actions allow it to stop rivals and sellers from lowering prices, degrade quality for shoppers, overcharge sellers, stifle innovation, and prevent rivals from fairly competing against Amazon. Plaintiffs also allege that Amazon violates the law not because it is big, but because it engages in a course of exclusionary conduct that prevents current competitors from growing and new competitors from emerging. Amazon ensures that no current

or future rival can threaten its dominance. Amazon’s far-reaching schemes impact hundreds of thousands of products bought by over a hundred million shoppers, amounting to hundreds of billions of dollars in retail sales every year.

The case is before the United States District Judge John Chun in the Western District of Washington. Amazon filed a motion to dismiss the operative Complaint on December 8, 2023. The motion has been fully briefed and is pending. Meanwhile, the parties are eight months into fact discovery, with approximately 13 months remaining.

b. Google Search

Since May 2020, the Attorney General has been a member of a coalition of states litigating a case against Google, alleging a monopoly position that derives principally from its overwhelming dominance of the market for general internet searches. The suit, often referred to as the “Google Search” case, alleges that Google uses its massive financial resources to lock up opportunities that competitors might otherwise be able to use to reach consumers. The Multistate Google Search Case and separate Department of Justice Google Search cases were coordinated and went to trial before the U.S. District Judge Amit Mehta in the U.S. District Court for the District of Columbia in September 2023 with closing arguments May 1-3, 2024. A ruling on liability is anticipated during Summer 2024.

c. Google In App Play Store Settlement

The Attorney General and a bipartisan coalition of states filed a lawsuit in 2021 against Google alleging antitrust violations involving the tech giant’s app store, often referred to as the “Google Play Store” case. The suit alleged exclusionary conduct relating to the Google Play Store for Android mobile devices and Google Billing, including using its monopoly power to substantially shut out competing app distribution channels while charging consumers as much as 30 percent for purchasing apps and in-app purchases. On the cusp of trial scheduled for late 2023 in the U.S. District Court for the Northern District of California, the States and Google entered mediation and reached a \$700 million settlement agreement requiring Google to pay restitution to consumers and make significant changes to how it allows app developers to sell products on Android devices.

d. Google Ad Tech

In January 2023, the Attorney General joined the U.S. Department of Justice (DOJ) and seven states in bringing a new civil antitrust suit challenging Google’s dominant grip on the online advertising industry, which allows the company to dictate how digital ads are sold and the terms under which its rivals can compete. The lawsuit, often referred to as “Google AdTech”, alleges that Google uses its monopoly power to exclude rivals from the publisher, the advertiser, and the ad exchange sections of the digital advertising market, thereby monopolizing multiple digital advertising technology products. A bench trial is tentatively scheduled for September 2024 in the U.S. District Court for the Eastern District of Virginia.

e. Apple

In March 2024, the Office joined the DOJ and 15 other attorneys general in filing a civil antitrust lawsuit against Apple for monopolization or attempted monopolization of smartphone markets in violation of Section 2 of the Sherman Act. The complaint, filed in the United States District Court for the District of New Jersey, alleges that Apple illegally maintains a monopoly over the smartphone markets by selectively imposing contractual restrictions on, and withholding critical access points from, developers of applications that may compete with Apple. Apple undermines apps, products, and services that would otherwise make users less reliant on the iPhone and the Apple ecosystem, promote interoperability, and lower costs for consumers and developers. Apple exercises its monopoly power to extract more money from a broad range of market participants including consumers, developers, content creators, artists, publishers, small businesses, and merchants. Through this monopolization lawsuit, the DOJ and state Attorneys General are seeking relief to restore competition to these markets on behalf of the American public.

3. Entertainment: Ticketmaster-Live Nation

In May 2024, the Office joined the DOJ and a bipartisan coalition of attorneys general from 28 other states and the District of Columbia in filing a civil antitrust lawsuit against Ticketmaster LLC (Ticketmaster) and its parent company Live Nation Entertainment Inc. (Live Nation) for monopolization and other unlawful conduct that thwarts competition in markets across the live entertainment industry. The lawsuit was filed in the United States District Court for the Southern District of New York and seeks structural relief including restoration of competition in the live concert industry, increased choices and lower prices for fans, and aims to open venue doors for working musicians and other performance artists.

Plaintiffs allege that Ticketmaster-Live Nation unlawfully exercises its monopoly power in violation of Section 2 of the Sherman Act to the detriment of fans, performers, and venues, promoters, and rival ticketing platforms. As a result of its conduct, music fans in the United States are deprived of ticketing innovation and forced to use outdated technology while paying more for tickets than fans in other countries.

Plaintiffs further allege that Ticketmaster-Live Nation has unlawfully maintained monopolies in several concert promotions and primary ticketing markets and engaged in other exclusionary conduct affecting live concert venues, including arenas and amphitheaters. Ticketmaster-Live Nation's exclusionary practices fortify and protect what it refers to as its "flywheel," which is Ticketmaster-Live Nation's self-reinforcing business model that captures fees and revenue from concert fans and sponsorship, uses that revenue to lock artists into exclusive promotion deals, and then uses its powerful cache of live content to sign venues into long term exclusive ticketing deals, thereby starting the cycle all over again. As long as Ticketmaster-Live Nation is controlling the market through its flywheel model, rivals cannot compete on the merits.

The lawsuit asks the court to restore competition in the live entertainment industry by ordering Live Nation to divest Ticketmaster and prohibiting Live Nation from engaging in its anticompetitive practices.

4. Healthcare Markets

Ensuring open and vigorous competition in Connecticut's health care markets is a chief law enforcement objective of the Attorney General. The benefits to consumers from competitive and healthcare markets usually take the form of lower prices, sufficient consumer choice, access to providers, and high-quality care. During this fiscal year, the Antitrust Section reviewed several proposed acquisitions of physician group practices by hospitals, health systems, payors, and other entities, as well as possible anticompetitive conduct in the Connecticut healthcare market. These investigations are confidential and non-public unless the Attorney General ultimately challenges the acquisition or anticompetitive conduct in court or reaches a settlement.

5. Opioids

Connecticut continues to be a leader in negotiating settlements with the opioids and pharmacy industry. Connecticut received over \$69 million in the past fiscal year through the Attorney General's previously negotiated landmark settlements with distributors, manufacturers, pharmacies, and marketing firms. In February 2024, Attorney General Tong announced a new \$350 million national settlement with Publicis Health to resolve investigations into the global marketing and communications firm's role in the prescription opioid crisis. Connecticut received nearly \$4.44 million from the settlement to help address the opioid crisis, as well as \$332,000 to cover the costs of helping lead the lengthy, multistate investigation.

6. Other Investigations

In addition to the specific investigations and cases listed, the Antitrust Section received and investigated complaints from Connecticut residents and businesses that led to several non-public inquiries and investigations across a variety of industries in a number of geographic and product markets. These inquiries and investigations, while non-public, are a crucial to deterring anticompetitive conduct and ensuring consumer choice and access to high-quality products and services.

CHILD PROTECTION SECTION

The Child Protection Section represents the Department of Children and Families (DCF), which is the state agency responsible for protecting Connecticut's children from abuse and neglect; strengthening families by enhancing parental capacity for good childcare; and providing a safe and nurturing home for children when necessary. *See* Conn. Gen. Stat. § 17a-101(a). To accomplish these goals, DCF investigates reports of abuse and neglect and provides treatment services and other non-legal interventions to support families across the state. When DCF

substantiates reports of abuse or neglect and initiates legal proceedings to protect a child, the Assistant Attorneys General (AAG) of the Child Protection Section advocate on behalf of DCF in the Superior Court for Juvenile Matters.

In the 11 juvenile courts throughout the state, the attorneys and support staff of the Child Protection Section help DCF obtain the authority to supervise neglected children who remain in their parents' care or remove children who cannot safely remain in the home and place them in foster care. After a juvenile court orders DCF to remove a child, our staff litigates the case as DCF attempts to reunify the child with their parents or, if those efforts fail, secure an alternative permanent home for the child through a transfer of guardianship or adoption following termination of parental rights. In 2023-24, Child Protection AAGs – with the invaluable assistance of the section's secretaries, administrative assistant, and paralegals – were responsible for handling over a thousand trial matters, which led to approximately 500 children being adopted and finding their "forever" home.

Because of the enormous trial load, the Section also handles a large volume of appeals in our state appellate courts, most of which consists of parents appealing the termination of their parental rights. In 2023-2024, the Child Protection Section successfully handled approximately 35 appeals in the Connecticut Appellate Court, and 2 at the Connecticut Supreme Court. In approximately 20 of those appeals, the appellants sought further appellate review with the Connecticut Supreme Court and our AAGs successfully persuaded the Connecticut Supreme Court to deny further review.

Though many of the appeals raised issues of evidentiary sufficiency, several presented complex issues. Most notably, the Child Protection Section filed an unprecedented, emergency public interest appeal directly with the Connecticut Supreme Court to prevent a six-week-old infant, who suffered numerous physical injuries while in his parents' care, from returning home and risking death where the source of the danger remained unknown and uncorrected. The Supreme Court Chief Justice ensured the infant's physical safety and awarded DCF temporary custody. Other appeals involved complex/novel issues such as foster parents' ability to intervene; a parent's right to substantive and procedural due process; a parent's right to equal protection of the laws; ineffective assistance of counsel; and evidentiary issues.

Lastly, in addition to representing DCF in our state juvenile and appellate courts, the members of the Child Protection Section also represent DCF in all administrative appeals brought in the Superior Court challenging the rulings of DCF administrative hearing officers. In the past year, the Child Protection Section successfully defended multiple administrative appeals in which the Superior Court upheld DCF's decision to place certain perpetrators of sexual and physical abuse on its Central Registry to protect all children from them.

COLLECTIONS/CHILD SUPPORT SECTION

The Child Support and Collections Section instituted and litigated approximately 4062 child support and civil collections cases this past year in state and federal courts. Section staff effectively coordinated with our agency partners to collect \$240,173,391 in child support

payments for the benefit of Connecticut and out-of-state families. The vast majority of this amount benefitted needy children.

The section's collections efforts on behalf of the Department of Administrative Services (DAS) and several other state agencies recovered over of \$7.7 million dollars for the General Fund.

Child Support

The section partners with the Office of Child Support Services within the Department of Social Services (DSS-OCSS) and the Support Enforcement Services division of the Connecticut Judicial Branch (SES) in order to comply with Title IV-D of the Federal Social Security Act. This Act requires states to provide child support services for all children in state and some without the state. The section attorneys represent DSS-OCSS to establish parentage and child support obligations and assists SES with its enforcement and modification of child support orders. This support work is performed by 14 attorneys devoted primarily to child support matters. They are required to appear in numerous courts and venues. These include thirteen (13) Superior Court Judicial District-Family Divisions, where attorneys are exposed to matters on a daily basis often with little notice; fourteen (14) Family Support Magistrate (FSM) courts, covering at least 40 dockets throughout the month; sixty (60) Probate Courts in order to monitor Termination of Parental Rights petitions filed by or against child support obligors; and Juvenile Courts on appeals from Probate Court and Superior Court-Family Matters on appeals from the FSM.

During the 2024 Fiscal Year, 3,522 child-support cases were opened in our section on behalf of DSS-OCSS. The section's attorneys represented SES in approximately 500 cases involving modifications to existing support orders and enforcement of out-of-state orders under the Uniform Interstate Family Support Act. Section support staff reviewed close to 20,000 dissolution and custody actions in Superior Court Family Matters for a state interest and section attorneys filed appearances in approximately 1,028 of those cases. Staff also reviewed 453 termination petitions in Probate Court to ensure that the state's and children's financial interests were protected. The section attorneys also argued several child support related matters on appeal to the Superior Court.

Collections

The section's collection efforts helped to recover nearly \$8 million in reimbursement to the State's General Fund.

