



Agency Legislative Proposal

2026 Session

General Information

Agency	Dept. of Consumer Protection
Proposal Name	AAC the Department of Consumer Protection's Recommendations Regarding the Connecticut Unfair Trade Practices Act and Criminal Penalties
Legislative Liaison	C.J. Strand and Sara LeMaster
Division Requesting Proposal	Legal/Gaming
Drafter	Caitlin Anderson

Overview

Brief Summary of Proposal

Provides DCP with tools to provide sufficient restitution to victims of unfair and deceptive business practices and to address situations where public health and safety are at risk by persons or businesses not credentialed by any state agency. Additionally, this proposal addresses penalties related to professional gambling.

What problem is this proposal looking to solve?

Restitution under the Connecticut Unfair Trade Practices Act (CUTPA) is insufficient to protect consumers. DCP has received an increasing number of complaints involving fraud and damages of more than \$10,000, for example, regarding home improvement and motor vehicles. DCP also receives complaints against entities where the total amount involved is more than \$10,000 due to the large number of consumers affected by the business's unfair or deceptive acts or practices.

Additionally, DCP is seeing repeat offenders operating illegal gambling games. The penalties for professional gambling are so low that they are viewed as the cost of doing business or discourage prosecution.

Finally, unlike other states, DCP does not have clear penalties for bad actors attempting to influence the outcomes of sports wagers. Connecticut hosts the Connecticut Sun, the Travelers Championship Golf Tournament, and is home to Olympic athletes who may be at risk of bribery.

How does the proposal solve the problem?

Increases CUTPA restitution limit and increases penalties to match those of other states.

Section #(s)	Section Summary
Section 1	<p>Amends § 42-110d, as amended by PA 25-111, by increasing the maximum restitution under the Connecticut Unfair Trade Practices Act (CUTPA), from \$10,000 to \$25,000, and makes this maximum per consumer. DCP has received an increasing number of complaints involving fraud and damages of more than \$10,000, for example, regarding home improvement and motor vehicles. DCP also receives complaints against entities where the total amount involved is more than \$10,000 due to the large number of consumers affected by the business's unfair or deceptive acts or practices. Allowing DCP to prosecute these cases provides a consumer benefit, especially for low-income complainants, in terms of cost and expediency.</p> <p>This section also removes the 18-month provision related to disclosure of documents since this language conflicts with the commissioner's mandate not to release documents related to an investigation or enforcement action until such case is closed (CGS § 21a-11).</p>
Sec. 2	Makes technical corrections to section 11 of PA 25-29.
Sec. 3	Amends § 53-278b by increasing the criminal penalty for professional gambling from class A misdemeanors to class D Felony. Connecticut is the only state with a misdemeanor penalty for professional gambling. This low penalty discourages prosecution of these crimes.
Sec. 4	Amends CGS 53a-127d to expand statutes related to cheating to include offering or accepting undue advantage with the intention of improperly altering the outcome of a sports wager.

Statutory Reference:	§ 42-110d, as amended by PA 25-111; PA 25-29 § 11; § 53-278b; §53a-127d.
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Background

New Proposal

Resubmission

Bill #(s)	Reason bill(s) did not move forward
SB 1357	Portions related to restitution increase and cease and desist orders were removed by Judiciary Committee during a referral meeting – insufficient time to address concerns.

Have there been any changes in federal laws or regulations that make this legislation necessary?

No

Have there been any changes in state laws or regulations that make this legislation necessary?

No

Has this proposal or a similar proposal been implemented in other states?

No

Have certain constituencies called for this proposal?

No

Interagency Impact

Check here if this proposal does NOT impact other agencies

Agency	N/A		
Contact	N/A		
Date Contacted	N/A		
Status	<input type="checkbox"/>	Approved	<input type="checkbox"/> Unresolved
Open Issues	N/A		

Fiscal Impact

No Fiscal Impact

Budget Option Submitted

Include the section number(s) which have a fiscal impact and the anticipated impact:

State

No

Municipal

No

Federal

No

Other Information

If there is any additional information we should know, please detail below: N/A

Legislative Language

Insert fully drafted bill below. Please use standard legislative drafting considerations, as published by LCO [here](#).

Section 1. Section 42-110d of the general statutes, as amended by Public Act 25-111, is repealed and the following is substituted in lieu thereof (effective upon passage):

(a) For the purposes of this chapter the Commissioner of Consumer Protection shall have the power to order an investigation and examination to be made. In addition to other powers conferred upon the commissioner by this chapter, the commissioner or the commissioner's authorized representatives may issue subpoenas to any person involved in any matter under investigation and examination, administer an oath or affirmation to any person, and conduct hearings in aid of any investigation or examination, provided none of the powers conferred by this chapter shall be used for the purpose of compelling any natural person to furnish testimony or evidence which might tend to incriminate him or subject him to a penalty or forfeiture.

(b) The Commissioner of Consumer Protection or the commissioner's authorized representatives shall have the right to (1) enter any place or establishment within the state, at reasonable times, for the purpose of making an investigation; (2) check the invoices and records pertaining to costs and other transactions of commodities; (3) take samples of commodities for evidence upon tendering the market price therefor to the person having such commodity in such person's custody; (4) subpoena documentary material relating to such investigation; and (5) have access to, for the purpose of examination, documentary material and the right to copy and receive electronic copies of such documentary material of any person being investigated or proceeded against. The commissioner or the commissioner's authorized representatives shall have power to require by subpoena the attendance and testimony of witnesses and the production of all such documentary material relating to any matter under investigation.

(c) In addition to other powers conferred upon the Commissioner of Consumer Protection, the commissioner may execute in writing and cause to be served, through reasonable efforts to effectuate notice as set forth in section 21a-2, an investigative demand upon any person suspected of using, having used or about to use any method, act or practice declared by section 42-110b to be unlawful or upon any person from whom the

commissioner wants assurance that section 42-110b has not, is not or will not be violated. Such investigative demand shall contain a description of the method, act or practice under investigation, provide a reasonable time for compliance, and require such person to furnish under oath or otherwise, as may be specified in said demand, a report in writing setting forth relevant facts or circumstances together with documentary material. Notwithstanding subsection (f) of this section, responses to investigative demands issued under this subsection may be withheld from public disclosure during the full pendency of the investigation.

(d) The Commissioner of Consumer Protection, in conformance with sections 4-176e to 4-185, inclusive, whenever the commissioner has reason to believe that any person has been engaged or is engaged in an alleged violation of any provision of this chapter, shall deliver to such person, in a manner that is sufficient to effectuate notice as set forth in section 21a-2, a complaint stating the charges and containing a notice of a hearing, to be held upon a day and at a place therein fixed at least fifteen days after the date of such complaint. The person so notified shall have the right to file a written answer to the complaint and charges therein stated and appear at the time and place so fixed for such hearing, in person or otherwise, with or without counsel, and submit testimony and be fully heard. Any person may make application, and upon good cause shown shall be allowed by the commissioner to intervene and appear in such proceeding by counsel or in person. The testimony in any such proceeding, including the testimony of any intervening person, shall be under oath and shall either be reduced to writing by the recording officer of the hearing or recorded in an audio or audiovisual format. The commissioner or the commissioner's authorized representatives shall have the power to require by subpoena the attendance and testimony of witnesses and the production of any documentary material at such proceeding. If upon such hearing the commissioner is of the opinion that the method of competition or the act or practice in question is prohibited by this chapter, the commissioner or the commissioner's designee shall issue a final decision, which may include orders for such person to cease and desist from using such methods of competition or such act or practice. The commissioner may impose a civil penalty, in an amount not to exceed the amount set forth in subsection (b) of section 42-110o, after a hearing conducted pursuant to chapter 54, or, if the amount involved is less than [ten] twenty-five thousand dollars per consumer, an order directing restitution, or both. The

commissioner may apply for the enforcement of any cease and desist order, civil penalty, order directing restitution or consent order issued or imposed under this chapter to the superior court for the judicial district of Hartford, or to any judge thereof if the same is not in session, for an order temporarily or permanently restraining and enjoining any person from continuing any violation of such cease and desist order, an order directing payment of any civil penalty or restitution or a consent order. Such application for a temporary restraining order, temporary and permanent injunction, order directing payment of any civil penalty or restitution and for such other appropriate decree or process shall be brought and the proceedings thereon conducted by the Attorney General.

(e) In addition to any injunction issued pursuant to subsection (d) of this section, the court may make such additional orders or judgments as may be necessary to restore to any person in interest any moneys or property, real or personal, which may have been acquired by means of any practices prohibited by this chapter, including the appointment of a receiver or the revocation of a license or certificate authorizing the person subject to the order or injunction to engage in business in this state, or both.

(f) The Commissioner of Consumer Protection or the Attorney General or their employees shall disclose, in accordance with the provisions of the Freedom of Information Act, as defined in section 1-200, all records concerning the investigation of any alleged violation of any provision of this chapter, including, but not limited to, any complaint initiating an investigation and all records of the disposition or settlement of a complaint. For purposes of this section, "disposition" shall include the following action or nonaction with respect to any complaints or investigations: (1) No action taken because of (A) a lack of jurisdiction, (B) unsubstantiated allegations, or (C) a lack of sufficient information to draw a conclusion, as determined by the commissioner, after investigation; (2) referral to another state agency, or to a federal or local agency, or to law enforcement authorities; (3) an acceptance of an assurance of voluntary compliance in accordance with the provisions of section 42-110j; and (4) formal action taken, including the institution of administrative proceedings pursuant to subsection (d) of this section or court proceedings pursuant to section 42-110m, 42-110o or 42-110p. The commissioner may withhold such records from disclosure during the pendency of an investigation or examination held in accordance with subsection (a) of this section, but in no

event shall the commissioner withhold any such records [longer than a period of eighteen months after the date on which the initial complaint was filed with the commissioner or] after the date on which the investigation or examination was closed [commenced, whichever is earlier]. Nothing herein shall be deemed to affect the rights of litigants, including parties to administrative proceedings, under the laws of discovery of this state.

Sec. 2. Section 11 of Public Act 25-29 is repealed and the following is substituted in lieu thereof (effective upon passage):

- (a) No person shall knowingly allow a person who is not of the legal age for participation in online casino gaming, online sports wagering, and retail sports wagering to (1) open, maintain or use an account with an online gaming operator, or (2) make or attempt to make a wager on Internet games or with a sports wagering retailer.
- (b) For purposes of this section, "online gaming operator", "Internet games" and "sports wagering retailer" have the same meanings as provided in section 12-850 of the general statutes.
- (c) Any person who violates any provision of subsection (a) of this section shall be guilty of a class C misdemeanor.

Sec. 3. Section 53-278b of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

- (a) Any person who engages in gambling, or solicits or induces another to engage in gambling, or is present when another person or persons are engaged in gambling, shall be guilty of a class B misdemeanor; provided natural persons shall be exempt from prosecution and punishment under this subsection for any game, wager or transaction which is incidental to a bona fide social relationship, is participated in by natural persons only and in which no person is participating, directly or indirectly, in professional gambling.
- (b) Any person who engages in professional gambling shall be guilty of a class [A misdemeanor] D felony.

Sec. 4. Section 53a-127d of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2026*):

(a) A person is guilty of cheating when, in the course of playing or conducting any lawful gambling game, he: (1) Knowingly uses an altered or counterfeit chip, token, tile, pull tab, wagering slip or check or knowingly marks, loads or tampers with any cards or dice or substitutes for cards or dice provided by the operator of a lawfully operated game of chance any cards or dice that have been marked, loaded or tampered with; or (2) knowingly uses any device, instrument, article or substance with intent to cheat or defraud or to alter or affect the otherwise random results of any lawfully operated game of chance; or (3) intentionally places, increases or attempts to increase a winning wager or decreases or attempts to decrease a losing wager after that period of time during which the rules of a lawfully operated game of chance permit a wager to be placed or after the results of the game in which the wager has been placed become known; or (4) directly or indirectly, promises, offers or gives any undue advantage to another person, for himself, herself or for others, with the aim of improperly altering the result a betting outcome of a sports wager; or (5) directly or indirectly, solicits or accepts any undue advantage or the promise or the offer thereof, for himself, herself or for others, with the aim of improperly altering a betting outcome of a sports wager.