The collections work involves representing DAS to recover debts owed to the state, including, up until recent legislative changes, reimbursable public assistance; other Medicaid related state aid and care; and costs of incarceration. The section staff who focus on collections are responsible for monitoring numerous trusts and estates in Probate Court. The attorneys are responsible to litigate the more complex and highly contested cases on behalf of numerous state agencies, boards and commissions. In addition to DAS, these include on a regular basis DSS, Department of Revenue Services (DRS), Department of Corrections (DOC), and can include the, Department of Higher Education, the Unemployment Division of the Department of Labor (DOL), John Dempsey Hospital, the Second Injury Fund, the Connecticut State

University System, the Office of the Secretary of the State, and the State Elections Enforcement Commission. In one highly contested case litigated during this last fiscal year, *DAS v. Megan Seigel, Executrix of the Estate of Ilene Friedman*, we successfully argued that DAS did not waive or become time barred from asserting its claim against an estate after significant additional funds were deposited because it initially declined to file as administrator of a small estate under CGS 4a-16. If the Court had granted the defendant's motion to dismiss the state's claim, this would have had a significant negative impact on DAS's programmatic efficiency. DAS's case load would have increased but with diminishing returns by requiring it to administer every small estate subject to a state lien to avoid potential forfeiture in the event the estate's assets subsequently increase.

Part of the total amount recovered by collections staff includes nearly \$3 million in penalties and fines from foreign (unregistered) businesses in cooperation with the Secretary of the State's Commercial Recording Division. The section also recovered \$35, 217.33 on behalf of the DOC for cost of incarceration owed by inmates and \$89, 273.07 for unpaid medical care provided by John Dempsey Hospital.

Foreclosure Unit:

The foreclosure team within collections recovered \$525,112.63 for DRS, DAS and SIF through 20 cases during the last fiscal year and opened 216 new foreclosures. They are currently monitoring 344 open cases and have reviewed 1350 new matters and writs to determine if there is equity, whether DRS has been paid, or the matter needs to be forwarded to DRS for inchoate succession tax.

Bankruptcy Unit:

The section's bankruptcy attorneys and support staff collected approximately \$443,000 this fiscal year on behalf of numerous agencies in federal proceedings throughout the country. These attorneys are responsible for protecting tax claims of the DRS and DOL as well as the interests of other state agencies such as DAS, DSS, DOB, DECD, the Second Injury Fund, Connecticut State Universities and Community Colleges, Superior Court Judges, and the Client Security Fund. They litigate complicated questions of law involving matters of first impression and provide ongoing guidance to all state agencies and colleagues. The bankruptcy attorneys provide general assistance to other sections such as the Labor/Worker's Compensation unit regarding wage claims and unemployment fraud cases in bankruptcy. Their work on behalf of the Finance section in the BlockFi litigation greatly reduced legal fees that would otherwise have been paid to private local counsel. The unit defends Colleges and Universities against trustees alleging that tuition paid by debtors on behalf of adult children are fraudulent conveyances and must be returned to the estate. The unit's work has greatly reduced the state's exposure in these cases.

Appeals

The section also participated in several appeals filed in the Superior Court from the FSM court and Probate court. We are currently appellee before the Appellate Court in two matters on appeals originating in the FSM where our interest lies in ensuring that FSM jurisdiction and child support orders are properly recognized and enforced given the concurrent jurisdiction

over support issues in the Superior Court-Family Matters Division when it hears dissolution, custody and visitation issues.

Cross-Section Collaboration

The staff in Child Support and Collections also perform work outside their regular section assignments, including defending several cases for Public Safety in federal court; assisting Special Litigation's defense in federal court against the ACLU's constitutional challenge to Cost of Incarceration statutes; and appearing with Consumer Protection in multi-district litigation against META for violations of COPPA and CUTPA. The Bankruptcy Unit assisted the Finance section in its BlockFi litigation, writing the brief in opposition to the debtors' objection to the claim filed by the Department of Banking.

DEI

The Child Support and Collections staff are extremely committed to this office's DEI initiatives and to promoting comradery and a positive work environment. Several staff members actively participate in the DEI and Work Culture committees, including chairing sub-committees, organizing DEI and Work Culture events, leading the Women's ERG, and facilitating the internship program for the Farmington Valley Training School.

CONSUMER ADVOCACY SECTION

The Consumer Advocacy Section ("CAS"), during this FY 2023 – 2024, consisted of three attorneys, one investigator, three secretaries, and was supervised by Section Chief Inez Diaz-Galloza. CAS works tirelessly to educate and assist constituents with thousands of consumer related complaints and inquiries. CAS is responsible for responding to thousands of phone calls, triaging, and referring calls as appropriate, processing incoming complaints, investigating, mediating disputes between parties, and referring complaints to the proper department or partner agency for possible enforcement and review. CAS staff are the front line of the OAG's consumer and constituent advocacy efforts, and often connect with consumers at their most vulnerable and challenging times.

During the past fiscal year, CAS received and responded to thousands of electronic, written and telephone complaints. Due to CAS' mediation efforts, over \$1,816,848.16 was refunded or credited to Connecticut's consumers. CAS continues to address a high volume of complaints despite staffing shortages, due to retirement and the shortage of Senior Volunteer Advocates since COVID-19.

CAS received over 8,270 complaints across multiple areas, including, but not limited to, auto, home improvement/repair, travel, social media, telecommunication, and internet/cable as well as reports of potential scams. Moreover, CAS fielded over 10,167 telephone calls and thousands of additional emails from concerned constituents.

CAS improved cross collaboration both with other sections in the OAG and state agencies, resulting in enhanced communication and processes, which supports both the ongoing litigation

of the OAG and better results for constituents. CAS staff analyzes complaint-driven data to track patterns of potential unfair trade practices and compliance with the Office's major settlements and stipulated judgments. CAS further provides essential resources to constituents and consumers as it engages in front-facing communications with constituents regarding, for example, the OAG's lawsuits against various solar power companies and auto dealerships, as well as local and nation-wide data breaches.

The Office continued to staff, manage, and operate the Elder Justice Hotline which has been instrumental in assisting thousands of Connecticut seniors facing significant financial, social, and physical issues related to aging. In addition to responding to 2,297 incoming hotline calls, CAS referred numerous complaints to our local, State and Federal partners within the Coalition of Elder Justice, and also opened and responded to over 246 new Elder Justice focused complaints. CAS also educated the public and targeted its outreach efforts to promote the hotline and provide numerous scam prevention talks at Senior Centers throughout the State.

CONSUMER PROTECTION SECTION

The Consumer Protection Section protects Connecticut's consumers by investigating and litigating consumer protection matters under the authority of the Connecticut Unfair Trade Practices Act ("CUTPA") and other state and federal statutes. The section advises the Attorney General and the Commissioner of the Department of Consumer Protection on consumer protection matters and represents and defends the Department of Consumer Protection in court. The section also advocates on behalf of Connecticut's energy and utility ratepayers in state and federal fora. Some highlights from the 2023-2024 fiscal year are described below.

Stone Academy

On July 13, 2024, the Attorney General sued Stone Academy following the abrupt closure of the school, alleging numerous violations of the Connecticut Unfair Trade Practices Act. The State also asked the court to attach millions of dollars of Stone's and Joseph Bierbaum's assets during the pendency of the litigation to prevent defendants from offloading or shifting resources to evade accountability. On March 2, 2024, the Attorney General's Office secured a \$5 million prejudgment remedy against Stone Academy. The court held that the State has established probable cause that it will prevail in its case against Stone, noting that defendants materially misrepresented significant aspects of Stone Academy's practical nursing program to consumers and that Stone Academy failed to provide the instruction and training that it promised its students.

UI Rates

On September 9, 2022, the United Illuminating Company sought a \$131 million rate hike over three years. The Attorney General vigorously opposed that application as bloated and unsupported, and on August 25, 2023, the Public Utilities Regulatory Authority rejected all but \$23 million of the company's application and imposed a \$2 million annual penalty that the

Attorney General sought for the company's ongoing failure to remediate the former English Station power plant in New Haven.

Steel Fox Firearms

On March 25, 2024, the Attorney General resolved its lawsuit against Steel Fox Firearms for its illegal sale of illegal and untraceable ghost guns parts into Connecticut. Under the agreement, Steel Fox Firearms will dissolve, surrender its internet domain, and deactivate all social media accounts. Moreover, for a period of five years, Steel Fox's principal must annually report whether he or any other agents of Steel Fox have formed a business to resume sale of ghost gun parts. Should Steel Fox associates sell illegally in Connecticut again, or violate any other terms of the settlement, a \$255,000 penalty will be triggered.

High Bazaar

On May 15, 2024, the Attorney General resolved its lawsuit against HighBazaar organizers Joseph Accettullo and Cody Roberts, ending the illegal, unlicensed cannabis markets and enforcing a series of strong obligations regarding ongoing inspections and restrictions on advertisements. This lawsuit followed cease and desist letters sent to High Bazaar's organizers and Hamden landlord, warning organizers that their events involved the illegal marketing and sale of cannabis outside of the regulated market, and that the events were accessible to individuals under the age of 21. Despite this warning, High Bazaar continued to hold events in Hamden, CT, prompting the Attorney General to seek an injunction in Superior Court.

The judgment requires Accettullo and Roberts to make clear and conspicuous disclosures at HighBazaar events and on any advertisements that the sale, distribution or exchange of cannabis will be strictly prohibited. All prospective vendors must be notified in advance, and must acknowledge in writing that they will not sell, offer, distribute, or exchange cannabis at any HighBazaar event. Further, anyone under 21 must be prohibited from attending HighBazaar events. The stipulated judgment gives the Office of the Attorney General the right to enter and inspect HighBazaar premises at any time to ensure compliance with the agreement. Moreover, the agreement carries a \$20,000 penalty, which will be suspended if Accettullo and Roberts comply with all terms of the judgment.

Delta-8 Enforcement Actions

In his ongoing efforts to combat the proliferation of dangerous high-THC products, the Attorney General obtained judgments against four retailers alleged to have offered delta-8 and other illicit cannabis products. The Attorney General obtained judgments against: VBA Enterprises, LLC, operating as Mobil Mart in Plainville; Zaza Smoke Shop 2 Corporation, operating as Zaza Smoke Shop in Stamford; and Number One King Smoke Shop Corporation and Hope Breeze Corporation, which operate as Worlds Exotic Smoke Shop and Breeze Smokeshop, respectively, in Stamford. The judgments include injunctions prohibiting these businesses from offering high-THC products for sale and civil penalties. Number One King Smoke Shop Corporation and Hope Breeze Corporation were ordered to pay \$120,000, \$70,000 of which is suspended pending

their compliance with the judgment. Zaza Smoke Shop 2 Corporation was ordered to pay \$60,000, \$35,000 of which was suspended. VBA Enterprises was ordered to pay \$5,000, and another \$5,000 was suspended pending their compliance with the judgment.

EMPLOYMENT RIGHTS, LABOR AND WORKERS COMPENSATION SECTION

The Employment Rights division of this Section devotes a substantial amount of its resources to defending state agencies, including the University of Connecticut, the UCONN Health Center, the Connecticut State Colleges and Universities, and state officials in employment related litigation and administrative complaints. Its staff continues to work to effectively defend employment claims against the state and state officials – thereby limiting or avoiding the state's exposure to financial liability and other costs associated with litigation -- while ensuring protection of employees' legitimate legal rights. The section also regularly provides legal advice and counsel, both orally and in writing, to state agencies on a variety of employment matters.

This section's role continues to increase in this regard as the issues facing state agencies become more complex. Section staff also participate in training agency staff in employment laws including the Connecticut Fair Employment Practices Act, the Civil Rights Act of 1964, and the Americans with Disabilities Act.