(b) Cheating is a class D felony, except that a violation of subdivision (3) of subsection (a) of this section is a class B misdemeanor.



Agency Legislative Proposal

2026 Session

General Information

Agency	Dept. of Consumer Protection
Proposal Name	An Act Concerning the Department of Consumer Protection's Recommendations Regarding Liquor Control
Legislative Liaison	C.J. Strand and Sara LeMaster
Division Requesting Proposal	Liquor Control
Drafter	Caitlin Anderson

Overview

Brief Summary of Proposal

Updates and streamlines provisions in the Liquor Control Act.

What problem is this proposal looking to solve?

Improve the efficiency of industry and DCP operations; ensure out-of-state wineries pursue the appropriate permit; improve the transparency of entertainment provided by permittees; and close loopholes that may provide minors with access to liquor.

How does the proposal solve the problem?

Eliminates reports that are not collected or enforced, while maintaining DCP's ability to access information through record requests and audit authority; clarifies that out-of-state wineries with incidental retail permissions do not qualify as retail stores; clarifies that placard-exempted permits are not excluded from providing notice of entertainment on their application; and addresses minors' access to liquor by clarifying that minors are not allowed to have ownership interest or be a permittee for any liquor permit and requiring proper use of age statement forms.

Section by section summary:

Section #(s)	Section Summary
Sections 1 & 2	Amends § 30-18b, as amended by PA 25-51 and § 30-18a, by removing the requirement that out-of-state shippers and out-of-state wineries supply DCP with an annual report of sales and shipments to consumers, and clarifies that out-of-state wineries with incidental retail permissions do not qualify as retail stores.
Section 3	Amends § 30-39, as amended by PA 25-51, to clarify that the placard-exempted permits are excluded only from the placarding sections of this subdivision in (3); all on-premise permits are still required to provide notice of entertainment on their application so the town can approve or deny per local ordinances.
Section 4	Amends § 30-45, as amended by 25-51, to clarify that minors are not allowed to have ownership interest or be a permittee for any liquor permit.
Section 5	Amends § 30-86a to clarify that minors must identify the city and state of birth on age statement form and discredit the use of the form when every patron is required to execute.

Statutory Reference:	§30-18 (as amended by PA 25-51); 30-18a; 30-39 (as amended by PA 25-51); 30-45 (as amended by PA 25-51); 30-86a
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Background

New Proposal Resubmission

Have there been any changes in federal laws or regulations that make this legislation necessary?

No

Have there been any changes in state laws or regulations that make this legislation necessary?

No

Has this proposal or a similar proposal been implemented in other states?

No

Have certain constituencies called for this proposal?

No

Interagency Impact

Check here if this proposal does NOT impact other agencies

Agency	N/A	
Contact	N/A	
Date Contacted	N/A	
Status	<input type="checkbox"/> Approved	<input type="checkbox"/> Unresolved
Open Issues	N/A	

Fiscal Impact

No Fiscal Impact

Budget Option Submitted

Include the section number(s) which have a fiscal impact and the anticipated impact:

State

No

Municipal

No

Federal

No

Other Information

If there is any additional information we should know, please detail below:

Legislative Language

Insert fully drafted bill below. Please use standard legislative drafting considerations, as published by LCO [here](#).

Section 1. Subsection b of section 30-18, as amended by PA 25-51, of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (effective upon passage):

(b) Subject to the provisions of this subsection, an out-of-state shipper's permit for alcoholic liquor other than beer shall allow the sale and delivery or shipment of wine manufactured by the permittee on the permitted premises directly to a consumer in this state. Such permittee, when selling and shipping wine directly to a consumer in this state, shall: (1) Ensure that the shipping labels on all containers of wine shipped directly to a consumer in this state conspicuously state the following: "CONTAINS ALCOHOL—SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY"; (2) obtain the signature of a person age twenty-one or older at the address prior to delivery, after requiring the signer to demonstrate that he or she is age twenty-one or older by providing a valid motor vehicle operator's license or a valid identity card described in section 1-1h; (3) not ship more than five gallons of wine in any two-month period to any person in this state and not ship any wine until such permittee is registered, with respect to the permittee's sales of wine to consumers in this state, for purposes of the taxes imposed under chapters 219 and 220, with the Department of Revenue Services; (4) pay, to the Department of Revenue Services, all sales taxes and alcoholic beverage taxes due under chapters 219 and 220 on sales of wine to consumers in this state, and file, with said department, all sales tax returns and alcoholic beverage tax returns relating to such sales, with the amount of such taxes to be calculated as if the sale were in this state at the location where delivery is made; (5) [report to the Department of Consumer Protection a separate and complete record of all sales and shipments to consumers in the state, on a ledger sheet or similar form which readily presents a chronological account of such permittee's dealings with each such consumer; (6)] permit the Department of Consumer Protection and Department of Revenue Services, separately or jointly, to perform an audit of the permittee's records upon request; [(7)] (6) not ship to any address in the state where the sale of alcoholic liquor is prohibited by local option pursuant to section 30-9; [(8)] (7) hold an in-state transporter permit under section 30-19f or make any such shipment through the use of a person who holds such an in-state transporter permit; and [(9)] (8) execute a written consent to the jurisdiction of this state, its agencies and instrumentalities and the courts of this state concerning the enforcement of this section and any related laws, rules, or regulations, including, but not limited to, tax laws, rules or regulations.

Sec. 2 Section 30-18a of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (effective upon passage):

(a)(1) An out-of-state winery shipper's permit for wine shall allow the sale of wine to manufacturer and wholesaler permittees in this state as permitted by law and for those shippers that produce not more than one hundred thousand gallons of wine per year, the sale and shipment by the holder thereof to a retailer of wine manufactured by such permittee in the original sealed containers of not more than fifteen gallons per container. For purposes of this section, "wine" shall include cider not exceeding six per cent alcohol by volume and apple wine not exceeding fifteen per cent alcohol by volume.

(2) An out-of-state retailer shipper's permit for wine shall allow the sale and shipment of wine directly to a consumer in this state.

(b) Subject to the provisions of this subsection, the permits under subsection (a) of this section shall allow the sale and delivery or shipment of wine manufactured or sold by the permittee directly to a consumer in this state. Such permittee, when selling and shipping wine directly to a consumer in this state, shall: (1) Ensure that the shipping labels on all containers of wine shipped directly to a consumer in this state conspicuously state the following: "CONTAINS ALCOHOL—SIGNATURE OF A PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY"; (2) obtain the signature of a person age twenty-one or older at the address prior to delivery, after requiring the signer to demonstrate that he or she is age twenty-one or older by providing a valid motor vehicle operator's license or a valid identity card described in section 1-1h; (3) not ship more than five gallons of wine in any two-month period to any person in this state and not ship any wine until such permittee is registered, with respect to the permittee's sales of wine to consumers in this state, for purposes of the taxes imposed under chapters 219 and 220, with the Department of Revenue Services; (4) pay, to the Department of Revenue Services, all sales taxes and alcoholic beverage taxes due under chapters 219 and 220 on sales of wine to consumers in this state, and file, with said department, all sales tax returns and alcoholic beverage tax returns relating to such sales, with the amount of such taxes to be calculated as if the sale were in this state at the location where delivery is made; (5) [report to the Department of Consumer Protection a separate and complete record of all sales and shipments to consumers in the state, on a ledger sheet or similar form which readily presents a chronological account of such permittee's dealings with each such consumer; (6)] permit the Department of Consumer Protection and Department of Revenue Services, separately or jointly, to perform an audit of the permittee's records upon request; [(7)] (6) not ship to any address in the state where the sale of alcoholic liquor is prohibited by local option pursuant to section 30-9; [(8)] (7) hold an in-state transporter's permit pursuant to section 30-19f or make any such shipment through the use of a person who holds such an in-state transporter's permit; [(9)] (8) execute a written consent to the jurisdiction of this state, its agencies and instrumentalities and the courts of this state concerning the enforcement of this section and any related laws, rules, or regulations, including tax laws, rules or regulations; and [(10)] (9) comply with the provisions of section 30-68m regarding the prohibition of selling wine below cost.

(c) The Department of Consumer Protection, in consultation with the Department of Revenue Services, may adopt regulations in accordance with the provisions of chapter 54 to assure compliance with the provisions of subsection (b) of this section.

(d) A holder of a permit under subsection (a) of this section, when advertising or offering wine for direct shipment to a consumer in this state via the Internet or any other on-line computer network, shall clearly and conspicuously state such liquor permit number in its advertising.

(e) (1) For purposes of chapter 219, the holder of a permit under subsection (a) of this section, when shipping wine directly to a consumer in this state, shall be deemed to be a retailer engaged in business in this state as defined in chapter 219 and shall be required to be issued a seller's permit pursuant to chapter 219.

(2) For purposes of chapter 220, the holder of a permit under subsection (a) of this section, when shipping wine directly to a consumer in this state, shall be deemed to be a distributor as defined in chapter 220 and shall be required to be licensed pursuant to chapter 220.

(f) Any person who applies for an out-of-state winery shipper's permit for wine or for the renewal of such permit shall furnish an affidavit to the Department of Consumer Protection, in such form as may be prescribed by the department, affirming whether the out-of-state winery that is the subject of such permit produced more than one hundred thousand gallons of wine during the most recently completed calendar year.

(g) The annual fee for an out-of-state winery shipper's permit for wine shall be three hundred fifteen dollars and the annual fee for an out-of-state retailer shipper's permit for wine shall be six hundred dollars.

(h) As used in this section, "out-of-state" means any state other than Connecticut, any territory or possession of the United States, the District of Columbia or the Commonwealth of Puerto Rico, but does not include any foreign country.

(i) As used in this section, "retailer" means any business that is primarily engaged in selling sealed bottles or other containers of alcoholic beverages to only be consumed off premises and holds a retailer permit issued by the alcohol beverage authority of its home state.

Sec. 3. Section 30-39 of the Connecticut General Statutes, as amended by PA 25-51, is repealed and the following is substituted in lieu thereof (effective July 1, 2026):

(a) For the purposes of this section, the "filing date" of an application means the date upon which the department, after approving the application for processing, mails or otherwise delivers to the applicant a placard containing such date.

(b) (1) Any person desiring a liquor permit or a renewal of such a permit shall make an affirmed application therefor to the Department of Consumer Protection, upon forms to be furnished by the department, showing the name and address of the applicant and of the applicant's backer, if any, the location of the club or place of business which is to be operated under such permit and a financial statement setting forth all elements and details of any business transactions connected with the application. Such application for all on-premises permits as determined by the Department of Consumer Protection shall include a detailed description of the type of live entertainment that is to be provided. A club or place of business shall be exempt from providing such detailed description if the club or place of business (A) was issued a liquor permit prior to October 1, 1993, and (B) has not altered the type of entertainment provided. The application shall also indicate any crimes of which the applicant or the applicant's backer may have been convicted. The department shall not review an initial application until the applicant has submitted all documents necessary to establish that state and local building, fire and zoning requirements and local ordinances concerning hours and days of sale will be met, except that local building and zoning requirements and local ordinances concerning hours and days of sale shall not apply to a cafe permit issued under subsection (d) or (h) of section 30-22a. If the applicant does not submit all such documents within the thirty-day period beginning on the date on which the department receives the initial application, or if such documents are not fully executed by the appropriate authorities, such initial application shall be deemed withdrawn and invalid. The State Fire Marshal or the marshal's certified designee shall be responsible for approving compliance with the State Fire Code at Bradley International Airport. Any person desiring a permit provided for in section 30-33b shall file a copy of such person's license with such application if such license was issued by the Department of Consumer Protection. The department may, at its discretion, conduct an investigation to determine (i) whether a permit shall be issued to an applicant or the applicant's backer, or (ii) the suitability of the proposed permit premises. Completion of an inspection pursuant to subsection (f) of section 29-305 shall not be deemed to constitute a precondition to renewal of a permit that is subject to subsection (f) of section 29-305.