Section staff members are currently defending the State in approximately 323 employment cases. Section staff are 65 defending employment cases in the state and federal courts, 2 Second Circuit Court appeal and 4 appeals in the Connecticut Appellate and Supreme Courts. In addition to these cases, the section is defending approximately 250 complaints before the Connecticut Commission on Human Rights and Opportunities ("CHRO"), Office of Public Hearings, the Equal Employment Opportunity Commission ("EEOC") and Freedom of Information Commission ("FOIC"). The section is also defending 8 claims in the Office of the Claims Commissioner. During the past year, the section successfully defended state agencies in numerous cases in the state and federal courts. Significantly, the section was able to obtain judgment in favor of the state and its officials in many cases, including 8 summary judgment motions that were filed in federal court and summary judgment motions filed in state court, thus eliminating the need for trials in those cases. These victories are important as they eliminate not only the need to expend resources at trial, but also eliminate the uncertainty and exposure the state has to large jury awards. During fiscal year 2023-2024, the COVID-19 pandemic continued to affect the judicial system. As such, the section handled two trials to verdict. The section was also successful in avoiding the state's exposure to financial liability by entering into favorable settlement agreements, and by filing motions in several cases, which resulted in dismissals by the Courts and CHRO.

The Labor and Workers' Compensation division of this Section represents the State Treasurer as the Custodian of the Second Injury Fund, the Workers' Compensation Commission and the Department of Administrative Services in its capacity as the administrator of the state employees' workers' compensation program, as well as DAS Personnel, the Labor Department, the Office of

Labor Relations, the Office of the Claims Commissioner, the State Employees Retirement Commission, the Teachers' Retirement Board, and others. The section's workers' compensation attorneys and paralegals represent the Second Injury Fund in cases involving potential liability of the Fund for workers' compensation benefits and the State of Connecticut in contested workers' compensation claims filed by state employees. The section's workers' compensation attorneys and paralegals also devote significant time to third party tortfeasor cases that result in the recovery of money for the State and the Fund, as well as handling a large number of appeals to the Compensation Review Board and the Appellate and Supreme Courts.

The section's labor attorneys represent various state agencies before administrative agencies such as the Freedom of Information Commissioner and the Claims Commissioner, as well as represent the State in Superior Court when administrative appeals are taken from entities such as the Employees' Review Board and the Employment Security Appeals Division. The labor attorneys represent the Commissioner of Labor in Superior Court when they initiate collection proceedings for unpaid wages due Connecticut employees in the private sector, and for the recoupment of civil penalties assessed for wage and hour violations. In addition, the section's labor attorneys conduct extensive document review and handle appeals to both the Appellate and Supreme Court.

During the past fiscal year, section attorneys and paralegals appeared for the Fund and the State in 3,209 hearings before workers' compensation commissioners. Section attorneys and paralegals were responsible for recouping \$697,141.07 for the State of Connecticut and \$88,578.37 through third party interventions in Superior Court and negotiated settlements in lieu of litigation. These sums represent reimbursements to the State of money which was paid out in workers' compensation benefits for injuries caused by third parties.

During the past fiscal year, the section's labor attorneys opened forty-seven (47) new cases, and completed twenty-four (24). The labor attorneys also completed the review of fifty-eight (58) contracts on behalf of the State, and collected \$141,992.81 in unpaid wages and civil penalties for Connecticut citizens whose employers failed to pay them in accordance with Connecticut's wage and hour laws.

ENVIRONMENT SECTION

The Environment Section represents the state Department of Energy and Environmental Protection (DEEP) and the Department of Agriculture in state and federal court and administrative proceedings. The Section continues to have important success in abating pollution and in enforcing environmental laws. This year the Section initiated and participated in a number of cases that sought to protect the environment and the citizens of the State of Connecticut. The Section also continued to coordinate with other states on national efforts to keep Connecticut's air clean and help protect its citizens from the impacts of air pollution transported to our state and from climate change.

Specifically, in the continuing effort to improve Connecticut's air quality, the Environment Section participated in a number of legal actions to enforce the Clean Air Act, including actions seeking to

reduce the impact in Connecticut from air pollution generated in other states. We will continue to work with DEEP and the multistate group to pursue tools that reduce greenhouse gas emissions and meet Connecticut's climate goals.

In addition, the Section worked with other states to support and defend federal rules intended to promote cleaner air in Connecticut. The Section also worked to ensure that rules intended to protect Connecticut from upwind pollution are enforced and not eliminated. These efforts included joining a multistate group that sought to protect vehicle emissions laws that are at the heart of Connecticut's air pollution program.

This year the Section also secured a number of legal victories on behalf of the DEEP that furthered the State's efforts to enforce and defend environmental laws. The Section initiated an enforcement action against, Diaper Dan, Inc. and its owner for discharging wastewater without a permit, an activity that was ongoing for several years. The court accepted a stipulation for judgment that included several injunctions, such as registering for appropriate permits, complying with all water pollution statutes and regulations, and eventually ceasing its discharge of laundry wastewater at the Site. The defendant also agreed to pay a civil penalty in the amount of \$100,000.00 imposed on the company and owner jointly and severally satisfied by a payment of \$26,000.00. The civil penalty was satisfied by the \$26,000.00 payment and the defendants ceased the discharge in June of 2024.

The Environment Section also initiated a major enforcement action against 28 chemical manufacturers responsible for knowingly contaminating Connecticut waters and natural resources and harming public health with toxic PFAS "forever chemicals." The Section filed two complaints that seek to hold the companies responsible for dangerous PFAS chemical contamination from two sources—aqueous film forming foam (AFFF) used in firefighting, and chemicals used in manufacturing and added to consumer products, such as food packaging, cookware, carpeting, upholstery, clothing, and cosmetics, to make products resistant to stains, water, and heat. PFAS chemicals are toxic and can persist in the environment indefinitely. PFAS chemicals can travel through the environment, including into drinking water sources, and accumulate in human blood. Even modest releases of PFAS can cause widespread pollution and damage. PFAS is known to cause severe adverse human health effects, including increased risk of kidney, breast, pancreas, prostate, and testicular cancers, liver damage, decreased birth weight and birth defects, decreased vaccine response, high cholesterol, infertility, and diabetes. The complaints seek both injunctive and monetary relief—compelling the companies to dispose of their toxic chemical stocks, abate all pollution in Connecticut, disclose all research, and to compensate the state for past and future remediation and testing expenses.

In January 2024, our Section also filed an enforcement action in state court against The United Illuminating Company (*Dykes v. The United Illuminating Company*) for its failure to comply with six distinct requirements of an administrative order issued by the Department of Energy and Environmental Protection requiring the remediation of the former English Station power plant in New Haven, Connecticut. The lawsuit seeks an injunction requiring the overdue environmental cleanup and also civil penalties for noncompliance. This case is pending in Hartford Superior Court and is set for trial in 2026.

The Section also represented and worked extensively with the DEEP to negotiate Consent Orders and resolve outstanding administrative proceedings that are intended to protect the environment, remediate pollution and impose penalties for past violations.

The Section also represented the DEEP in bankruptcy proceedings to thwart polluters' efforts to avoid environmental liability by filing bankruptcy. The Section handled numerous bankruptcy filings this year, representing DEEP's interests in bankruptcy courts. The Section's work in bankruptcy court seeks to ensure that contaminated properties are not abandoned and left to taxpayers to clean up.

The Section also continues to represent and assist the Department of Agriculture ("DoAg") in animal cruelty cases, working with DoAg to protect neglected and cruelly treated animals. This past year, this Section continued its work on behalf of the Chief Animal Control Officer of the DoAg to gain permanent custody of animals that were neglected and cruelly treated as defined in CGS 22-329a.

This past year the Environment Section also continued to defend challenges to DoAg decisions intended to protect the public from vicious animals. The department also provided legal support to DoAg in preserving valuable Connecticut farmland by acquiring the development rights through the Farmland Preservation Program, thereby protecting the land from commercial or residential development. The Section also continues to provide legal support to DoAg's Aquaculture Division and assists DoAg in leasing hundreds of acres for oyster farming and other commercial aquaculture activities, thereby generating millions of dollars for the State's economy.

In addition, the Environment Section continues to provide a full range of other diverse legal services to both DEEP and DoAg, including defense of Claims Commissioner matters, contract review, regulation review, opinions, legal advice and counsel.

FINANCIAL & REVENUE SERVICES SECTION

The Financial and Revenue Services Section ("Section") provides legal services to several state agencies, including the Connecticut Insurance Department, Department of Banking, the Department of Revenue Services, the Department of Economic and Community Development, the Office of Policy and Management, the Office of Health Strategy, the Office of Workforce Strategy, the State Insurance Risk Management Board, the Public Utility Regulatory Authority and the Siting Council. The Section handles litigation in federal and state courts for these agencies, including regulatory enforcement actions, administrative appeals, actions requiring the defense of state laws, as well as proceedings before the Freedom of Information Commission and the Claims Commissioner. The Section provides advice to these agencies on a wide variety of legal and regulatory issues that arise in their daily operations, including the review of contracts and regulations for legal sufficiency.

The Section is also responsible for a variety of tobacco-related matters. These include implementation and enforcement of the Tobacco Master Settlement Agreement ("MSA") between fifty-two states and territories, including Connecticut, and more than forty participating

tobacco product manufacturers. The Section also engages in a variety of affirmative efforts to protect Connecticut's residents, particularly youth, from the deleterious health effects of smoking and vaping.

State Agency Representation

During the past fiscal year, the Section's work on behalf of state agencies included representing the Department of Banking and the Connecticut Insurance Department in numerous administrative enforcement actions and other litigation matters and providing the Department of Economic and Community Development with legal assistance regarding grant, loan, and economic development programs. The Section also defended numerous decisions issued by the Public Utility Regulatory Authority and the Siting Council throughout the administrative appeal process. Other work performed by the Section included assisting the Office of Health Strategy and the Office of Workforce Strategy by providing legal advice with respect to their statutory responsibilities and guidance on state contract requirements. The Section also represent the Department of Revenue Services in 444 tax warrant proceedings seeking to collect overdue and delinquent state taxes.

Representative litigation matters included the following:

- *Cullen v. Mello*, 24-413, 2024 U.S. App. LEXIS 10564 (2d Cir. May 1, 2024) – Plaintiff was a probationary officer with the Manchester Police Department and resigned while under investigation for sexual assault. He was subsequently hired by the Plainville Police Department. However, the Police Officer Standards and Training Council (“POSTC”) declined to release the plaintiff's certification card because Connecticut General Statutes § 7-291c unequivocally prohibits a police department from hiring a person as a police officer who previously had resigned “while under investigation for such malfeasance or other serious misconduct.” The District Court concluded that POST C did not violate Plaintiff's substantive due process rights. Plaintiff appealed and the Second Circuit affirmed the District Court, concluding that POSTC did not violate Cullen's substantive and procedural due process rights when it did not release his certification card. The Finance Section assisted the Public Safety Section by taking this appeal.
- *David Lehman, Comm'r, DECD v. LaCava, Jeffrey*, HHD-cv-19-6110435-S – The Department of Economic and Community Development (“DECD”) entered into a financial assistance agreement with the defendants whereby DECD provided the defendants with a \$100,000 commercial loan and a \$100,00 forgivable grant. When the defendants failed to comply with the terms of the financial assistant agreement, DECD filed suit for breach of contract. The parties settled the case this year, with DECD receiving payment for the full loan plus accrued interest; the grant was forgiven.
- *GenConn Energy, LLC v. Pub. Utils. Regul. Auth.*, 348 Conn. 532 (2024) – The Office successfully defended against an administrative appeal challenging a rate determination made by the Public Utilities Regulatory Authority (“PURA”). PURA determined that a peaking generating facility had submitted rate applications which over recovered its capital costs. The peaking generator challenged whether PURA has statutory authority to

make pragmatic adjustments to a peaking generator's rates when it finds, and demonstrates under long-standing regulatory principles, that the proposed rates (if approved) would be more than sufficient to allow the peaking generator to cover its operating costs. In a decision which reinforces and reaffirms PURA's ability to regulate and supervise utilities, and recognizes the discretion that is part and parcel of ratemaking, the Court held that PURA indeed has that statutory authority.

- *In the Matter of ACI Worldwide Corp. and ACI Payments, Inc.* – The Finance Section, in concert with the Department of Banking led a coalition of 50 states and territories in achieving a \$20 million settlement with payment processor ACI Worldwide over a 2021 testing error that led to the unauthorized withdrawal of \$2.3 billion from Nationstar Mortgage (also known as Mr. Cooper) customers. While the vast majority of withdrawals did not go through, 1.4 million transactions totaling \$2.3 billion were processed, impacting 480,000 Mr. Cooper customers. In Connecticut, 7,136 consumers were impacted. ACI took immediate corrective steps to minimize the impact of the testing error and all accounts were ultimately restored. In addition to the \$20 million payment to the states, the settlement requires ACI to use artificially created data rather than real consumer data when testing systems or software, and further requires the company to segregate any testing, development or quality insurance work from its consumer systems. The agreement additionally mandates regular reporting (for two years) to a state regulator monitoring committee to ensure both the adequacy of the risk management programs and compliance with the order. The State of Connecticut received \$558,740 from the settlement, which includes \$242,604.35 attributable to OAG's work in the multistate, multi-agency action.
- *In re Phoenix. M.*, 221 Conn. App. 789 (2023), *cert. denied*, 348 Conn. 920 (2023) – An appeal from the trial court's judgment terminating the respondent mother's parental rights. On the first day of trial, the respondent had requested new appointed counsel. On appeal, the respondent claimed that the trial court erred in denying her request based on the best interest of the child. The Appellate Court held that the trial court did not abuse its discretion in denying the respondent's request, as it had properly considered whether that request would cause an undue delay in the trial, to which the child's best interest was tied; and the trial court appropriately considered the issues the respondent raised in support of her request for a continuance. The Finance Section assisted the Child Protection Section by taking this appeal.
- *Northland Investment Corporation v. Public Utilities Regulatory Authority*, 349 Conn. 35 (2024) – The Connecticut Supreme Court affirmed a decision of the Superior Court upholding a declaratory ruling by the Public Utilities Regulatory Authority (PURA) that ratio utility billing (RUB) was prohibited by Connecticut law. RUB bills residential tenants not for their exclusive use of utilities (such as water, electricity and gas), but rather on square footage of apartments and number of occupants and any other factors that the landlord decided to include. Under RUB, a tenant who attempts to conserve utility usage receives no benefit, but rather subsidizes tenants who may be wasteful, since the RUB system of subdividing the building's overall utility bill is not based on the exclusive use of each tenant. The upholding of PURA's decision is a victory for conscientious tenants.

- *Reed v. Comm’r of Corr.*, 225 Conn. App. 352 (2024) – In a per curium decision, the Connecticut Appellate Court affirmed the trial court’s denial of a petition for a writ of habeas corpus. The Appellate Court concluded that the petitioner could not establish an ex post facto clause violation based on the Department of Correction’s amendment of an administrative directive. The Finance Section assisted the Public Safety Section by taking this appeal.
- *State of Connecticut v. JUUL Labs, Inc.*, HHD-CV22-6163204-S – Connecticut led the multi-state post-settlement negotiations with Juul to enforce the consent judgment’s parity provisions. After a protracted process, the parties reached an agreement on a model amended and restated consent judgment to adopt the more favorable injunctive relief terms that the litigating states had obtained. The two most significant changes are (1) the establishment of a nominal price and a prohibition of promotions that are greater than 20% of the suggested retail price; and (2) increasing the number of years Juul is required to conduct compliance checks from 2 years to the later of 4 years or the date when payments are fully made to the litigating states. The Amended and Restated Consent Judgment was entered by our court on June 18, 2024.
- *United Public Service Employees Union-COPS Local 895 v. City of West Haven and the Municipal Accountability Review Board*, NNH-CV-23-6138430-S – This office provides legal counsel to the Municipal Accountability Review Board (“MARB”) on a full spectrum of legal issues. The board is organized within the Office of Policy and Management and renders financial assistance and accountability to designated distressed municipalities with the aim of restoring them to fiscal health and independence. To accomplish this end, the board has extensive authority to advise, approve and reject a municipality’s various undertakings, to include all collective bargaining agreements under Conn. Gen. Stat. § 7-576e(a)(3)(iv). The City of West Haven (“the City”) is one of the MARB’s supervised municipalities. Last fall, the City approved a collective bargaining agreement with the labor union representing the City’s police officers (“the Police Union”). The City then presented the agreement to the MARB for approval. Instead, the MARB tabled the agreement and informally advised the City and the Police Union that it was too costly and required revision. The parties did not attempt to revise the agreement. Instead, the Police Union filed suit seeking a writ of mandamus to compel the MARB to confirm that the agreement was approved by operation of law on account of the MARB’s failure to timely accept or reject the agreement last fall in accordance with Conn. Gen. Stat. § 7-576e(a)(3)(iv). The MARB thereafter officially voted to reject the collective bargaining agreement as too costly and, in accordance with § 7-576e(a)(3)(iv), referred the parties for arbitration of a new agreement. Instead of voluntarily submitting to arbitration, the Police Union filed a motion in the superior court seeking an order staying the arbitration pending a decision on its application for a writ of mandamus. This office filed an objection to the motion for stay and, on June 6, 2024, the court denied the motion for stay and at the same time, rejected the Police Union’s argument that its collective bargaining agreement with the City has already been approved by operation of law, vitiating the ultimate claim for mandamus relief. This office will be providing legal representation to the MARB during the arbitration.

- *Woodbridge Newton Neighborhood Environmental Trust v. Connecticut Siting Council*, SC 20816, 2024 Conn. LEXIS 163 (July 5, 2024) – The Connecticut Supreme Court affirmed a decision of the Superior Court upholding a Connecticut Siting Council (CSC) decision approving a cell tower in Woodbridge, Connecticut. Opponents of the CSC decision claimed that the CSC was required to consider the effect on local property values notwithstanding that no party or intervenor offered any sworn testimony or other evidence regarding property values before the CSC at its evidentiary hearing. The Supreme Court held that the CSC’s governing statute contained no requirement that the CSC consider property values, although the CSC was free to consider them.

Along with the work it does directly on behalf of state agencies, the Section also focuses on consumer financial protection by conducting investigations, leading multistate enforcement committees, negotiating settlements, drafting and reviewing regulatory and other comment letters, and handling consumer inquiries. Areas of focus include financial services, securities regulation, consumer lending, residential mortgage loan origination and servicing, for-profit education, student loan servicing, and debt collection.

Additionally, this past year, the Finance Department assisted the administration with the drafting and passage of Public Act 24-75, “An Act Concerning the Attorney General, the Banking Commissioner, the Dodd-Frank Wall Street Reform and Consumer Protection Act and Telephonic Sales Calls for Soliciting Consumer Goods or Services.” Under the Act, the Attorney General has the authority to (1) issue subpoenas for documents, written responses to interrogatories, and testimony when conducting pre-litigation investigations into potential violations of the Consumer Financial Protection Act; and (2) if a person fails to comply with a subpoena, obtain a court order compelling compliance & imposing a civil penalty for the party’s failure to comply.

Tobacco Enforcement and Advocacy

In April, 2024, Connecticut received over \$111 million in annual payments from tobacco product manufacturers that have signed the Tobacco Master Settlement Agreement (MSA). Section attorneys work to ensure that Connecticut continues to receive the monetary payments it is owed under the MSA from Participating Manufacturers, that those manufacturers also comply with the public health provisions of the MSA, that Nonparticipating Manufacturers selling cigarettes in Connecticut make their requisite escrow deposits for Connecticut’s benefit, and that all tobacco product manufacturers abide by other requirements of state and federal law. In the past year, Section attorneys have continued to advance multistate efforts to reduce youth exposure to depictions of smoking and vaping in movies and serial programming available on streaming services.

GENERAL LITIGATION SECTION

The General Litigation Section defends state agencies, officials and employees in tort, civil rights, and other matters, including high exposure personal injury, medical malpractice and wrongful death cases. Many of the section's cases are brought by parties alleging injuries or civil rights violations at state facilities or while receiving services from state agencies.

The section's cases reflect the wide and varied activities and programs in which the state is involved: administering technical high schools, colleges and universities; providing care and assistance to persons with mental illness, substance abuse disorders, and intellectual or developmental disabilities; maintaining recreational parks and swimming areas; owning buildings and land; protecting abused or neglected children; issuing orders to keep our state's residents safe in health crises; and providing numerous other services. Claimants often seek large sums of monetary damages. The section has saved the state and its taxpayers millions of dollars through the years by negotiating fair settlements and obtaining favorable judgments.

Two hundred thirty-six of the section's cases are ongoing. Many involve a death, assault or serious injury. Most of these cases are pending in the U.S. District Court, Connecticut Appellate Court, Connecticut Superior Court, and the Office of the Claims Commissioner. To defend these cases, the section engages in extensive investigation, legal research, discovery and briefing, including complicated electronic forensic examinations and consultation with expert witnesses.

During the past fiscal year, the section defended several complex, high-exposure, wrongful death, medical malpractice, civil rights, intentional tort, and personal injury cases. The section appeared for the state, its employees or officials from 26 state agencies and institutions; and successfully argued in most cases that the claims lacked merit, had jurisdictional defects, or failed to state a legally sufficient cause of action. The state prevailed or obtained withdrawals in 45 of the 84 cases the section closed this year after section attorneys filed dispositive motions or defended the state in trials on the merits. In six cases, section attorneys were successful in negotiating reasonable and just settlements. Of the remaining cases the section concluded, 12 were not pursued by the claimant, some after discussion with our attorneys. In 13 cases the claims commissioner or the general assembly granted permission to sue in the superior court where our section continued to defend the state.

As an outgrowth of handling the many supervisory and premises liability claims filed, the section advises agencies on issues relating to physical or policy changes designed to increase safety or ameliorate unsafe conditions or practices in the future. This advice contributes to reduced risk of state liability, resulting in savings of state taxpayer funded resources. When the law permits recovery from plaintiffs who owe money to the state, the section has been successful in recovering that money or reducing settlements by the amounts owed.

If an alleged injury is covered by an insurance policy that a private party purchased as a term and condition of a contract or lease with a state agency -- or a state contract requires a private contractor to indemnify the state -- the section seeks indemnification and insurance coverage to ensure that the state is covered for any liability and reimbursed for expenses. In such cases, the section has been successful in persuading contractors to settle and pay claims against the state, saving the state the cost of defense and potential awards. Many of the parties who decided not to pursue claims against the state this year did so because our section's attorneys insisted that the contractors assume liability for the injuries or risk reimbursing the state for the costs of defense.