(2) The applicant shall pay to the department a nonrefundable application fee, which fee shall be in addition to the fees prescribed in this chapter for the permit sought. An application fee shall not be charged for an application to renew a permit. The application fee shall be in the amount of ten dollars for the filing of each application for a permit by a nonprofit golf tournament permit under section 30-37g or a temporary liquor permit for a noncommercial entity under section 30-35; and in the amount of one hundred dollars for the filing of an initial application for all other permits. Any permit issued shall be valid only for the purposes and activities described in the application.

(3) The applicant shall affix, and maintain in a legible condition upon the outer door of the building wherein such place of business is to be located and clearly visible from the public highway, the placard provided by the department, not later than the day following the receipt of the placard by the applicant. If such outer door of such premises is so far from the public highway

that such placard is not clearly visible as provided, the department shall direct a suitable method to notify the public of such application. When an application is filed for any type of permit for a building that has not been constructed, such applicant shall erect and maintain in a legible condition a sign not less than six feet by four feet upon the site where such place of business is to be located, instead of such placard upon the outer door of the building. The sign shall set forth the type of permit applied for and the name of the proposed permittee, shall be clearly visible from the public highway and shall be so erected not later than the day following the receipt of the placard. Such applicant shall make a return to the department, under oath, of compliance with the foregoing requirements, in such form as the department may determine, but the department may require any additional proof of such compliance. Upon receipt of evidence of such compliance, the department may hold a hearing as to the suitability of the proposed location. The placarding provisions of this subdivision shall not apply to applications for (A) airline permits issued under section 30-28a, (B) temporary liquor permits for noncommercial entities issued under section 30-35, (C) concession permits issued under section 30-33, (D) military permits issued under section 30-34, (E) cafe permits issued under subsection (h) of section 30-22a, (F) warehouse permits issued under section 30-32, (G) broker's permits issued under section 30-30, (H) out-of-state shipper's permits for alcoholic liquor issued under section 30-18, (I) out-of-state shipper's permits for beer issued under section 30-19, (J) coliseum permits issued under section 30-33a, (K) nonprofit golf tournament permits issued under section 30-37g, (L) Connecticut craft cafe permits issued under section 30-22d to permittees who held a manufacturer permit for a brew pub or a manufacturer permit for beer issued under subsection (b) of section 30-16 and a brew pub before July 1, 2020, (M) off-site farm winery sales and wine, cider and mead tasting permits issued under section 30-16a, (N) out-of-state retailer shipper's permits for wine issued under section 30-18a, (O) out-of-state winery shipper's permits for wine issued under section 30-18a, (P) in-state transporter's permits for alcoholic liquor issued under section 30-19f, including, but not limited to, boats operating under such permits, (Q) seasonal outdoor open-air permits issued under section 30-22e, (R) festival permits issued under section 30-37t, (S) temporary auction permits issued under section 30-37u, (T) outdoor open-air permits issued under section 30-22f, and (U) renewals of any permit described in subparagraphs (A) to (T), inclusive, of this subdivision, if applicable. The provisions of this subdivision regarding publication and placard display shall also be required of any applicant who seeks to amend the type of entertainment either upon filing of a renewal application or upon requesting permission of the department in a form that requires the approval of the municipal zoning official.

(4) In any case in which a permit has been issued to a partnership, if one or more of the partners dies or retires, the remaining partner or partners need not file a new application for the unexpired portion of the current permit, and no additional fee for such unexpired portion shall be required. Notice of any such change shall be given to the department and the permit shall be endorsed to

show correct ownership. When any partnership changes by reason of the addition of one or more persons, a new application with new fees shall be required.

(c) Any ten persons who are at least eighteen years of age, and are residents of the town within which the business for which the permit or renewal thereof has been applied for, is intended to be operated, or, in the case of a manufacturer's or a wholesaler's permit, any ten persons who are at least eighteen years of age and are residents of the state, may file with the department, within three weeks from the last date of publication of notice made pursuant to subdivision (3) of subsection (b) of this section for an initial permit, and in the case of renewal of an existing permit, at least twenty-one days before the renewal date of such permit, a remonstrance containing any objection to the suitability of such applicant or proposed place of business, provided any such issue is not controlled by local zoning. Upon the filing of such remonstrance, the department, upon written application, shall hold a hearing and shall give such notice as it deems reasonable of the time and place at least five days before such hearing is had. The remonstrants shall designate one or more agents for service, who shall serve as the recipient or recipients of all notices issued by the department. At any time prior to the issuance of a decision by the department, a remonstrance may be withdrawn by the remonstrants or by such agent or agents acting on behalf of such remonstrants and the department may cancel the hearing or withdraw the case. The decision of the department on such application shall be final with respect to the remonstrance. The provisions of this subsection shall not apply to festival permits issued under section 30-37t.

(d) No new permit shall be issued until the foregoing provisions of subsections (a) and (b) of this section have been complied with. If no new permit is issued within twelve months of the filing date, as defined in subsection (a) of this section, the application may, in the discretion of the department, be deemed withdrawn and shall then be returned to the applicant. Six months' or seasonal permits may be renewed, provided the renewal application and fee shall be filed at least twenty-one days before the reopening of the business, there is no change in the permittee, ownership or type of permit, and the permittee or backer did not receive a rebate of the permit fee with respect to the permit issued for the previous year.

(e) The department may renew a permit that has expired if the applicant pays to the department a nonrefundable late fee pursuant to subsection (c) of section 21a-4, which fee shall be in addition to the fees prescribed in this chapter for the permit applied for. The provisions of this subsection shall not apply to one-day permits, to any permit which is the subject of administrative or court proceedings, or where otherwise provided by law.

(f) No person who assists an applicant, backer or permittee in submitting an application for a liquor permit shall submit, or cause to be submitted, any false statement in connection with such application, or engage in any conduct which delays or impedes the department in processing such application. A violation of this subsection shall be deemed an unfair or deceptive trade

practice under subsection (a) of section 42-110b. The commissioner, after providing an opportunity for a hearing in accordance with chapter 54, may impose on any person who violates the provisions of this subsection a civil penalty in an amount not to exceed one thousand dollars per violation, and may order such person to pay restitution to the applicant, backer or permittee. All civil penalties paid, collected or recovered under this subsection shall be deposited in the consumer protection enforcement account established in section 21a-8a.

Sec. 4. Section 30-45 of the Connecticut General Statutes, as amended by PA 25-51, is repealed and the following is substituted in lieu thereof (effective upon passage):

- (a) The Department of Consumer Protection shall refuse permits for the sale of alcoholic liquor to the following persons: (1) Any state marshal, judicial marshal, judge of any court, prosecuting officer or member of any police force; (2) [any minor; (3)] any constable who (A) performs criminal law enforcement duties and is considered a peace officer by town ordinance pursuant to the provisions of subsection (a) of section 54-1f, or (B) is certified under the provisions of sections 7-294a to 7-294e, inclusive, and performs criminal law enforcement duties pursuant to the provisions of subsection (c) of section 54-1f; and [(4)] (3) any special constable appointed pursuant to section 7-92. This section shall not apply to any out-of-state shipper's permit issued under section 30-18, 30-18a or 30-19, any cafe permit issued under section 30-22a, any cafe permit for wine, beer and cider issued under section 30-22g, any boat operating under any in-state transporter permit issued under section 30-19f or any airline permit issued under section 30-28a. [As used in this section, "minor" means a minor, as defined in section 1-1d or as defined in section 30-1, whichever age is older.]
- (b) The Department of Consumer Protection shall refuse permits for the sale of alcoholic liquor to any minor named as a permittee or a member, principal, or partner of the backer entity. As used in this section, "minor" means a minor, as defined in section 1-1d or as defined in section 30-1, whichever age is older and excludes any minor named as a beneficiary of a trust.

Sec. 5. Section 30-86a of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (effective upon passage):

- (a) For the purposes of section 30-86, any permittee shall require any person whose age is in question to fill out and sign a statement in the following form on one occasion when each such person makes a purchase:

...., 20..

I,, hereby represent to, a permittee of the Connecticut Department of Consumer Protection, that I am over the age of 21 years, having been born on, 19.. or 20., at (city), (state). This statement is made to induce said permittee to sell or otherwise furnish alcoholic beverages to the undersigned. I understand that title 30 of the general statutes prohibits the sale of alcoholic liquor to any person who is not twenty-one years of age.

I understand that I am subject to a fine of one hundred dollars for the first offense and not more than two hundred fifty dollars for each subsequent offense for wilfully misrepresenting my age for the purposes set forth in this statement.

.... (Name)

.... (Address)

Such statement once taken shall be applicable both to the particular sale in connection with which such statement was taken, as well as to all future sales at the same premises, and shall have full force and effect under subsection (b) of this section as to every subsequent sale or purchase. Such statement shall be printed upon appropriate forms to be furnished by the permittee and approved by the Department of Consumer Protection or electronically displayed by the permittee on an electronic device that is capable of allowing the person whose age is in question to electronically fill out and sign such statement. If such statement is filled out and signed in paper form, such statement shall be kept on file on the permit premises, alphabetically indexed, in a suitable file box, and shall be open to inspection by the department or any of the department's agents or inspectors at any reasonable time. If such statement is filled out and signed in electronic form, such statement shall be stored in an electronic medium that is immediately accessible from the permit premises, alphabetically indexed, and shall be in an electronic format that is accessible to the department or any of the department's agents or inspectors at any reasonable time. Any person who makes any false statement on a form signed by such person as required by this section shall be fined not more than one hundred dollars for the first offense and not more than two hundred fifty dollars for each subsequent offense.

(b) In any case where such a statement has been procured and the permittee is subsequently charged with serving or furnishing alcoholic beverages to a minor, if such permittee, in proceedings before any court of this state or the Department of Consumer Protection, introduces such statement in evidence and shows that the evidence presented to [him] them to establish the age of the purchaser was such as would convince a reasonable [man] person, and that the permittee or backer otherwise acted reasonably in serving or furnishing alcoholic beverages to the minor, no penalty shall be imposed on such permittee.



Agency Legislative Proposal

2026 Session

General Information

Agency	Dept. of Consumer Protection
Proposal Name	AAC the Department of Consumer Protection's Recommendations Regarding Cannabis Control
Legislative Liaison	C.J. Strand and Sara LeMaster
Division Requesting Proposal	Cannabis Control
Drafter	Caitlin Anderson and Lila McKinley

Overview

Brief Summary of Proposal

To streamline and update provisions related to the regulation of adult-use cannabis and medical marijuana.

What problem is this proposal looking to solve?

Improve access to medical cannabis for patients by streamlining delivery avenues; clarify remote pharmacy dispensing discrepancies; establish a deadline for disposal of twice-remediated cannabis that has failed testing; clarify criteria for denial based on background checks for new Electronic Cigarette Dealers (ECD).

How does the proposal solve the problem?