GOVERNMENT PROGRAM FRAUD SECTION

The Government Fraud Section protects Connecticut tax dollars from fraud, waste, abuse, and corruption. Once again, the Section's attorneys, investigators, and staff obtained significant results from investigations, civil enforcement actions, and settlements. The Section continued to participate in numerous multistate healthcare fraud settlements with pharmaceutical companies and other healthcare providers related to violations of the Connecticut False Claims Act that affected the Connecticut Medicaid Program. The Attorney General entered into three (3) multistate settlements with healthcare companies and obtained a total recovery (federal and state) of more than \$89,000 for the Connecticut Medicaid Program. In addition to the multistate healthcare fraud settlements, the Attorney General pursued several Connecticut-specific investigations and enforcement actions. The Attorney General obtained a total recovery (federal and state) of more than \$1.8 million for the Connecticut Medicaid Program and other state programs. Significant actions this year included the following:

- In August 2023, the Attorney General announced a \$470,093.93 state and federal settlement resolving allegations that a Federally Qualified Health Center in Bridgeport caused false claims to Connecticut Medicaid for dual-eligible beneficiaries with the incorrect Medicare denial codes and improperly billed Connecticut Medicaid for group therapy services.
- In September 2023, the Attorney General announced that he concluded a civil rights investigation into the possibility of discriminatory employment practices by a former Greenwich Public Schools educator. After review of 61,105 pages of documents and interviews of more than 32 witnesses, the investigation found no evidence that the former educator engaged in a pattern or practice of illegal employment discrimination.
- In November 2023, the Attorney General announced a \$77,655 settlement resolving allegations that a physician practice in Norwich accepted kickbacks paid as pharmaceutical rebates contrary to Medicaid rules.
- In February 2024, the Attorney General announced that he concluded a whistleblower investigation into the Connecticut Port Authority. As part of that investigation, the Office of the Attorney General conducted interviews and reviewed over 223,000 pages of records. The investigation developed evidence of several potential violations of Codes of Ethics, which were referred to the Office of State Ethics and the Office of the Chief State's Attorney.
- In May 2024, the Attorney General announced a \$498,310 state and federal settlement with dental offices in New Britain and Waterbury resolving allegations that they violated state and federal False Claims Act statutes through prohibited fees paid to a “patient recruiting” company.
- In May 2024, the Attorney General entered into a \$398,777 state and federal settlement to resolve allegations that an internal medicine physician in Wallingford violated the False Claims Act by billing for medical services not rendered and issuing medically

unnecessary controlled substance prescriptions, including for oxycodone, to certain Medicare and Medicaid beneficiaries.

Pension Revocation

The Section continued to prosecute civil actions to revoke and reduce the pensions of public officials, State employees, and municipal employees who commit crimes related to their government office.

Whistleblower Matters

The Section in coordination with the Auditors of Public Accounts, continued to investigate a variety of complaints alleging corruption, unethical practices, mismanagement, gross waste of funds and abuse of authority.

Health Care Advocacy Matters

Health Care Advocacy ("HCA") continues to assist patients and their doctors by resolving disputes with health benefit plans. Some of the more prominent issues addressed during fiscal year 2024 relate to managed care denials of coverage, the most pressing of which relate to medically necessary care. It has helped recover approximately \$684,656, derived primarily from improperly denied claims and illegally billed services. HCA continues its role as the investigator of individual allegations of HIPPA Privacy Rule violations. HCA also assists the Connecticut Long Term Care Ombudsman Program (LTCOP) by providing legal guidance and participating in weekly issue discussion with regional ombudsman. HCA also interacts with DSS, DPH and facility counsel on behalf of LTCOP.

HEALTH AND EDUCATION SECTION

The Health and Education section provides legal services and representation to a broad spectrum of state agencies, including the University of Connecticut, the University's Health Care Center and John Dempsey Hospital, the Connecticut State Colleges and Universities, the Office of Higher Education, the State Library, the State Department of Education and the Connecticut Technical High Schools. This section also represents the Department of Public Health, the Department of Social Services, the Department of Mental Health and Addiction Services, the Department of Aging and Disability Services, the Department of Developmental Services, the Department of Veterans' Affairs, the Office of Early Childhood, the Psychiatric Security Review Board, the Commission on Human Rights and Opportunities, the State Librarian, the Office of the Chief Medical Examiner and the sixteen health licensing boards and commissions.

The section's workload addresses the entire spectrum of litigation in federal and state courts for these clients, including but not limited to class action lawsuits, administrative appeals, regulatory enforcement actions, non-employee discrimination claims, civil rights actions, probate

proceedings, bankruptcy and receivership actions. The section also is involved in a variety of administrative proceedings representing the adjudicating agency (e.g. licensing boards), the prosecuting agency (e.g. day care and health care facility prosecutions) and defending agencies in proceedings before the Office of Claims Commissioner, the Freedom of Information Commission and the Commission on Human Rights and Opportunities.

The section advises and counsels client agencies on wide spectrum of issues, including, for example, regulatory issues for health care facilities and professions, emergency medical services, child day care services and environmental health such a public water supply, lead paint, and asbestos; Medicaid and other welfare programs such as food stamps; nursing home and hospital rates; health care facility certificates of need; confidentiality of medical and educational records; civil commitment law, medical/psychiatric treatment at state facilities, property acquisitions, state contract law, disability accommodations for students; federal higher education law, and oversight of public and private educational entities. The section also reviews and approves for legal sufficiency regulations and contracts for its client agencies.

Health

Our section acted against two separate emergency medical service providers: one for operating an unregistered, non-Department of Public Health approved ambulance and one for having emergency medical services personnel who did not have appropriate documentation of their credentials. In each case, our section secured penalties and appropriate remedial action.

In the Connecticut Appellate Court, we successfully defended a challenge by a dentist the Dental Commission's decision to revoke his license for failing to properly maintain patients' records. We also won a separate battle in court where a physician attempted to quash the Department of Public Health's request for medical records needed to complete its investigation.

Our section also successfully defended the Dental Commission and the Department of Public Health in federal district court in a suit seeking damages for actions against a dentist's license.

The section handled a substantial amount of litigation for the Department of Social Services (DSS). The section continues to represent DDS in ongoing settlement compliance in the Southbury Training School litigation.

Education

The section provided legal services on a broad array of issues to the Connecticut State Colleges and Universities. Some of these issues include First Amendment free speech issues, contract questions, discrimination claims, Title IX claims, due process rights and issues arising under the Freedom in Information Act.

The section also provides services for the wide variety of legal matters involving the University of Connecticut. This responsibility continues to increase as the University grows and higher education matters become more complex involving litigation and administrative proceedings including challenges to student disciplinary matters. The section attorneys expend substantial time on legal review, negotiation and approval of highly complex transactions and contracts.

The University of Connecticut Health Center continues to present broad and challenging legal issues that arise from the operation of an academic health center.

The section was successful in getting a case dismissed in federal court which involved a student challenge to the closure of Connecticut public schools to in-person learning during the Covid-19 pandemic.

INFRASTRUCTURE & ECONOMIC DEVELOPMENT SECTION

The Infrastructure Section of the Office of the Attorney General provides representation for the following state agencies: Department of Transportation (“DOT”), Department of Administrative Services (“DAS”), Bureau of Information Technology Solutions (“BITS”) part of DAS, Division of Construction Services “DCS”) part of DAS, Department of Motor Vehicles (“DMV”), Department of Housing (“DOH”), Department of Energy and Environmental Protection (“DEEP”) for real property matters, and the State Historic Preservation Office (“SHPO”). In addition, the Infrastructure Section provides representation for various occupational licensing boards within the Department of Consumer Protection (“DCP”). The representation of the foregoing state agencies/boards includes, but is not limited to, counseling and advice on legal issues, the prosecution or defense of lawsuits or claims in both federal and state courts and before various administrative entities, including the defense of claims filed with the Office of the Claims Commissioner pursuant to Chapter 53 of the Connecticut General Statutes.

Contracting and Property Matters

The Infrastructure section advises virtually all state agencies on contract matters and drafts many of the state’s significant transactional matters. In conjunction with agency staff, the Infrastructure section also assists with the development and amending of various master agreements for use in all areas of contracting at the DOT, DAS, DCS, and DOH with the goal of streamlining the State’s contracting process. Finally, the Infrastructure section has amended the templates for standard contracting provisions consistent with legislative changes and assisted state agencies in the implementation of both new and revised standard State contracting languages required by statute.

During the past year, the Infrastructure Section has assisted 4 different state agencies in approximately 553 real estate and contract related matters to review contracts in substance and form and provided substantive advice in connection with the negotiation of several significant State transactions including:

- Assisted all agencies and the OAG with the implementation of new and revised standard State contracting language required by statute.
- Assisted and assisting DOT with the following transactions: review of agreements with the State of Rhode Island related to bridge replacement along US Route 1 and general bridge inspection and maintenance; review and approval of contract for the purchase of bus

shelters; creation of template agreement for bus shelter installation; finalize agreement for the installation of charging stations for electric buses; review and negotiation of a cost sharing agreement with Amtrak for the Walk Bridge Project in Norwalk, Connecticut; review and negotiation of a cost sharing agreement with Amtrak for the replacement of a rail bridge spanning the Connecticut River in the Old Saybrook/Old Lyme area; review and approval of a contract for the purchase of rail cars; review and approval of a contract for the purchase of electric buses; creation of a template for the municipal provision of so-called micro transit services to supplement State public transit services; and overall review and approval of various construction contracts, service contracts, consultant contracts, and contract templates, property transfers, easements, leases, licenses, and requests for breaks in non-access highway lines.

- Assisted DEEP with the following transactions: review and approval of certain easement grants to Amtrak related to Amtrak's construction of a replacement railway bridge across the Connecticut River in the Old Saybrook/Old Lyme area; property exchange in Middletown to provide better access to a dam located on State property for maintenance purposes; creation of a conservation easement template for use by DEEP for future conservation easement purchases; review and approval of various grant agreements and conservation easements in connection with the statutory Open Space and Watershed Land Acquisition Grant Program; purchase of various properties pursuant to its statutory land acquisition authority; and review and approval of various leases and easements.
- Assisted and assisting DOH with the review and approval of various personal service agreements, personal service agreement amendments, assistance agreements, other contracts and agreements, and agreement templates.
- Assisted and assisting DAS with the following transactions: the conveyance of property to the Town of Stratford required pursuant to statute, including reciprocal easements for utilities, maintenance, and access; review, negotiation, and approval of various agreements related to property purchases, sales, licenses, and leases; and review and approval of various construction and construction consultant agreements.

Other legal assistance involving contracts is provided in resolving public contracting bid protests, interpreting, and drafting contract language, and addressing problems that arise during large construction and statewide procurement projects.

Litigation Matters and Construction Claims

The Infrastructure section litigates a wide array of cases on behalf of DOT, DAS, DOH, and DMV in virtually all the tribunals of the State to include: the Claims Commission, the AAA, state and federal courts, and the Appellate Court and Supreme Court of our State. In addition to prosecuting and defending lawsuits in court on behalf of our client agencies, the Infrastructure section regularly assists agency personnel in the pre-suit analysis and settlement of disputes to avoid expensive and time-consuming litigation. In doing so, the Infrastructure section has minimized adverse operational and financial impacts to our client agencies and the public treasury.

The following represents a summary of the cases handled by the Infrastructure section during the past fiscal year:

- a) The Infrastructure section resolved two complex construction cases on behalf of DAS brought pursuant to Conn. Gen. Stat. section 4-61 in the AAA; one of which resulted in approximately \$23,000 in liquidated damages paid to the State and a savings of \$154,000 from the initial demand. Presently, the Infrastructure section is defending DAS in a case filed with the AAA demanding \$1.4 million. This matter is the subject of an application for injunctive relief our section filed on behalf of DAS and remains pending.
- b) In the Superior Court, the Infrastructure section favorably resolved one Superior Court cases relating to construction litigation, several administrative appeals, and four condemnation appeals. Trial in an additional condemnation appeal has recently concluded and a decision remains pending. The Infrastructure section resolved a lease dispute on behalf of DAS resulting in a savings of over \$500,000.00 and a contract dispute on behalf of DOT resulting in a savings of \$70,000.00. The Infrastructure section also achieved two dismissals of cases filed against DMV. Finally, with respect to DOH, the Infrastructure section is currently defending an administrative appeal involving Conn. Gen. Stat. section 8- 30g.
- c) The Infrastructure section handled two significant cases at the appellate and supreme court level. At the appellate level, the Infrastructure section prevailed in an appeal challenging the DMV's calculations of towing rates for non-consensual tows. A petition for certification and our responding opposition remains pending. At the supreme court level, the supreme court reversed a trial court decision and appellate court affirmance supporting DMV's interpretation of the timeline in which a police department must mail a report of DUI to the DMV as set forth in Conn. Gen. Stat. § 14-227b(c) for purposes of license suspension. Since this decision, the legislature amended the statute, effective July 1, 2024, to allow police departments additional time to notify DMV of a driver arrested for DUI.
- d) The Infrastructure section also received several favorable decisions from the Office of the Claims Commission dismissing actions brought against the State saving the State tens of thousands of dollars.
- e) Presently, the Infrastructure section is handling two federal court cases which remain pending. The first case was brought under 42 USC 1983 claim seeking injunctive relief relating to a suspended driver's license. In that case, the Infrastructure section filed a motion for summary judgment which was granted. The case remains pending based on the plaintiff's request to seek reconsideration and/or appeal. The second federal case alleges multiple claims against various state employees. The Infrastructure section filed a motion to dismiss which remains pending at this time.

Environmental Matters

In addition, the Infrastructure section is deeply involved in various environment matters associated with public works projects, roads, and bridges projects, and other activities of its client agencies. Our attorneys continue to provide legal assistance and guidance to those agencies to ensure that there is compliance with applicable federal and state environmental laws in the

planning of projects and the operation of state facilities. In particular, the Infrastructure section assists these agencies in complying with the requirement of the National Environmental Policy Act (“NEPA”), the Connecticut Environmental Policy Act (“CEPA”) and other federal and Connecticut regulations that have been enacted to balance the need to develop our state economy and governmental services with the need to protect the resources of the natural resources of the state. In this regard, the Infrastructure Section has advised DOT regarding several permitting issues necessary at DEEP for road improvement projects. The section has also investigated and resolved two referrals made from the State Historic Preservation Office (“SHPO”) and the Historic Preservation Council regarding historic buildings slated for destruction. In each case, the Infrastructure section worked to ensure compliance with federal and state laws while assisting stakeholders in negotiating reasonable and feasible alternatives to destruction when possible.

Conclusion

As a result of the size and complexity of the state agencies that the Infrastructure section represents, the section remains busy as it continues to address and resolve a broad scope of complex legal issues; playing an integral role in the smooth operation of our state government and stewardship of public resources.

PRIVACY SECTION

The Privacy Section handles matters related to the protection of Connecticut residents’ personal information and data. The Section advises the Attorney General regarding the enforcement of state and federal privacy laws. These laws include Connecticut’s breach notification statute, Connecticut’s safeguards law, the Connecticut Unfair Trade Practices Act (CUTPA), the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), the federal Children’s Online Privacy Protection Act (COPPA), and the federal Fair Credit Reporting Act (FCRA). In addition, the Section provides the Attorney General with advice on proposed legislation and other matters regarding privacy and data security and engages in extensive outreach to citizens and businesses.

Effective July 1, 2023, these laws include the groundbreaking Connecticut Data Privacy Act (“CTDPA”), which empowers Connecticut residents with rights over their personal data and establishes privacy protection standards for businesses that process personal data. Connecticut was one of the first U.S. states to pass a comprehensive consumer data privacy law. By enacting the CTDPA, we joined the ranks of a growing list of states taking innovative but necessary steps to protect consumers’ privacy. The CTDPA grants the Attorney General sole enforcement authority and has significantly expanded the Privacy Section’s workload.

CTDPA

In the past year since the CTDPA took effect, the Privacy team has taken significant steps to prompt compliance with the law. We issued a report on February 1, 2024, detailing our efforts over the first six (6) months after the law’s effective date (“CTDPA Enforcement Report”). As discussed in the report, the Section issued over a dozen notices of violation (“cure notices”), as well as a number of broader information requests regarding concerning privacy practices. We are focused on key aspects of the CTDPA related to privacy notices, sensitive data and teens’ data, among other areas.

Data Breaches

The Section reviews all data breaches reported to the Office under Connecticut’s breach notification statute. The number of breach notices received by the Office has increased dramatically over the years— we received 800 data breach notices in 2019, 1,200 in 2020, over 1,500 both in 2021 and 2022, and 1,800 in 2023. The Privacy team reviews each notification for compliance with our breach notice and data security laws. We frequently follow up with companies for further details concerning notice timelines, the privacy protections offered to affected residents, the safeguards in place at the time of the breach, and post-breach remedial measures.

Further, over the past several months, our team has issued numerous “warning letters” to companies concerning lengthy breach notice timelines. Connecticut law requires that notice be provided both to our Office and Connecticut residents without unreasonable delay, but not later than sixty (60) days after breach discovery. *See* Conn. Gen. Stat. § 36a-701b(b)(1). More and more, we are seeing breach notice timelines stretch in contravention of the requisite period in Connecticut law, and we are focused on ensuring timely notices going forward.

Investigations & Settlements

The Section also conducts investigations into data breaches involving violations of state consumer protection and privacy laws and/or federal laws protecting personal information. The Section has led or assisted with numerous multistate investigations of large-scale data breaches and other high-profile privacy matters. Recent settlements of note are as follows:

Blackbaud

On October 5, 2023, our Office announced a \$49.5 million 50-state settlement to resolve our investigation into a ransomware attack at Blackbaud, a leading provider of a cloud-based software solution for many not-for-profits, schools and health systems. Unauthorized access took place between February 7 and May 20, 2020, and the attackers were able to exfiltrate a host of sensitive data, including Social Security numbers, medical information, and/ or financial account information. A security researcher alerted Blackbaud to the sale of data on the dark web on April 30, 2020, but Blackbaud did not begin notifying its clients of the breach until July 17, 2020, with a rolling notice continuing through the rest of that year and early the next year. Even then, Blackbaud downplayed the breach and delayed providing its customers with the information necessary for them to perform the legal and forensic analysis that Blackbaud itself had failed to do. Blackbaud’s actions caused notice delays to consumers and forced thousands of nonprofits to undertake duplicative efforts. In Connecticut, we received over 200 notices related to Blackbaud, reflecting that at least 35,000 Connecticut residents had their information compromised. We resolved our investigation through an Assurance of Voluntary Compliance requiring Blackbaud to make significant improvements to its data security and breach notification practices, undergo third-party assessments for seven (7) years, and make a \$49.5 million payment to the states. Connecticut’s share was \$602,303.

Inmediata

On October 17, 2023, our Office announced a \$1.4 million 33-state settlement with Inmediata, a health care clearinghouse, which facilitates financial and clinical transactions between health care providers and insurers, to resolve our concerns over a data breach experienced by the company. Inmediata

reported the data breach after HHS notified the company in January 2019 that ePHI was available online and had been indexed by search engines. This was apparently due to a security misconfiguration on one of Inmediata's web applications. Over 1.3 million consumers were impacted, including 3,065 Connecticut residents. Inmediata's response to the breach was disorganized and resulted in misaddressed and/or multiple notices being sent to consumers. We reached an agreement through a Stipulated Judgment requiring the company to strengthen its data security. We considered the company's financial condition in arriving at the total \$1.4 million payment, which the company will make in two installments. As an executive committee state, Connecticut will receive a total of \$60,154. The first installment of \$30,077 was paid in December 2023, whereas the second installment is due on December 1, 2025.

Morgan Stanley

On November 16, 2023, we announced a \$6.5 million settlement to resolve our investigation— which we conducted with FL, IN, NY, NJ and VT—into two data security incidents reported by Morgan Stanley in July 2020 that potentially impacted more than 14 million individuals nationwide, including approximately 220,000 CT residents. The first incident involved the decommissioning of two Morgan Stanley data centers in 2016 (the "Data Center Event"). Morgan Stanley discovered that its vendor Triple Crown failed to appropriately "wipe" the devices before reselling them, leaving any consumer personal information still on those devices subject to unauthorized access. Despite this, Morgan Stanley did not immediately notify the states or the public regarding this potential breach.

Separately in 2019, Morgan Stanley disconnected and replaced certain computer servers ("WAAS devices") in its local branch offices. In February 2020, Morgan Stanley learned that certain devices were missing, and in June 2020, the WAAS device manufacturer informed Morgan Stanley of a software flaw that could have resulted in small amounts of previously deleted data remaining on the disks in unencrypted form. While Morgan Stanley did not believe that there had been any unauthorized access to personal information, it issued notice to the states and consumers in July 2020. In conjunction with this notice, Morgan Stanley also disclosed the prior Data Center Event.

Our investigation focused on Morgan Stanley's vendor management and data retention practices, as well as its compliance with our breach notification laws given its substantial delay in reporting the Data Center Event. The states negotiated a settlement through an Assurance of Voluntary Compliance requiring Morgan Stanley to strengthen its vendor management program, data retention and disposal policies and procedures, and incident response and notification plan. In addition, Morgan made a total \$6.5 million payment. Connecticut's share was \$753,634.62.

Nextiva Servicing LLC

On April 24, 2024, we finalized an Assurance of Voluntary Compliance with Nextiva, an Arizona-based voice-over-internet-protocol (VoIP) company, due to an almost four-year delay in providing notice to three (3) Connecticut residents who were impacted by a 2020 data breach. Nextiva discovered the breach in January of 2020, but did not notify our Office or impacted individuals until September 1, 2023. The impacted individuals had their Social Security numbers, financial account information and credit or debit card numbers compromised. Taking into account both the substantial delay and the low impact, we addressed this matter through an Assurance of Voluntary Compliance and \$15,000 payment. The Assurance requires Nextiva to implement and maintain a comprehensive information security program, an incident response and notification plan, specific security safeguards aimed at addressing the breach, as well as to provide timely notice of data breaches going forward.

Legislation

The Section monitors federal and state privacy and data security initiatives and provides the Attorney General with counsel on proposed Connecticut legislation. In particular, over the past several years, our office carefully reviewed consumer data privacy bills raised in the state as well as across the country. We prepared testimony in support of consumer data rights while working with legislators to address issues impacting our Office's enforcement authority.

Most recently, throughout the Fall of 2023, we participated in a legislative task force on artificial intelligence ("AI"), which ultimately led to the introduction of a 2024 bill (SB2) on AI. We reviewed and provided feedback on provisions in the AI bill, including to ensure its enforceability. Further, in our CTDPA Enforcement Report, we included a list of legislative proposals that were informed by our enforcement work to date and are aimed at enhancing the law's protections going forward.

NAAG Privacy Working Groups & Internet Safety Committee

The Section participates in various National Association of Attorneys General working groups involving data security and privacy. In particular, the Section leads the NAAG Medical Privacy Group, through which we host quarterly calls between the states, with participation from the U.S. Section of Health and Human Services' Office for Civil Rights, to share information and encourage coordination in investigating breaches and other matters impacting medical privacy.

We also participate in a broader NAAG Privacy Working Group and a separate working group focused on tech platforms. Out of the Privacy Working Group, we formed and lead a subgroup dedicated to discussion of state privacy legislation. Finally, we are assisting the Attorney General in his role as co-chair of the NAAG Privacy/ Internet Safety Committee.

Education & Outreach

The Section engages in extensive outreach to constituents, community groups and businesses. For example, we have participated in events hosted by the Connecticut Bar Association, our local chapter of the International Association of Privacy Professionals, and the Practising Law Institute's Cybersecurity Seminars. The Section also participated in a series of outreach events for local Chambers of Commerce chapters with the Attorney General, including to raise awareness about the serious and ongoing threat of ransomware. We have expanded these efforts to include events highlighting the importance of the CTDPA and discussing our Office's early enforcement efforts under the law.

PUBLIC SAFETY SECTION

The Public Safety Section represents the Department of Correction; the Department of Emergency Services and Public Protection, including the Division of State Police, the Division of Emergency Management and Homeland Security; the Military Department; the State Marshal's Commission and the Department of Consumer Protection Liquor Control Division. The Section also provides legal services and representation to a number of associated boards, commissions and agencies, including the Division of Criminal Justice, the Division of Public

Defender Services, the Office of Adult Probation, the Governor's Office (Interstate Extradition), the Statewide Emergency 9-1-1 Commission, the State Police Special Licensing and Firearms Unit, the Board of Firearms Permit Examiners, the Commission on Fire Prevention and Control, the Board of Pardons and Paroles and the Police Officer Standards and Training Council. Within the last year, attorneys in the Section have also represented several units within the Judicial Branch in various litigation matters.