This proposal allows employees of hybrid retailers to deliver cannabis only to qualifying patients and caregivers; clarifies remote dispensing be conducted in concert by a remote pharmacist and an in-person dispensary technician. Additionally, the added language authorizes a supportive regulatory framework enabling the Department to flesh out the smaller, logistical details in regulation (initially, policies and procedures); provides a clear deadline for disposal and reduce the likelihood that cannabis that has failed testing will be diverted; and provides for clear standards for evaluating criminal background checks.

Section by section summary:

Section #(s)	Section Summary
Section 1	Amends § 21a-420c, as amended by PA 25-166, to carve out cannabis delivery to allow hybrids and dispensary facilities to deliver to qualifying patients and their caregiver only.
Section 2	Amends § 21a-420s (as amended by PA 25-166) Change from remote verification to remote dispensing and clarifies existing statute.
Section 3 and 4	Amends § 21a-408w and creates a new section to set a timeframe for the destruction of cannabis that has failed testing.
Section 5	Amends § 21a-415(c) to permit the Department to deny a dealer registration if a background check associated with the application or renewal reveals a felony conviction. Background checks were required last session but no grounds for denial was including with the requirement. This proposal closes that loophole and allows the Department discretion in cases where certain crimes (to be decided upon by the legislature) appear on a background check.

Statutory Reference:	CGS § 21a-420c, as amended by PA 25-166; 21a-420s, as amended by PA 25-166; 21a-420s; 21a-408w; NEW; 21a-415(c), as amended by PA 25-166.
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Background

New Proposal

Resubmission

Have there been any changes in federal laws or regulations that make this legislation necessary?

No

Have there been any changes in state laws or regulations that make this legislation necessary?

Yes | Section 2 does amend new language in PA 25-166 to address a drafting error, and uses the term "remote dispensing" instead of "remote verification".

Has this proposal or a similar proposal been implemented in other states?

No

Have certain constituencies called for this proposal?

No

Interagency Impact

Check here if this proposal does NOT impact other agencies

Agency	N/A	
Contact	N/A	
Date Contacted	N/A	
Status	<input type="checkbox"/> Approved	<input type="checkbox"/> Unresolved
Open Issues	N/A	

Fiscal Impact

No Fiscal Impact

Budget Option Submitted

Include the section number(s) which have a fiscal impact and the anticipated impact:

State

No

Municipal

No

Federal

No

Other Information

If there is any additional information we should know, please detail below: N/A

Legislative Language

Insert fully drafted bill below. Please use standard legislative drafting considerations, as published by LCO [here](#).

Section 1. Section 21a-420c, as amended by Public Act 25-166, of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective July 1, 2026*):

- (a) As used in this section: (1) "Cigarette" has the same meaning as provided in section 4-28h; (2) "Electronic cigarette liquid" has the same meaning as provided in section 21a-415, as amended by this act; (3) "Electronic nicotine delivery system" has the same meaning as provided in section 21a-415, as amended by this act; (4) "Immediate threat to public health and safety" includes, but is not limited to, the presence of (A) any cannabis or cannabis product in connection with a violation of this section, or (B) any cigarette, tobacco product, electronic cigarette liquid, electronic nicotine delivery system or liquid nicotine container stored or displayed adjacent or proximate to any cannabis or cannabis product or otherwise being sold unlawfully; (5) "Liquid nicotine container" has the same meaning as provided in section 19a-342a; and (6) "Tobacco product" has the same meaning as provided in section 12-330a.
- (b) Except as provided in RERACA and chapter 420b or 420f, (1) no person, other than a retailer, hybrid retailer, micro-cultivator or delivery service, or an employee thereof in the course of such employee's employment, may sell or offer any cannabis [or cannabis product] to a consumer, and (2) no person, other than a hybrid retailer, dispensary facility or a delivery service, or an employee thereof in the course of such employee's employment, may sell or offer any cannabis or cannabis product to a qualifying patient or caregiver.
- (c) No person except a delivery service, or an employee of a delivery service, subject to the restrictions set forth in section 21a-420z, acting in the course of such employee's employment, may deliver any cannabis [or cannabis product] to a consumer, qualifying patient or caregiver, except that hybrid retailers and dispensary facilities may utilize their own employees to deliver cannabis to qualifying patients and caregivers.
- (d) Any violation of the provisions of this section shall be deemed an unfair or deceptive trade practice under subsection (a) of section 42-110b.

(e) (1) Any municipality may, by vote of its legislative body, prohibit the operation of any business within such municipality that is found to be in violation of the provisions of this section or if such operation poses an immediate threat to public health and safety.

(2) If the chief executive officer of a municipality determines that a business within the municipality is operating in violation of the provisions of this section or poses an immediate threat to public health and safety, the chief executive officer may apply to the Superior Court for an order under subdivision (3) of this subsection and, upon making such application, submit a written copy of such application to the Attorney General and the Commissioner of Consumer Protection.

(3) Upon an application under subdivision (2) of this subsection, the Superior Court, upon a finding that a business within the municipality is operating in violation of the provisions of this section or poses an immediate threat to public health and safety, may issue forthwith, ex parte and without a hearing, an order that shall direct the chief law enforcement officer of the municipality to take from such business possession and control of any merchandise related to such violation or immediate threat to public health and safety, which merchandise shall include, but need not be limited to, (A) any cannabis or cannabis product, (B) any cigarette, tobacco, tobacco product, electronic cigarette liquid, electronic nicotine delivery system or liquid nicotine container, (C) any merchandise related to the merchandise described in subparagraphs (A) and (B) of this subdivision, and (D) any proceeds related to the merchandise described in subparagraphs (A) to (C), inclusive, of this subdivision.

(4) As used in this subsection, "operation" and "operating" mean engaging in the sale of goods and services to the general public, including, but not limited to, through indirect retail sales.

(f) (1) Any person who violates any provision of this section shall be assessed a civil penalty of thirty thousand dollars for each violation. Each day that such violation continues shall constitute a separate offense. (2) Any person who aids or abets any violation of the provisions of this section shall be assessed a civil penalty of thirty thousand dollars for each violation. Each day that such person aids or abets such violation shall constitute a separate

offense. For the purposes of this subdivision, no person shall be deemed to have aided or abetted a violation of the provisions of this section unless (A) such person was the owner, officer, controlling shareholder or in a similar position of authority that allowed such person to make command or control decisions regarding the operations and management of another person who (i) is prohibited from selling or offering any cannabis or cannabis product under this section, and (ii) sold or offered any cannabis or cannabis product in violation of this section, (B) such person knew that such other person (i) is prohibited from selling or offering any cannabis or cannabis product under this section, and (ii) sold or offered any cannabis or cannabis product in violation of this section, (C) such person provided substantial assistance or encouragement in connection with the sale or offer of such cannabis or cannabis product in violation of this section, and (D) such person's conduct was a substantial factor in furthering the sale or offer of such cannabis or cannabis product in violation of this section.

(3) Any person who manages or controls a commercial property, or who manages or controls a commercial building, room, space or enclosure, in such person's capacity as an owner, lessee, agent, employee or mortgagor, who knowingly leases, rents or makes such property, building, room, space or enclosure available for use, with or without compensation, for the purpose of any sale or offer of any cannabis or cannabis product in violation of this section shall be assessed a civil penalty of ten thousand dollars for each violation. Each day that such violation continues shall constitute a separate offense.

(4) No person other than the Attorney General, upon complaint of the Commissioner of Consumer Protection, or a municipality in which the violation of this section occurred shall assess any civil penalty under this subsection or institute a civil action to recover any civil penalty imposed under this subsection. If a municipality institutes a civil action to recover any civil penalty imposed under this subsection, such penalty shall be paid to the municipality.

(g) Nothing in this section shall be construed to prohibit the imposition of any criminal penalty on any person who (1) is prohibited from selling or offering any cannabis or cannabis product under this section, and (2) sells or offers any cannabis or cannabis product in violation of this section.

Sec. 2. Section 21a-420s, as amended by Public Act 25-166, of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective upon passage*):

- (a) The department may issue or renew a license for a hybrid retailer. No person may act as a hybrid retailer or represent that such person is a hybrid retailer unless such person has obtained a license from the department pursuant to this section.
- (b) A hybrid retailer may obtain cannabis from a cultivator, microcultivator, producer, product packager, food and beverage manufacturer, product manufacturer or transporter. In addition to the activities authorized under section 21a-420t, as amended by this act, a hybrid retailer may sell, transport or transfer cannabis to a delivery service, cannabis testing laboratory or research program. A hybrid retailer may sell cannabis products to a consumer or research program. A hybrid retailer shall not gift or transfer cannabis at no cost to a consumer, qualifying patient or caregiver as part of a commercial transaction.
- (c) In addition to conducting general retail sales, a hybrid retailer may sell cannabis and medical marijuana products to qualifying patients and caregivers. Any cannabis or medical marijuana products sold to qualifying patients and caregivers shall be dispensed by a licensed pharmacist and shall be recorded in the electronic prescription drug monitoring program, established pursuant to section 21a-254, in realtime or immediately upon completion of the transaction, unless not reasonably feasible for a specific transaction, but in no case longer than one hour after completion of the transaction. Only a licensed pharmacist or dispensary technician may upload or access data in the prescription drug monitoring program.
- (d) (1) At all times while a hybrid retailer or a dispensary facility is open to the public, a licensed pharmacist shall be readily available for qualifying patient and caregiver consultations and dispensing. A hybrid retailer and a dispensary facility shall maintain a

licensed pharmacist physically present on premises [at all times] for at least eight consecutive hours per calendar week [when the hybrid retail location is open to the public or to qualifying patients and caregivers. At all times while a hybrid retailer location is open to the public] and [a] when a licensed pharmacist is not physically present on premises [and available for qualifying patient and caregiver consultations], the hybrid retailer or dispensary facility shall ensure that a licensed pharmacist is readily available to (A) provide telehealth consultations for qualifying patients and caregivers, and (B) conduct remote [order entry verification in accordance with regulations adopted by the commissioner pursuant to section 20-576, which remote order entry verification shall only be conducted by a licensed pharmacist in compliance with all remote order entry verification requirements established in regulations adopted by the commissioner pursuant to section 20-576.] dispensing, including final verification. Remote dispensing shall be subject to the record keeping requirements set forth in the policies and procedures or regulations adopted pursuant to this section.

(2) A hybrid retailer and a dispensary facility that offers telehealth consultations with a licensed pharmacist shall (A) employ such pharmacist for at least twenty hours per calendar week, (B) maintain technology that is capable of facilitating such consultations, and (C) make such consultations readily available and accessible to qualifying patients and caregivers, including, but not limited to, by telephone from a remote location outside of the hybrid retailer location and from the private consultation space required under subsection (e) of this section.

(3) Each hybrid retailer and a dispensary facility shall conspicuously post and maintain a sign at the main entrance of the hybrid retailer location, which [sigh] sign shall (A) be at least twelve inches in height and eighteen inches in width, (B) incorporate lettering in a size and style that is clear and legible, and (C) state the name of the licensed pharmacist who is available for qualifying patient and caregiver consultations either in-person or through telehealth.

(4) Each hybrid retailer and a dispensary facility shall conspicuously post and maintain a sign at each register or comparable point of sale within the hybrid retailer location, and on any Internet web site maintained by such hybrid retailer, which sign shall (A) be at least eight inches in height and ten inches in width, (B) incorporate lettering in a size and style that is clear and legible, and (C) state "Pharmacist available for consultation" in a clear and legible manner.

(5) Each licensed pharmacist who consults with qualifying patients or caregivers shall annually complete not less than five contact hours of continuing professional education, as set forth in section 20-600, related to the cannabis industry, the pharmacy laws of this state or the treatment of debilitating medical conditions, as defined in section 21a408. Such contact hours shall be included in, and not be in addition to, the fifteen contact hours required under section 20-600.