The Department of Correction

The Department of Correction ("DOC") is the Section's largest client agency. With over 6,000 employees, approximately 10,000 inmates and another 2,500 offenders supervised in community placements, all of the attorneys in the Section devote most of their time to representation of the DOC. Much of this work is done in defense of the agency and its employees in lawsuits brought by and on behalf of prisoners. The Section continues to defend a large number of lawsuits in state and federal court challenging conditions of confinement in state correctional facilities and the administration of community programs. The pending corrections cases in the U.S. District Court alone continue to represent approximately 15% of the overall federal court docket. These lawsuits collectively seek millions of dollars in money damages and seek to challenge and restrict the statutory authority and discretion of the DOC. The Section's efforts in defense of these cases save the State of Connecticut millions of dollars in damages claims. It also preserves the state's authority to safely and securely manage an extremely difficult prison population free of costly and onerous court oversight as has been the experience in other states. Significant areas of litigation in the last year include: litigation relating to the impact of COVID-19 on the prison population, continued defense of the DOC's classification of former death row inmates; defense of various challenges to limitations on access to courts by inmates; accommodation of rights to observe religious practices while incarcerated; defense of policy restrictions on the ability of restrictive housing inmates to move out of cell without restraints; litigation challenging DOC's classification of sex offenders and limitations on inmate access to gang materials; class action environmental claims arising from exposure to Radon, PCBs and other hazardous conditions at several correctional facilities; litigation brought by certain violent groups that seek to be recognized as religious organizations; and inmates challenging their classification as members of security risk groups.

Because the inmate population continues to age and presents exceptionally challenging medical and mental health issues, we continue to see a considerable increase in the number of complex medical cases involving issues such as: suicides; the alleged misdiagnosis of cancer and other serious chronic illnesses; viral infections allegedly resulting in blindness; loss of organ function; medical claims of individuals impacted by the opioid epidemic and other addictions; and the adequacy of dental care and specialty care in prisons. Additionally, we continue to initiate emergency proceedings to allow for extraordinary measures to reverse the physical effects of inmates actively engaged in hunger strikes or other acts of self-harm. This Section continues to work with the DOC, the University of Connecticut Health Center, and outside medical and mental health experts not only to defend litigation, but also to develop policies addressing inmate

patient care to avoid systemic issues that may lead to unfavorable patient outcomes and reduce the state's exposure to substantial damages awards.

A great number of inmate claims are brought as habeas corpus petitions. Thus, the Section continues to defend inmate challenges to prison conditions and sentence calculations. Legislative changes that modified how jail credit is applied, for inmates with multiple sentences imposed at different times, has resulted in an increase in habeas petitions. The DOC utilizes Risk Reduction Earned Credits ("RREC") to incentivize good behavior, encourage participation in designated inmate programming and reduce the inmate population. RREC is awarded monthly and applied to reduce an inmate's prison sentence. Inmates who feel they have not received a sentence decrease, because of either jail credit or RREC, frequently litigate these claims by means of habeas corpus petitions. We also continue to see an increase in medical and mental health habeas petitions.

With the various waves of the COVID-19 pandemic, inmates continue to bring new cases challenging DOC's response to Sars-CoV-2 and seeking remedies ranging from money damages to emergency release from custody. Thus far, none of the cases we have defended has resulted in a court-ordered release of an inmate or an award of money damages.

In the last year, Public Safety attorneys have participated in negotiations with the U.S. Department of Justice to address concerns arising from investigations into the provision of mental health and education services to the youth population as well as policies governing the accommodation of religious practices throughout the agency.

In addition to our litigation commitments, Public Safety attorneys continue to advise the Commissioner of Correction on the legal aspects of a myriad of policy initiatives and legal issues, including: oversight of inmate medical care and the retention of contract providers outside of government; provision of necessary services to inmates discharging from custody; accommodating the practices of several religious faiths of the inmate population; management of high profile inmates; maintaining appropriate services for mentally ill offenders; developing and maintaining appropriate administrative directives; and implementing safety and security procedures that protect staff and the public while also accommodating evolving constitutional standards as articulated in developing case law. We regularly provide training to DOC staff through their academy program, and in turn DOC staff provide training to the Section's attorneys on correctional practices.

The Section also continues to monitor compliance with agreements resolving litigation that arose from the conditions of confinement in the women's prison and treatment of HIV infected inmates. As the DOC continues to shift its focus to increasing community placements and reducing the number of inmates assigned to restrictive housing settings, the Section works closely with the agency to implement policies governing these new initiatives that comport with statutory and constitutional mandates. These obligations will continue to challenge the Department as retirements and budget constraints take a toll on the correctional system.

Board of Pardons and Paroles

The Section continues to defend a number of cases involving the Board of Pardons and Paroles ("BOPP"). These cases involve challenges to the Board's authority relative to the granting, rescission and revocation of paroles, as well as parole eligibility and changes to the parole statutes. More recently, as the standards for the granting of pardons have been relaxed by the legislature, we are seeing an increase in pardon-related litigation in state and federal courts. The Public Safety Section continues to provide the Board with advice and training on legal issues involving its hearing procedures and developing legal trends.

Department of Emergency Services and Public Protection

Section attorneys defend all lawsuits involving the State Police ("CSP"), a division of the Department of Emergency Services and Public Protection ("DESPP"), where plaintiffs seek money damages arising from the exercise of police powers. The Section caseload of police litigation continues to grow in both number and complexity. The cases include false arrest and excessive force cases, wrongful death claims arising from police shootings, Second Amendment challenges to DESPP's practices relating to issuance of handgun permits, administrative proceedings before the Commission on Human Rights and Opportunities ("CHRO") arising from racial profiling of persons stopped and/or arrested by CSP, and contract claims arising from the agency's relationships with outside service providers. In addition to the Section's litigation efforts, Section attorneys meet regularly with State Police command staff and in-house counsel to review the agency's policies and procedures and to address legal issues relating to release of confidential information, compliance with subpoenas, and relations with other agencies.

Section attorneys also give advice to DESPP staff counsel, and when necessary, appear on behalf of the agency in state and federal court and before the Freedom of Information Commission to address the many different statutory provisions that mandate confidentiality, and even erasure, of police records. Our attorneys also appear on behalf of DESPP in matters before the CHRO in matters relating to racial profiling and discrimination based on past criminal history.

With the recent passage of significant police accountability legislation, this Section is seeing an increase in police misconduct litigation in state court, as well as an increase in administrative proceedings arising from the revocation of the credentials of municipal police officers by the Police Officers' Standards and Training Council ("POSTC"). We regularly advise POSTC as it conducts hearings to consider the revocation of police officer certification and defend appeals and other legal challenges to POSTC decisions.

Board of Firearms Permit Examiners

During the past year, the Section provided legal advice and representation to the Board of Firearms Permit Examiners on a number of issues, including appeals from denials of permits based on mental health and medicinal marijuana use. The Section has handled several appeals to the Superior Court from the Board's decisions, including efforts to compel towns to issue permits

in accordance with the orders of the Board. The Section also fields many public inquiries related to the concealed and open carrying of firearms under Connecticut law and the recently enacted firearms legislation as it relates to the licensing of firearms owners and their purchases of firearms and ammunition. The Section continues to work with the Board to enforce the firearms laws of the State of Connecticut.

Liquor Control Division

During the past year, the Section handled administrative appeals involving permits and licenses that are within the purview of the Liquor Control Division. In addition, Section staff provided the Division with advice on legal issues concerning enforcement of the state's liquor laws.

State Marshal Commission

During the past year, the Section continued to provide legal advice to the State Marshal Commission on several matters, particularly with respect to the duties of state marshals and the removal of state marshals. This Section also represented the Commission in actions where individual state marshals challenged disciplinary actions taken against them. In addition, attorneys in the Section continue to review operations policies submitted to us by the SMC.

Division of Criminal Justice & Division of Public Defender Services

The Section continues to defend numerous cases involving the Division of Criminal Justice and the Division of Public Defender Services. These cases often raise constitutional questions involving governmental immunity and relate to the core duties of prosecutors and public defenders throughout the criminal justice process. In addition, the Section works closely with the Office of the Chief State's Attorney and several State's Attorneys in areas of overlapping jurisdiction, such as complex habeas corpus matters in state and federal courts. In addition, we serve on the DNA Oversight Committee, which is responsible for overseeing policies governing the state's DNA databank. Finally, the Section oversees the contract between the Office of the Chief State's Attorney and outside labor counsel.

Military Department

The Section continues to work closely with the Military Department on a variety of issues, particularly in review and approval of substantial contracts and funding programs from the U.S. Department of Defense.

Prosecution of Home Improvement Contractors

Assistant Attorney General Matthew Beizer oversees the Attorney General's program for prosecution of fraudulent and/or unlicensed home improvement contractors. Under this program, several of the office's AAGs are appointed as special assistant state's attorneys to prosecute new home construction contractors and home improvement contractors for various crimes including failure to obtain proper licensing and refusing to refund deposits. The program's AAGs review and approve warrant applications leading to the arrest of individuals who violate the laws governing home improvement and new home construction contractors. The AAGs then prosecute the cases to completion in criminal court and recover restitution for victims of unscrupulous home improvement contractors. We have seen a significant spike in these cases.

Wrongful Incarceration Claims

The Section continues to represent the State in claims for wrongful incarceration brought in the Claims Commission pursuant to Conn. Gen. Stat. § 54-102uu and in the state and federal courts. Since the legislature created this remedy, more than 50 individuals have filed claims seeking millions of dollars in damages for being wrongfully convicted of, and incarcerated for, crimes they did not commit. This Section reviews each claim to determine whether a claimant is eligible for damages, which requires examination of the underlying criminal case files and consultation with prosecutors. In several of the cases where it appeared the claimants were not eligible for damages; the Section contested the claim in litigation before the Claims Commissioner. Defense of these claims usually requires extensive review of the underlying criminal proceeding, lengthy discovery and administrative proceedings before the Commissioner.

Contracts

Each year, the Section works closely with its client agencies, including DOC, DESPP, DEMHS, and the Military Department, to review and approve contracts for the Commissioners' and Major General's signature. Included are memoranda of understanding, grants, and agreements with service providers as well as with local/federal government entities. The contracts are carefully reviewed to ensure compliance with all applicable statutes and regulations. This year the Section reviewed approximately 100 contracts, requiring authorization of the Commissioners and Major General for expenditures totaling in excess of \$50 million dollars.

AAGs in the Section advise the agencies in the negotiation of problematic contractual provisions to ensure agency policies and practices are effectuated, as well as educating and training its agency staff in contract law.

Appeals

This Section has a substantial appellate practice in state and federal courts. The issues on appeal range from Second Circuit appeals raising complex constitutional issues to State Appellate and Supreme Court cases arising from habeas court and the regular session of the Superior Court. Our attorneys work closely with the Solicitor General on these appeals.

SPECIAL LITIGATION & CHARITIES SECTION

The Special Litigation Section represents the Governor, the Lieutenant Governor, the Attorney General, the Secretary of the State, the Treasurer, the Comptroller, the General Assembly, the Judicial Branch, the Auditors of Public Accounts, the State Elections Enforcement Commission, the Office of State Ethics, the Department of Consumer Protection, the Office of Governmental Accountability, the State Contracting Standards Board, the State Properties Review Board, the Judicial Review Council, the Judicial Selection Commission, the Statewide Grievance Committee, the Probate Court Administrator, the Office of the Child Advocate, and the Office of the Victim Advocate. In addition, through its Public Charities Unit, the Section protects the public interest in public land, gifts, bequests and devises for charitable purposes, and, in conjunction with the Department of Consumer Protection, enforces state laws regulating charities and professional fundraisers who solicit from the public. The Section also leads the Office's efforts to protect and defend Reproductive Health Care rights through the leadership of Special Counsels for Reproductive Rights.