(e) The hybrid retailer location shall include a private consultation space for pharmacists to meet with qualifying patients and caregivers. Each hybrid retailer shall conspicuously display, on the exterior of the hybrid retailer location, a symbol that denotes the sale of medical marijuana products, which symbol shall be in a form and manner prescribed by the commissioner and posted on the department's Internet web site. Additionally, the hybrid retailer premises shall accommodate an expedited method of entry that allows for priority entrance into the premises for qualifying patients and caregivers.

(f) Hybrid retailers shall maintain a secure location, in a manner approved by the commissioner, at the licensee's premises where cannabis that is unable to be delivered may be returned to the hybrid retailer. Such secure cannabis return location shall meet specifications set forth by the commissioner and published on the department's Internet web site or included in regulations adopted by the department.

(g) Cannabis dispensed to a qualifying patient or caregiver that is unable to be delivered and is returned by the delivery service to the hybrid retailer shall be returned to the licensee

inventory system and removed from the prescription drug monitoring program not later than forty-eight hours after receipt of the cannabis from the delivery service.

(h) A hybrid retailer may not convert its license to a retailer license. To obtain a retailer license, a hybrid retailer shall apply through the lottery application process. A hybrid retailer may convert to a dispensary facility, provided the hybrid retailer complies with all applicable provisions of chapter 420f and has received written approval from the department.

(i) A retailer may apply to the department to convert its license to a hybrid retailer license, without applying through the lottery application system. To convert a retailer license to a hybrid retailer license, a retailer shall submit a complete application to the department, in a form and manner prescribed by the commissioner. Prior to issuing a hybrid retailer license pursuant to this section, the department shall conduct an inspection of the converting retailer establishment. Upon a satisfactory inspection, the department shall deactivate the converting retailer license and issue a new hybrid retailer license to the applicant.

(j) Manufacturer hemp products, as defined in section 22-61l, may be sold within a hybrid retailer facility, provided such manufacturer hemp products are:

- (1) Stored separately from cannabis and cannabis products;
- (2) Separated, by a physical separation, from cannabis and cannabis products in any display area;
- (3) Displayed with signage approved by the department;
- (4) Tested by a laboratory that meets the standards for accreditation and testing, and sampling methods, set forth for an independent testing laboratory in section 22-61m, as amended by this act, which laboratory may be located outside of this state;

- (5) Clearly labeled to distinguish the product as (A) a manufacturer hemp product, (B) subject to different testing standards than cannabis, and (C) not cannabis or a cannabis product;
- (6) Sold in accordance with this chapter, chapter 424 and any regulations adopted pursuant to said chapters; and
- (7) Derived from hemp grown by a United States Department of Agriculture hemp producer licensee under an approved state or tribal hemp production plan.

(k) The commissioner shall adopt regulations in accordance with chapter 54, to implement the provisions of this section. Notwithstanding the requirements of sections 4-168 to 4-172, inclusive, in order to effectuate the purposes of this section and protect public health and safety, prior to adopting such regulations the commissioner shall issue policies and procedures to implement the provisions of this section that shall have the force and effect of law. The commissioner shall post all policies and procedures on the department's Internet web site and submit such policies and procedures to the Secretary of the State for posting on the eRegulations System, at least fifteen days prior to the effective date of any policy or procedure. The commissioner shall also provide such policies and procedures, in a manner prescribed by the commissioner, to each licensee. Any such policy or procedure shall no longer be effective upon the earlier of either the adoption of the policy or procedure as a final regulation under section 4-172 or forty-eight months from July 1, 2026, if such regulations have not been submitted to the legislative regulation review committee for consideration under section 4-170.

Sec. 3. Section 21a-408w of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective upon passage*):

(a) Each cannabis establishment shall submit marijuana samples to a cannabis testing laboratory for testing as set forth in [subsection (b) of this section] in accordance with the laboratory testing standards established in the policies and procedures issued, and final regulations adopted, by the commissioner pursuant to section 21a-421j; [.

(b) (1) A cannabis testing laboratory shall test each marijuana sample submitted pursuant to subsection (a) of this section (A) for microbiological contaminants, mycotoxins, heavy metals and pesticide chemical residue, and (B) for purposes of conducting an active ingredient analysis, if applicable.

(2) Microbiological contaminant testing conducted pursuant to subparagraph (A) of subdivision (1) of this subsection shall include, but not be limited to, microbiological contaminant testing for *Aspergillus* species as set forth by the Department of Consumer Protection and posted on the department's Internet web site.

(c) When conducting microbiological testing as set forth in subsection (b) of this section, the marijuana sample shall be tested by using (1) a molecular method that (A) includes quantitative polymerase chain reaction, (B) is certified for identifying microbiological DNA, and (C) is approved by (i) the Association of Official Analytical Collaboration International, or (ii) a comparable national or international standards organization designated by the Commissioner of Consumer Protection, or (2) an alternative testing method approved by the Department of Consumer Protection and posted on the department's Internet web site.]

[(d)] (b) If a marijuana sample does not pass the testing set forth in subsection [(b)](a) of this section, the cannabis establishment that submitted such failing marijuana sample to the cannabis testing laboratory shall either:

(1) Repeat testing as set forth in subsection[s] (a) [and (b)] of this section on the marijuana batch from which such marijuana sample was taken, in a form and manner approved by the Department of Consumer Protection. If all repeated testing yields satisfactory results, the marijuana batch from which the marijuana samples were taken shall be released for sale; or

(2) If [such] the cannabis establishment submits to the Commissioner of Consumer Protection a remediation plan that is sufficient to ensure public health and safety, and the commissioner approves such remediation plan, remediate the marijuana batch from which such marijuana sample was taken and repeat all testing as set forth in subsection[s] (a) [and (b)] of this section on such remediated marijuana batch, in a form and manner approved by the Department of Consumer Protection. If all repeated testing

yields satisfactory results, the marijuana batch from which the marijuana samples were taken shall be released for sale[; or].

[(3)] (c) If [such] the cannabis establishment does not comply with subdivision (1) or (2) of [this] subsection (b) of this section, or if any subsequent laboratory testing does not yield satisfactory results for the testing set forth in subsection[s] (a) [and (b)] of this section, the cannabis establishment shall dispose of the entire marijuana batch from which the marijuana sample was taken in accordance with procedures established by the Commissioner of Consumer Protection, as published on the Department of Consumer Protection's Internet web site. Such disposal shall take place within thirty days of the failed test pursuant to subsection (b) of this section, or in the absence of testing under subsection (b) of this section, within thirty days of the original failed test under subsection (a) of this section, whichever is later. Upon written request, the Commissioner of Consumer Protection may provide an extension of the thirty-day disposal period.

[(e)] (d) For purposes of the testing set forth in subsection[s] (a) [and (b)] of this section, the quantity and number of marijuana samples taken shall be sufficient to ensure representative sampling of the corresponding marijuana batch size.

Sec. 4. NEW (*effective upon passage*)

(a) Each cannabis establishment shall submit cannabis samples to a cannabis testing laboratory for testing in accordance with the laboratory testing standards established in the policies and procedures issued, and final regulations adopted, by the commissioner pursuant to section 21a-421j.

(b) If a cannabis sample does not pass the testing set forth in subsection (a) of this section, the cannabis establishment that submitted such failing cannabis sample to the cannabis testing laboratory shall either:

(1) Repeat testing as set forth in subsection (a) of this section on the cannabis batch from which such cannabis sample was taken, in a form and manner approved by the Department of Consumer Protection. If all repeated testing yields satisfactory results, the cannabis batch from which the cannabis samples were taken shall be released for sale; or

(2) If the cannabis establishment submits to the Commissioner of Consumer Protection a remediation plan that is sufficient to ensure public health and safety, and the commissioner approves such remediation plan, remediate the cannabis batch from which such cannabis sample was taken and repeat all testing as set forth in subsection (a) of this section on such remediated cannabis batch, in a form and manner approved by the Department of Consumer Protection. If all repeated testing yields satisfactory results, the cannabis batch from which the cannabis samples were taken shall be released for sale.

(c) If the cannabis establishment does not comply with subdivision (1) or (2) of subsection (b) of this section, or if any subsequent laboratory testing does not yield satisfactory results for the testing set forth in subsection (a) of this section, the cannabis establishment shall dispose of the entire cannabis batch from which the cannabis sample was taken in accordance with procedures established by the Commissioner of Consumer Protection, as published on the Department of Consumer Protection's Internet web site. Such disposal shall take place within thirty days of the failed test pursuant to subsection (b) of this section, or in the absence of testing under subsection (b) of this section, within thirty days of the original failed test under subsection (a) of this section, whichever is later. Upon written request, the Commissioner of Consumer Protection may provide an extension of the thirty-day disposal period.

(d) For purposes of the testing set forth in subsection (a) of this section, the quantity and number of cannabis samples taken shall be sufficient to ensure representative sampling of the corresponding cannabis batch size.

Sec. 5. Subsection (c) of section 21a-415, as amended by Public Act 25-166, of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (effective upon passage):

(c) (1) Any applicant for a dealer registration or a renewal of a dealer registration shall apply to the Department of Consumer Protection, in a form and manner prescribed by the Commissioner of Consumer Protection, which application shall include, at a minimum: (A) The name, address and electronic mail address of the applicant; (B) The location that is to be operated under such dealer registration; (C) The name of, and contact information

for, each individual who has a direct or indirect financial interest in such applicant, unless (i) such applicant is a publicly traded company listed on a national stock exchange, or (ii) the financial interest held by such individual owner and such individual's spouse, parents and children, in the aggregate, does not exceed ten per cent of the total ownership or interest rights in such applicant; (D) A third-party local and national criminal background check for each owner listed on such application, which background check shall (i) be conducted by a third-party consumer reporting agency or background screening company that is in compliance with the federal Fair Credit Reporting Act and accredited by the Professional Background Screening Association, (ii) include a multistate and multijurisdiction criminal record locator or other similar commercial nation-wide database with validation and such other background screening as the commissioner may require, and (iii) be requested by such applicant not more than sixty days prior to submission of such application; (E) The name of the individual who shall serve as the fiduciary agent and guarantor for such applicant, which individual shall be personally liable in the event of any noncompliance that results in a debt owed to the department; (F) A disclosure of any enforcement action against, and any negotiated settlement entered into by, such applicant or any owner disclosed pursuant to this subsection, which action or settlement is related to the sale of cigarettes, electronic nicotine delivery systems, tobacco products or vapor products; (G) The name of a manager or supervisor who is or will be physically present at such applicant's location or proposed location; and (H) A certification that an authorized owner or named designee of such applicant has successfully completed the online prevention education program administered by the Department of Mental Health and Addiction Services pursuant to section 17a-719.

(2) The Department of Consumer Protection: (A) May require that an applicant submit documents sufficient to establish that state and local building, fire and zoning requirements will be met at the location of any sale; (B) may, in the department's discretion, conduct an investigation to determine whether a dealer registration shall be issued to an applicant; and (C) shall not issue a dealer registration or a renewal of a dealer registration to an applicant unless the applicant certifies that an authorized owner or named designee of the applicant has successfully completed the online prevention education program administered by the Department of Mental Health and Addiction Services pursuant to section 17a-719.

(3) The commissioner shall issue or renew a dealer registration to any such applicant not later than thirty days after the date of application unless the commissioner finds: (A) The applicant has made a materially false or misleading statement in such application or in any other application made to the commissioner; (B) the applicant has neglected to pay any taxes due to this state; (C) the authorized owner or named designee of the applicant has not successfully completed the online prevention education program administered by the Department of Mental Health and Addiction Services pursuant to section 17a-719; (D) any authorized owner of the applicant has a criminal [history] background check that is a sufficient basis for denial under section 46a-80; or (E) the applicant has violated any other provision of this section, or is the subject of an adverse administrative decision or delinquency assessment.



Agency Legislative Proposal

2026 Session

General Information

Agency	Dept. of Consumer Protection
Proposal Name	An Act Concerning the Department of Consumer Protection's Recommendations Regarding Consumer Protection
Legislative Liaison	C.J. Strand and Sara LeMaster
Division Requesting Proposal	Foods; Investigations; Operations; Legal
Drafter	Caitlin Anderson

Overview

Brief Summary of Proposal

This proposal makes changes to various sections of consumer protection statutes.

What problem is this proposal looking to solve?

Equip DCP with the tools necessary to protect consumers in various industries.

How does the proposal solve the problem?

Amends various DCP statutes to clarify processes to protect consumers.

Section by section summary:

Section #(s)	Section Summary
Section 1	Amends § 21a-39 to enhance the capacity of the Department of Protection to impound, forbid the sale of, and prohibit businesses from selling adulterated or misbranded food or beverages until the condition that caused adulteration or misbranding has been remedied.

Section 2	Amends § 21a-337 to codify the definition of a contractor of record to ensure each business has only one contractor of record that is an employee of that business. Licensed contractors, unlike licensed journeypersons, are responsible for business management and all work and all persons working under a permit pulled under their license. Industry participants have circumvented the contractor of record requirement by claiming they are in the direct full-time employment of a specific business while also engaging in employment under their own separate entity. When a complaint against an industry participant is received by the Department, licensees often claim that he or she was under the employment of whichever corporate entity bares the least responsibility in an attempt to shield themselves from any wrongdoing and push the liability onto a different corporate entity which in turn engages in the same claim against the licensee.
Section 3	Amends § 20-330(3) to clarify that a plumbing credential is required for work on underground storage tanks containing petroleum. This will address industry confusion over the scope of DCP's authority to regulate the installation of non-residential underground storage tanks and associated piping work of petroleum. By expanding the definition of plumbing to include petroleum and associated products, we are clarifying the current regulatory practice that a P-8/P-9 or P1/P-2 license is required to perform work on either underground storage tanks that contain petroleum without regard to whether the tank is non-residential or residential in nature.
Section 4 and 5	Amends § 20-280 and 20-280b to clarify coequal authority of DCP and the Board of Accountancy for investigative purposes. DCP performs all investigations, so this authority should lie with the department.
Section 6	Amends § 20-670 to clarify that national and state, rather than local, criminal background check are required for Homemaker Companion Agency credentials. Local background checks only allow for a check to take place in the town or county where the background check is occurring, whereas changing the language to account for a state background check will allow the searching entity to get results for the whole state.
Section 7	Amends § 21a-430 to ensure that donation bins are supporting charitable organizations registered with DCP.

Sections 8-10	Amends § 42-200, 42-207, and 42-202 to require DCP's fact sheet regarding funeral service contracts are provided to consumers prior to purchase of pre-need contracts, require a three-day right of cancellation on irrevocable funeral service contracts and require that consumers receive receipt of the escrow deposit within 10 days, rather than 25 days.
Section 11	Amends subsection (c) of § 20-314 to clarify that final licensure exams must be taken within two years of application for a real estate credential to ensure the applicant has current experience and education. The proposed language also allows for hardship waivers to be granted by the Real Estate Commission. This is in line with other credentials requiring an exam.
Section 12	Amends § 42-190, as amended by PA 25-110, to increase the fee for the lemon law from \$3 to \$5, which hasn't been increased since it was established in 2001. Lemon Law complaints are increasing and the fund is at risk of insolvency.
Section 13	Amends § 20-377 to eliminate the continuing education requirement for interior designers.
Section 14-16	Amends § 20-305, 20-306 and subsection (a) of 20-308 to streamline the professional engineer and landscape surveyor licenses by requiring renewal every two years, rather than every year. These credentials have a rigorous requirement and application process and no substantive requirements at renewal.

Sections 17-19	Amends §12-801, 12-815a, and 12-586a to make changes to existing statute authorizing background checks to clarify certain overly broad terms outlined in correspondence from the U.S. Department of Justice to meet federal statutory requirements for department to qualify to obtain fingerprint based background checks through the FBI. The Department has been granted a grace period to continue to obtain fingerprint based background checks from the FBI for these provisions until November 1, 2026 in order to address these issues. Fingerprint background checks provide a critical layer of security by identifying potential risks associated with individuals who may pose a threat to the gaming environment or the integrity of the lottery operations in the state. Wording of Sec. 12-868a updated to conform with changes made to Sec. 12-815a.
Section 20	Repeals § 42-103b through 42-103m, inclusive, related to apartment listing services. This is an antiquated and unused credential.
Statutory Reference:	CGS § 21a-39; 21a-337; 20-330; 20-280; 20-280b; 20-670; 21a-430, as amended by PA 25-111; 42-200; 42-207; 20-314; 42-190, as amended by PA 25-110; 20-377s; 20-305; 20-306; 20-308; and 42-103b through 42-103m;

Background

New Proposal

Resubmission

Have there been any changes in federal laws or regulations that make this legislation necessary?

No

Have there been any changes in state laws or regulations that make this legislation necessary?

No

Has this proposal or a similar proposal been implemented in other states?

No

Have certain constituencies called for this proposal?

No

Interagency Impact

Check here if this proposal does NOT impact other agencies

Agency	N/A	
Contact	N/A	
Date Contacted	N/A	
Status	<input type="checkbox"/> Approved	<input type="checkbox"/> Unresolved
Open Issues	N/A	

Fiscal Impact

No Fiscal Impact

Budget Option Submitted

State Section 11:
Yes Increase of \$405,237 in FY 27.

Sections 14-16:
FY 27: revenue increase of approximately \$3.5 million
FY 28: revenue decrease of approximately \$3.5 million.

Municipal

No

Federal

No

Other Information

If there is any additional information we should know, please detail below: N/A |

Legislative Language

Insert fully drafted bill below. Please use standard legislative drafting considerations, as published by LCO [here](#).

Section 1. Section 21a-39 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (effective July 1, 2026):

(a) No person shall sell or offer or expose for sale in any establishment or vending machine, or have in [his]such person's possession with intent to sell therefrom, any food, beverage or ingredient which is adulterated or misbranded. "Adulterated" shall have the same meaning as section 21a-101.

(b) The commissioner may cause samples of any food, beverage or ingredient so sold, offered, exposed or possessed to be taken and examined as often as may be necessary to determine freedom from adulteration or misbranding. Upon written notice to the establishment or vending machine operator, [operator] the commissioner may take the following actions to protect public health and safety: (1) impound any food or beverage which is adulterated or misbranded, [and] (2) forbid the sale of any food or beverage which is adulterated or misbranded, and (3) prohibit such establishment from selling or offering for sale any food or beverage which was adulterated or misbranded until the conditions that caused such adulteration, and are likely to cause future adulteration, have been remedied. [, after] After a hearing, the commissioner may cause any [such]adulterated or misbranded food or beverage to be destroyed, provided, in the case of misbranding which may be corrected by proper labeling, the commissioner may release such food or beverage to the operator upon corrective action being taken.

Sec. 2. Section 20-337 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (effective upon passage):

(a) Nothing in this chapter shall require that the ownership or control of a business engaged in providing the work or services licensed under the provisions of this chapter be vested in a person licensed under this chapter, but all the work and services set forth in section 20-330 shall be performed by persons licensed for such work or occupation under this chapter.

(b) (1) Any business engaged in providing work or services licensed under the provisions of this chapter shall designate a contractor of record with the Department of Consumer

Protection who is responsible for obtaining any needed building permit on behalf of the business. Said contractor shall be licensed by the department to perform the work or services offered by the business and such license must be in good standing. The contractor of record shall be an owner or employee of the business on a regular basis while the business is engaged in providing such licensed work or services. For purposes of this subsection, "directly employed" means an individual whose (A) manner and means of work performance are subject to the right of control of, or are controlled by, the business, and (B) compensation is reported, or required to be reported, on a federal Form W-2 issued by, or caused to be issued by, the business. No person designated as an independent contractor, subcontractor, consultant or otherwise not an owner or employee of the business shall serve as a contractor of record. No person shall serve as contractor of record to more than one business at any time. (2) The business must provide the name, telephone number and email address of the contractor of record to the department and inform the department of any change of information or the designation of a new contractor of record within ten days of such change in a form and manner prescribed by the commissioner.

Sec. 3. Subsection (3) of section 20-330 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective upon passage*):

(3) "Plumbing and piping work" means the installation, repair, replacement, alteration, maintenance, inspection or testing of gas, water, petroleum based products and alternative fuels and associated fixtures, tubing and piping mains and branch lines up to and including the closest valve to a machine or equipment used in the manufacturing process, laboratory equipment, sanitary equipment, other than subsurface sewage disposal systems, fire prevention apparatus, all water systems for human usage, sewage treatment facilities and all associated fittings within a building and includes lateral storm and sanitary lines from buildings to the mains, process piping, swimming pools and pumping equipment, and includes making connections to back flow prevention devices, and includes low voltage wiring, not exceeding twenty-four volts, used within a lawn sprinkler system, but does not include (A) solar thermal work performed pursuant to a certificate held as provided in section 20-334g, except for the repair of those portions of a solar hot water heating system that include the basic domestic hot water tank and the tie-in to the potable water system, (B) the installation, repair, replacement, alteration, maintenance, inspection or testing of fire prevention apparatus within a structure, except for standpipes that are not connected to sprinkler systems, (C) medical gas and vacuum systems work, and (D) millwright work. For the purposes of this subdivision, "process piping" means piping or tubing that conveys liquid or gas that is used directly in the production of a chemical or a product for human consumption;

Sec. 4. Subsection (f) of section 20-280, as amended by Public Act 25-36, of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective upon passage*):

(f) The board or department shall have the power to take all action that is necessary and proper to effectuate the purposes of sections 20-279b to 20-281m, inclusive, including the power to issue subpoenas to compel the attendance of witnesses and the production of documents; to administer oaths; to take testimony and to receive evidence concerning all matters within its jurisdiction. In case of disobedience of a subpoena, the board or department may invoke the aid of any court of this state in requiring the attendance and testimony of witnesses and the production of documentary evidence. The board, its members, [and] its agents, and the department shall be immune from personal liability for actions taken in good faith in the discharge of the board's responsibilities, and the state shall indemnify and hold harmless the board, its members, and its agents from all costs, damages, and attorneys' fees arising from claims and suits against them with respect to matters to which such immunity applies.

Sec. 5. Section 20-280b of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective upon passage*):

(a) The board or department may conduct hearings on any matter within its statutory jurisdiction. Such hearings shall be conducted in accordance with chapter 54 and the regulations established pursuant to subsection (g) of section 20-280. In connection with any hearing or investigation, the board or department may administer oaths, issue subpoenas, compel testimony and order the production of books, records and documents. If any person refuses to appear, testify or produce any book, record or document when so ordered, a judge of the Superior Court may make such order as may be appropriate to aid in the enforcement of this section. The final decision of the board or department shall be subject to judicial review as provided in section 4-183.

(b) The board or department may, in its discretion, issue an appropriate order to any person found to be in violation of an applicable statute or regulation, providing for the immediate discontinuance of the violation. The board or department may, through the Attorney General, petition the superior court for the judicial district in which the violation occurred, or in which the person committing the violation resides or does business, for the enforcement of any order issued by it and for appropriate temporary relief or a restraining order and shall certify and file in the court a transcript of the entire record of the hearing

or hearings, including all testimony upon which such order was made and the findings and orders made by the board or department. The court may grant such relief by injunction or otherwise, including temporary relief, as it deems equitable and may make and enter a decree enforcing, modifying or enforcing as so modified, or setting aside, in whole or in part, any order of the board. The board or department, in its discretion, in lieu of or in addition to any other action authorized by law, may assess a civil penalty of up to fifty thousand dollars against any person found to have violated any provision of the general statutes or any regulations adopted thereunder relating to the profession of public accountancy.