The Section often plays a role in the preparation of appeals and opinions in the Office. It often participates as amicus curiae in litigation involving other states, the federal government and private parties in which important state interests are implicated. In addition, a considerable portion of the Section's resources is committed to defending the State's interests in self-represented litigation against judges and other state officials.

In the past year, the Section represented the State's interests in a number of important matters, including:

Constitutional Litigation and Other Matters

- Special Litigation continued in its role of assisting the Attorney General in his efforts to fight to expand and defend reproductive rights and access to reproductive healthcare for all of Connecticut's residents. The Section works to lead and facilitate Connecticut's national role to protect, preserve and expand those rights. In particular, the Section works closely with other jurisdictions to bring and defend litigation in this area and also to discuss and develop policy initiatives to expand reproductive health and access to safe and private reproductive health care for men and women. The Section also participates in discussions with federal officials regarding how the federal government can assist states in better serving the reproductive health needs of their residents.

The two Special Litigation Assistant Attorneys General who were appointed Special Counsels for Reproductive Rights in June 2023 have, among other things, established an internal taskforce in the Office of the Attorney General, conducted outreach events to engage with key stakeholders, and contributed to numerous amicus briefs on reproductive rights issues, including United States Supreme Court briefs in *Alliance for Hippocratic Medicine v. FDA* and *Moyle v. U.S.*

- The Section continued its representation of the Secretary of the State in election-related litigation and other matters. The Section successfully defended a challenge to Donald Trump's eligibility to appear on Connecticut's 2024 Presidential Preference Primary ballot in *Castro v. Thomas*. It successfully defended a challenge to the 2022 early voting

constitutional referendum process in Soto v. Connecticut General Assembly. The Section also represented the Secretary and the State Elections Enforcement Commission in litigation arising from absentee balloting in the 2023 municipal primary in Bridgeport in Gomes v. Clemens. It also represented election officials in numerous records requests related to the 2020 election.

- The Section also defended several important First Amendment speech cases and provided counsel to various state agencies on First Amendment issues. The Section defended the constitutionality of a statute that protect employees from being forced to listen to their employer’s political rhetoric and religious views in Chamber of Commerce of the United States, et al. v. Bartolomeo et al.. The Section defended the ability of the Attorney General to speak freely on matters of public concern in Mohammadi v. Tong. The Section assisted in counseling agencies regarding First Amendment issues surrounding protests and other speech-related activities on various state properties.
- The Section, in conjunction with the Child Support and Collections Section, continued to defend Beatty v. Lamont, an Eighth Amendment challenge to the constitutionality of Connecticut’s ability to recover some of the “costs of incarceration” incurred by taxpayers as a result of plaintiffs’ incarceration. Beatty began as putative class of 30,000 plaintiffs but the federal district court dismissed the action in large part on the State’s motion.
- The Section defended and assisted in defending several Second Amendment challenges to Connecticut’s firearm statutes and regulations. The Section defended an appeal of a federal district court dismissal of Nastri v. Dykes. The Second Circuit vacated that dismissal and remanded the matter to the federal district court where the Section continues its defense of the prohibition on carrying firearms in State parks and forests. The Section successfully defended a constitutional challenge to Connecticut’s firearm permitting statutes in Severino v. Rovella.
- The Section continued to defend from undue encroachment by another state agency, the Judicial Branch’s constitutional power to regulate the conduct of Connecticut barred attorneys and to impose appropriate attorney discipline.
- The Section successfully defended the Office from an inappropriate attempt by out-of-state parties to compel the testimony of Assistant Attorney Generals in the Office of the Connecticut Attorney General in Cullen & Dykman, LLP v. Wertheimer (In re Subpoena).
- The Section successfully assisted in various appellate matters for the Office’s Child Protection Section, taking on multiple child protection appeals at the Connecticut Appellate Court and a Second Circuit appeal in Thomas v. Aldi et al involving the Department of Correction.

Tribal Matters

The Section continued its long-standing role of representing the interests of the State in tribal matters. Each year the Section provides advice to the Governor, legislative leaders, state agencies, and other OAG Sections regarding Indian issues and tribal matters. The

Section often advises on issues related to Connecticut’s two federally acknowledged Indian tribes—the Mohegan and Mashantucket Pequot tribes—with a frequent focus on the tribes’ authority over tribal lands, casino operations, and gaming generally. The Section also advises on the State recognized tribes and non-recognized tribes seeking federal acknowledgement.

- The Section continued to provide advice regarding the federally acknowledged tribes—the Mohegan and Mashantucket Pequot tribes—production of cannabis, taxation of tribal cannabis and its sale. The Section also continued to advise on existing and proposed gaming within the State, including sports betting and online gaming.
- The Section represented the State’s interests in opposing the Federal Bureau of Indian Affairs (BIA) efforts to inappropriately taking municipal property “into trust” on behalf of federally acknowledged tribes. The Section worked closely with the Town of Ledyard to file comments to oppose the multiple applications of a tribe seeking to have a total of over 140 acres of land within the Town of Ledyard taken into trust and removed from the Town’s tax rolls.
- The Section continues to oppose efforts at the BIA to relax re-petitioning rules for groups who have previously sought but been denied federal tribal acknowledgement. The Section filed comments in 2022 supporting the BIA’s proposed rule to strengthen and clarify the prohibition on groups, who have been previously denied federal acknowledgement through a full and fair process with the BIA, from attempting to re-petition for acknowledgment. The Section worked with other stakeholders in the State with an interest in tribal matters to encourage the BIA to adhere to its long practice of barring re-petitioning by previously denied groups.

In 2024, the BIA indicated that it would reverse its rule and relax the re-petitioning prohibitions. This proposed rule change portends serious consequences for Connecticut, and the Section continues to work to protect the State’s interests in tribal re-petitioning matters.

Intra-Agency Matters

The Section represents the interests of its clients in intra-agency matters every year. In the past year, the Section represented the State’s interests in a number of important intra-agency matters, including:

- advising and representing the Governor, Secretary of the State and legislators before the Freedom of Information Commission (FOIC);
- training and advising OAG attorneys and support staff on issues related to the Freedom of Information Act and the Freedom of Information Commission;
- training and advising OAG attorneys on issues related to ethics and professional responsibility;
- assisting agencies on issues related to unclaimed property;

- reviewing and approving state contracts related to goods and services, information technology and outside counsel legal representation;
- reviewing and approving proposed agency regulations;
- assisting in preparation of OAG appeals at the Connecticut Appellate Court, Connecticut Supreme Court and the Second Circuit Court of Appeals;
- assisting the Office of Policy and Management (OPM) in developing the legal framework for data sharing both between state agencies and between the State and private institutions, including the creation of data sharing agreement and memorandums of understanding templates.

Public Land Use and Charitable Matters

- The Section's Public Charities Unit protects the public interest in gifts, bequests and devises for charitable purposes, and, in conjunction with the Department of Consumer Protection, enforces state laws regulating charities and professional fundraisers who solicit from the public. The Charities Unit also protects the public's interest in access to public lands. This past year in particular, the Public Charities Unit protected and worked on matters affecting an estimated \$56 million in charitable assets. The Charities Unit also had a number of notable accomplishments. As just a few examples:
 - In the *Estate of Stephen Darnell*, the Charities Unit preserved approximately \$80,000 in estate assets which then properly flowed to charitable beneficiaries.
 - In a matter involving the Spaulding Pond Preserve in Norfolk, Connecticut, the Charities Unit worked with parties to facilitate a global resolution of a dispute related to the pond and an aging dam. The resolution will solidify and strengthen the donors' original charitable intent for the future management and use of the Preserve.
 - In a matter involving the University of Bridgeport, the Charities Unit reviewed 96 gift funds totaling close to \$6 million that were the subject of an equitable deviation action. The parties to the action sought to transfer the administration of the charitable gifts from the Metropolitan Bridgeport, Inc. (formerly known as University of Bridgeport) to The University of Bridgeport, Inc. (formerly known as The New University of Bridgeport, Inc.) to ensure funds would be used for the purposes originally intended by the donors.
 - In a matter involving the *Holcomb's Testimonial Gift*, the Charities Unit ensured that real property that had been gifted to a religious institution was transferred in a manner consistent with the donor's intent and not sold in contravention of the terms of the gift deed.
 - In *PMH v. Legacy ECHN*, the Charities Unit defended the Office of the Attorney General's authority to meaningfully review and approve hospital conversions from non-profit to for-profit. It also sought to preserve the charitable purpose of \$4.2

million of charitable assets to ensure that those funds eventually flow to charitable beneficiaries and are not diverted to a for-profit hospital.

- The Charities Unit also consults with land trusts, municipalities and private parties seeking to modify conservation and preservation restrictions to ensure proposed modifications are consistent with state law, donor intent and the public interest.
- The Charities Unit continues to monitor the use of charitable funds designated for first responders involved in the Sandy Hook shooting. After requiring the funds be transferred in 2023 to an entity that would appropriately distribute the funds, the Unit monitors semiannually that the funds are being distributed to the first responders and others impacted by the Sandy Hook shooting.
- The Charities Unit continued its monitoring and oversight of Quinnipiac University's transitioning of assets of the Ireland's Great Hunger Museum to ensure the protection of charitable gifts and the selection of an appropriate future holder of the Museum's art collection.
- The Charities Unit protected the public interest in numerous probate court matters to ensure that charitable gifts in trusts or estates were not improperly diminished through unreasonably high attorney or administration fees.
- The Charities Unit also contributed to national charitable organizations. A Charities Unit attorney serves as a board member on the 10 person National Association of State Charities Officials (NASCO). NASCO is an association of state charities officials charged with preventing the misuse of charitable assets, ensuring that trustees of charitable trusts fulfill their fiduciary duties, and enabling donors to make informed choices about which charitable causes to support. The AAG is also the co-chair for the NASCO Education Committee. That Committee trains NASCO members at seminars, webinars, and through other materials to improve members' knowledge of charitable trust laws and regulations. The AAG also works with NASCO on the International Charity Fraud Awareness week that is held each October or November.

INTERNSHIP & VOLUNTEER PROGRAMS

The OAG internship program is coordinated by an outstanding team of five volunteers at the OAG and led by Deputy Associate Attorney General / Chief of the Consumer Advocacy Section, Inez Diaz Galloza and AAG Rahul Darwar. In 2023 – 2024, the OAG placed 89 interns during the fall, spring and summer sessions. During the 2024 summer session the OAG onboarded its largest intern class with 51 diverse and talented interns who worked within the various sections of the Office.

Although many interns are law students, the Office utilized numerous undergraduate and high school students as well. The Office saw a significant increase in high school applicants due to a

new capstone graduation requirement for high school seniors. We are working to develop a program specifically designed to assist students with meeting this requirement.

During the current session, interns took part in over 30 intern events: including two meet & greet sessions with Attorney General Tong; an informative panel and networking sessions with Connecticut's Supreme Court Justices; a presentation by Connecticut's Constitutional Officers Treasurer Erick Russell, Comptroller Sean Scanlon, and Secretary of the State Stephanie Thomas; Lunch & Learn discussions with each of the OAG Sections to enhance their knowledge of the critical work the OAG performs across different legal practice areas, networking sessions and a law student panel discussion led by legal interns for the undergraduate and high school interns. Additional key highlights of the summer included observing jury trials and motion hearings in state and federal court argued by Special Litigation and Public Safety attorneys. All of these programs are led by OAG staff and provide the interns with an extensive overview of various legal topics that are designed to enhance interns' understanding of our legal system. Interns also participated in tour of state facilities, including the Forensic Science Laboratory, a correctional institution, and the Connecticut State Capitol.

Members of OAG's internship program also took part in on-campus career fairs and virtual intern interview events hosted by regional law schools including UConn, Quinnipiac, Yale, and NYU. The events provided OAG staff the opportunity to meet directly with interested students from varying backgrounds and interests. The goal is to expand our attendance at these events which will hopefully lead to an increase in exposure of our program.

We also hope to participate in additional student events including the Lawyers Collaborative for Diversity and Kids Speak during the year.