Sec. 6. Subsection (5) of Section 20-670 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof *(effective upon passage)*:

(5) "Comprehensive background check" means a background investigation of a prospective employee performed by a homemaker-companion agency, that includes (A) a review of any application materials prepared or requested by the homemaker-companion agency and completed by the prospective employee, (B) an in-person or video-conference interview of the prospective employee, (C) verification of the prospective employee's Social Security number, (D) if the prospective employee has applied for a position within the homemaker-companion agency that requires licensure on the part of such prospective employee, verification that the required license is in good standing, (E) a check of the registry established and maintained pursuant to section 54-257, (F) a [local] state and national criminal background check of criminal matters of public record based on the prospective employee's name and date of birth that includes a search of a multistate and multijurisdiction criminal record locator or other similar commercial nationwide database with validation, and a search of the United States Department of Justice National Sex Offender Public Website, conducted by a third-party consumer reporting agency or background screening company that is accredited by the Professional Background Screening Association and in compliance with the federal Fair Credit Reporting Act, (G) if the prospective employee has resided in this state for less than three years prior to the date of such prospective employee's application with the homemaker-companion agency, a review of criminal conviction information from the state or states where such prospective employee resided during such three-year period, and (H) a review of any other information that the homemaker-companion agency deems necessary in order to evaluate the suitability of the prospective employee for the position.

Sec. 7. Subsection (a) of section 21a-430 of the Connecticut General Statutes, as amended by PA 25-111, is repealed and the following is substituted in lieu thereof (effective July 1, 2026):

(a) No person shall place or cause to be placed in a public place a donation bin for the donation of clothing or other articles unless (1) such person obtains advance written consent from the owner of such public place, or such owner's duly authorized agent, to place such donation bin, or cause such bin to be placed, in such public place, and (2) such bin contains a notice, in block letters at least two inches high, stating, (A) if the donation is for a charitable purpose, (i) the name of the nonprofit organization that will benefit from the donation, (ii) the charity registration number issued to the nonprofit organization by the Department of Consumer Protection; (iii) the name and contact information of the owner of such bin, and [(iii)] (iv) that the public may contact the Department of Consumer Protection for further information, or (B) if not intended for a charitable purpose, that such donation is not for a charitable purpose. Such notice shall be on the same side of the bin where the donation is likely to be made. As used in this section, "public place" means any area that is used or held out for use by the public, whether owned or operated by public or private interests, and "donation bin" means a large container commonly placed in a parking lot for the purpose of encouraging individuals to donate clothing or other items.

Sec. 8. Section 42-200 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (effective July 1, 2026):

(a) For the purposes of this section and sections 42-201 to 42-207, inclusive, "funeral service contract" means a contract which requires the payment of money, the delivery of securities or the assignment of a death benefit payable under an individual or group life insurance policy in exchange for the final disposition of a dead human body, including funeral, burial or other services, or the furnishing of personal property or funeral merchandise in connection with any such disposition, wherein the use or delivery of such services, property or merchandise is not required immediately, "beneficiary" means the person for whom the goods or services purchased in a funeral service contract are to be provided, and "purchaser" means the person who signs the funeral service contract.

(b) A funeral service contract shall be in writing and shall contain, except as provided in subsection (c) of this section, the following:

(1) The name, address, telephone number and Social Security number of the beneficiary and the purchaser;

- (2) The name, address, telephone number and license number of the funeral director for the funeral service establishment providing the goods or services;
- (3) A list of the selected goods or services, if any;
- (4) The amount of funds paid or to be paid by the purchaser for such contract, the method of payment and a description of how such funds will be invested and how such investments are limited to those authorized pursuant to subsection (c) of section 42-202;
- (5) A description of any price guarantees by the funeral service establishment or, if there are no such guarantees, a specific statement that the contract contains no guarantees on the price of the goods or services contained in the contract;
- (6) The name and address of the escrow agent designated to hold the prepaid funeral services funds;
- (7) A written representation, in clear and conspicuous **bold** type, that the purchaser should receive a notice from the escrow agent acknowledging receipt of the initial deposit and the amount of the deposit not later than [twenty-five] ten days after receipt of such deposit by a licensed funeral director and that if such notice is not received or the full amount of the deposit was not placed in escrow that the purchaser or the beneficiary has the right to cancel the contract;
- (8) A description of any fees to be paid from the escrow account to the escrow agent or any third party provider;
- (9) A description of the ability of the purchaser or the beneficiary to cancel a revocable funeral service contract and the effect of cancelling such contract and a statement immediately adjacent to the signature of the purchaser stating "YOU, THE BUYER, OR YOUR BENEFICIARY MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO THE RENDERING OF SERVICES";
- (10) For irrevocable contracts, a description of the ability of the beneficiary to transfer such contract to another funeral home; [and]
- (11) The signature of the purchaser or authorized representative and the licensed funeral director of the funeral service establishment[.]; and
- (12) A signed attestation from the purchaser stating that (i) the purchaser received a copy of the Department of Consumer Protection's Fact Sheet on Funeral Service Contracts published on the website of the Department of Consumer Protection prior to executing the funeral service contract and (ii) the purchaser received time to read said information prior to execution of the contract.

Sec. 9 Section 42-202 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (effective July 1, 2026):

(a) A licensed funeral service establishment shall deposit any money or securities which such establishment receives pursuant to a funeral service contract, and not later than [fifteen] three days after its receipt of such money or securities, in one or more escrow accounts established in accordance with the provisions of this section. Not later than [ten] five days after the [initial] deposit of such money or securities, the escrow agent shall notify the purchaser, in writing, of the agent's receipt of such initial deposit and the amount of such initial deposit. Such escrow agent shall notify the purchaser of any transfer of such funds or securities, except when such transfer is to pay for services as required by the funeral service contract. Such funds or securities shall not be transferred to an insurance contract without a description to the purchaser by the funeral director of any fees, costs or commissions associated with such insurance contract and without obtaining the written consent of the purchaser to such transfer.

Sec. 10. Section 42-207 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective July 1, 2026*):

(a) An irrevocable funeral service contract may be entered into in which the amount held in escrow or a death benefit payable under an individual or group life insurance policy may be disbursed only upon the death of the beneficiary, provided such a contract does not exceed ten thousand dollars and all interest, growth or dividends accumulates to the escrow account or insurance policy and are inaccessible to the beneficiary. Such irrevocable funeral service contract may be transferred from one funeral service establishment to another upon request of the beneficiary or a legal representative of the beneficiary. The purchase of an irrevocable funeral service contract shall not preclude an individual from purchasing other funeral service contracts that are revocable, provided any such revocable funeral service contract purchased by a Medicaid beneficiary may be revoked only upon written notice by the Medicaid beneficiary to the Commissioner of Social Services. An irrevocable funeral service contract shall provide that, upon the death of the beneficiary, the state of Connecticut shall receive any amounts remaining after performance of the contract, up to (1) the total amount of medical assistance paid by the state of Connecticut on behalf of the beneficiary that is recoverable under 42 USC 1396p, and (2) the total amount of all other forms of public assistance paid by the state of Connecticut on behalf of the beneficiary or his or her dependent child. The funeral service establishment providing services under such a contract shall make payment of such remaining funds to the Commissioner of Social Services not later than sixty days after all services have been performed under such contract. If a funeral service establishment pays such remaining amount to any person other than the Commissioner of Social

Services, the funeral service establishment shall be liable to said commissioner for repayment of such amount.

(b) A purchaser may cancel an irrevocable funeral service contract before midnight of the third calendar day after the date the purchaser signs and receives a copy of the contract. A purchaser shall not waive any right of cancellation under this section. A contract containing a waiver is voidable by the purchaser, the beneficiary, or the legal representative of the beneficiary. If a purchaser elects to cancel a purchase contract under this section, the purchaser may do so by hand-delivering notice of cancellation to the contract seller, by mailing notice by prepaid United States mail or by email. Cancellation shall be without penalty, and all payments made by the purchaser before cancellation shall be refunded not later than twenty business days after the date on which the contract seller receives a timely notice of cancellation.

(c) Each irrevocable funeral service contract shall contain the following language, in conspicuous type, or similar language:

"PURCHASER'S RIGHT TO CANCEL."

- (1) BY SIGNING THIS CONTRACT YOU ARE INCURRING AN OBLIGATION TO PURCHASE AN IRREVOCABLE FUNERAL SERVICE CONTRACT. YOU MAY, HOWEVER, CANCEL THIS CONTRACT WITHOUT PENALTY OR OBLIGATION BEFORE MIDNIGHT OF THE THIRD CALENDAR DAY AFTER THE DATE YOU SIGN AND RECEIVE A COPY OF THE CONTRACT.
- (2) IF YOU DECIDE TO CANCEL THIS CONTRACT, YOU MAY DO SO BY EITHER HAND-DELIVERING NOTICE OF CANCELLATION TO THE CONTRACT SELLER OR BY MAILING NOTICE BY PREPAID UNITED STATES MAIL TO THE CONTRACT SELLER, OR BY PROVIDING NOTICE BY OVERNIGHT COMMON CARRIER DELIVERY SERVICE TO THE CONTRACT SELLER. YOUR NOTICE OF CANCELLATION IS EFFECTIVE ON THE DATE SENT. IF MAILED OR SENT BY OVERNIGHT COMMON CARRIER FOR YOUR PROTECTION, SHOULD YOU DECIDE TO CANCEL YOU SHOULD EITHER SEND YOUR NOTICE OF CANCELLATION BY CERTIFIED MAIL WITH A RETURN RECEIPT REQUESTED OR OBTAIN A SIGNED AND DATED RECEIPT IF DELIVERING IT IN PERSON OR BY OVERNIGHT COMMON CARRIER.
- (3) A PURCHASER SHOULD NOT RELY ON STATEMENTS OTHER THAN THOSE INCLUDED IN THIS CONTRACT.
- (4) SHOULD YOU CANCEL, ANY PAYMENTS MADE BY YOU UNDER THE CONTRACT AND ANY NEGOTIABLE INSTRUMENT EXECUTED BY YOU WILL BE RETURNED WITHIN TWENTY BUSINESS DAYS FOLLOWING RECEIPT BY THE CONTRACT SELLER OF YOUR CANCELLATION NOTICE."

Sec. 11. Subsection (c) of section 20-314 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (effective July 1, 2026):

(c) In order to determine the competency of any applicant for a real estate broker's license or a real estate salesperson's license the commission or Commissioner of Consumer Protection shall, on payment of an application fee of one hundred twenty dollars by an applicant for a real estate broker's license or an application fee of eighty dollars by an applicant for a real estate salesperson's license, subject such applicant to personal written examination as to the applicant's competency to act as a real estate broker or real estate salesperson, as the case may be. Such examination shall be prepared by the Department of Consumer Protection or by a national testing service designated by the Commissioner of Consumer Protection and shall be administered to applicants by the Department of Consumer Protection or by such testing service at such times and places as the commissioner may deem necessary. The commission or Commissioner of Consumer Protection may waive the uniform portion of the written examination requirement in the case of an applicant who has taken the national testing service examination in another state within two years from the date of application and has received a score deemed satisfactory by the commission or Commissioner of Consumer Protection. An applicant shall be required to submit evidence of successful completion of their final license examination, which successful completion shall occur within two years of the date of the relevant license application, unless a hardship extension to such two-year period is requested in writing and granted by the commission. The Commissioner of Consumer Protection shall adopt regulations, in accordance with chapter 54, establishing passing scores for examinations. In addition to such application fee, applicants taking the examination administered by a national testing service shall be required to pay directly to such testing service an examination fee covering the cost of such examination. Each payment of such application fee shall entitle the applicant to take such examination within the one-year period from the date of payment.

Sec. 12. Sec. 42-190, as amended by Public Act 25-110, of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (effective July 1, 2026):

(a) A new automobile warranties account surcharge is hereby imposed on the sale or lease of each new motor vehicle, as defined in section 42-179, sold or leased in this state by any person licensed to offer such vehicles for sale under section 14-52. Such surcharge shall be in addition to any tax otherwise applicable to any such sales transaction.

(b) The surcharge assessed pursuant to this section shall be at a rate of [three] five dollars per motor vehicle, as defined in section 42-179. Such surcharge shall be collected by each licensee under section 14-52 engaged in the sale or lease of motor vehicles, as defined in section 42-179, in this state. Such licensee shall pay the surcharges assessed during the prior calendar year to the Department of Consumer Protection in an annual lump sum payment on or before March thirty-first of each year. Said department may assess a late fee of two dollars per vehicle.

(c) Proceeds collected by the department from surcharges assessed under this section shall be deposited in the new automobile warranties account established pursuant to subsection (d) of this section.

(d) There is established a separate, nonlapsing account, to be known as the "new automobile warranties account". The account may contain any moneys required by law to be deposited in the account. The moneys in said account shall be allocated to the Department of Consumer Protection to carry out the purposes of this chapter.

Sec. 12. Subsection (f) and (g) of section 20-377s of the Connecticut General Statutes are repealed (*effective upon passage*):

(a) A registered interior designer shall include his or her certificate of registration number in any advertisement and may include his or her certificate of registration number in any written communication.

(b) No person shall: (1) Present or attempt to present, as his or her own, the certificate of another, (2) knowingly give false evidence of a material nature to the commissioner for the purpose of procuring a certificate, (3) use or attempt to use a certificate which has expired or which has been suspended or revoked, (4) represent himself or herself falsely as, or impersonate, a registered interior designer, or (5) represent in any manner that his or her certificate of registration constitutes an endorsement of the quality of his or her workmanship or of his or her competency by the commissioner.

(c) Certificates of registration issued to an interior designer shall not be transferable or assignable.

(d) All certificates of registration issued under the provisions of sections 20-377k to 20-377v, inclusive, shall expire annually.

(e) A registered interior designer may apply for renewal of a certificate of registration. The fee for renewal of such certificate of registration shall be one hundred ninety dollars, provided any architect licensed in this state shall not be required to pay such fee.

[(f) A registered interior designer shall complete a minimum of four hours of continuing education every three years. Such three-year period shall commence on the first date of renewal of the applicant's certificate of registration on or after October 1, 2015. The continuing education shall be in areas related to the application of the State Building Code and the Fire Safety Code.

(g) A registered interior designer who applies for a renewal of a certificate of registration on or after October 1, 2018, shall sign a statement on a form prescribed by the commissioner attesting that he or she has satisfied the continuing education requirements of subsection (f) of this section. Such applicant shall retain records of attendance or certificates of completion that demonstrate compliance with such continuing education requirements for a minimum of three years following the year in which the continuing education activities were completed. Such applicant shall submit such records to the commissioner for inspection not later than forty-five days after a request by the commissioner for such records.]

Sec. 14. Section 20-305 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective October 1, 2026*):

Applications for licensure under this chapter shall be on forms prescribed and furnished by the Department of Consumer Protection. The nonrefundable application fee for a professional engineer license shall be eighty dollars. The nonrefundable application fee for an engineer-in-training license shall be seventy-six dollars, which shall accompany the application and which shall include the cost of the issuance of a license. The nonrefundable application fee for a land surveyor license shall be eighty dollars. The nonrefundable application fee for a surveyor-in-training license shall be sixty-four dollars, which shall accompany the application and which shall include the cost of the issuance of a license. The initial license fee for a professional engineer license or a land surveyor license shall be [two hundred twenty] four hundred forty dollars. The application fee for a combined license as professional engineer and land surveyor shall be eighty dollars. The initial license fee for such combined license shall be [two hundred twenty] four hundred forty dollars.

Sec. 15. Section 20-306 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective October 1, 2026*):

(a)(1) The Department of Consumer Protection shall notify each person licensed under this chapter of the date of the expiration of such license and the amount of the fee required for its renewal for [one year] two years. Such license renewals shall be accompanied by the payment of [the professional services fee for class G, as defined in section 33-182I] five hundred seventy dollars, in the case of a professional engineer license, a professional engineer and land surveyor combined license, or a land surveyor license. The license shall be considered lapsed if not renewed on or before the expiration date.

(2) Annual renewal of an engineer-in-training license or a surveyor-in-training license shall not be required. Any such license shall remain valid for a period of ten years from the date of its original issuance and, during this time, it shall meet in part the requirements for licensure as a professional engineer or land surveyor. It shall not be the duty of the department to notify the holder of an engineer-in-training license or a surveyor-in-training license of the date of expiration of such license other than to publish it annually in the roster.

(3) Renewal of any license under this chapter or payment of renewal fees shall not be required of any licensee serving in the armed forces of the United States until the next renewal period immediately following the termination of such service or the renewal period following the fifth year after such licensee's entry into such service, whichever occurs first. The status of such licensees shall be indicated in the annual roster of professional engineers and land surveyors.

(b) Notwithstanding the provisions of subsection (a) of this section concerning fees, any person who is licensed under the provisions of this chapter, who is age sixty-five or over and who is no longer actively engaged in the practice of engineering or any of its branches, or land surveying, may renew such license annually upon payment of the professional services fee for class A, as defined in section 33-182I.

Sec. 16. Subsection (a) of section 20-308 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective October 1, 2026*):

(a) The board may, upon application and the payment of a fee of [one hundred ninety] three hundred eighty dollars to the Department of Consumer Protection, authorize the department to issue a license as a professional engineer, or a combined license as a professional engineer and land surveyor or, upon application and the payment of a fee of one hundred ninety dollars, to issue a license as a land surveyor to any person who holds a certificate of qualification, licensure or registration issued to such person by the proper authority of any state, territory or possession of the United States, or any country, or the

National Bureau of Engineering Registration, provided the requirements for the licensure or registration of professional engineers or land surveyors under which such license, certificate of qualification or registration was issued shall not conflict with the provisions of this chapter and shall be of a standard not lower than that specified in section [20-302](#). Upon request of any such applicant the board may, if it determines that the application is in apparent good order, authorize the department to grant to such applicant permission in writing to practice engineering or land surveying or both for a specified period of time while such application is pending. The board may waive the first part of the examination specified in subdivision (1) of section [20-302](#) in the case of an applicant for licensure as a professional engineer who holds a certificate as an engineer-in-training issued to him by the proper authority of any state, territory or possession of the United States, provided the requirements under which the certificate was issued do not conflict with the provisions of this chapter and are of a standard at least equal to that specified in said subdivision (1). The board may waive that part of the examination specified in subdivision (3) of section [20-302](#) relating to the fundamentals of land surveying, in the case of an applicant for licensure as a land surveyor who holds a certificate as a surveyor-in-training issued to him by the proper authority of any state, territory or possession of the United States, provided the requirements under which the certificate was issued do not conflict with the provisions of this chapter and are of a standard at least equal to that specified in said subdivision (3).

Sec. 17. Section 12-801 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof:

Definitions. As used in section 12-563a and sections 12-800 to 12-818, inclusive, the following terms have the following meanings unless the context clearly indicates another meaning:

- (1) "Board" or "board of directors" means the board of directors of the corporation;
- (2) "Corporation" means the Connecticut Lottery Corporation as created under section 12-802;
- (3) "Department" means the Department of Consumer Protection;
- (4) "Division" means the former Division of Special Revenue in the Department of Revenue Services;
- (5) "Facility" or "Facilities" means the offices of the Connecticut Lottery Corporation, the premises in which the lottery gaming system is located, and the location or locations of the backup network for the lottery gaming system.
- (5) "Fantasy contest" has the same meaning as provided in section 12-850;
- (6) "Gaming laboratory" means a business entity that (A) specializes in the testing of technology systems for gaming operators licensed in the United States, (B) is licensed by

the department as an affiliate pursuant to section 12-815a, and (C) is not owned or controlled by the corporation;

(7) "Keno" means a lottery game in which a subset of numbers are drawn from a larger field of numbers by a central computer system using an approved random number generator, wheel system device or other drawing device;

(8) "Lottery" means (A) the Connecticut state lottery conducted prior to the transfer authorized under section 12-808 by the Division of Special Revenue, (B) after such transfer, the Connecticut state lottery conducted by the corporation pursuant to sections 12-563a and 12-800 to 12-818, inclusive, and section 12-853, (C) the state lottery referred to in subsection (a) of section 53-278g, and (D) keno conducted by the corporation pursuant to section 12-806c, or sections 12-851 and 12-853;

(9) "Lottery and gaming fund" means a fund or funds established by, and under the management and control of, the corporation, into which all lottery, sports wagering and fantasy contest revenues of the corporation are deposited from which all payments and expenses of the corporation are paid and from which transfers to the General Fund or the Connecticut Teachers' Retirement Fund Bonds Special Capital Reserve Fund, established in section 10-183vv, are made pursuant to section 12-812;

(10) "Lottery draw game" has the same meaning as provided in section 12-850;

(11) "Lottery gaming system" means the complete integrated set of hardware and software elements that communicates, records, reports, captures and accounts for gaming data, including, but not limited to, issuing, canceling and validating wagers, determining winners and other functions necessary for the technological operation of the lottery;

(12) "Lottery sales agent" has the same meaning as provided in section 12-850;

(13) "Online lottery ticket sales" means the sale of lottery tickets for lottery draw games through the corporation's Internet web site, an online service or a mobile application, pursuant to a license issued to the corporation under section 12-853;

(14) "Online sports wagering" has the same meaning as provided in section 12-850;

(15) "Operating revenue" means total revenue received from lottery sales and sports wagering less all cancelled sales and amounts paid as prizes but before payment or provision for payment of any other expenses;

(16) "Person in charge" means the person designated by a lottery sales agent licensee, or the applicant for such a license, who is responsible for managing such agent's compliance with the provisions of chapters 226 and 229a;

(17) "Retail sports wagering" has the same meaning as provided in section 12-850; and

(18) "Skin" has the same meaning as provided in section 12-850.

Sec. 18. Section 12-815a of the general statutes is repealed and the following is substituted in lieu thereof:

(a) The Commissioner of Consumer Protection shall issue vendor, affiliate, lottery sales agent and occupational licenses in a form and manner prescribed by the commissioner and in accordance with the provisions of this section.

(b) No person or business organization [awarded a primary contract by the Connecticut Lottery Corporation to provide] shall be a contractor providing facilities, components, goods or services that are necessary for and directly related to the secure operation of the activities of said corporation [shall do so] unless such person or business organization enters into a contract with the Connecticut Lottery Corporation and is issued a vendor license by the Commissioner of Consumer Protection. For the purposes of this [subsection, "primary contract"] section "necessary for and directly related to the secure operation of the activities of the Connecticut Lottery Corporation" [of]means [a contract to provide] the provision of any of the following facilities, components, goods or services:[to said corporation by a person or business organization] (1) facilities; (2) [that provides any]lottery [game] games or components of a lottery game, components of a lottery game include paper to print physical tickets, hardware and software, physical random number generating equipment, electronic random number generating equipment, excluding a lottery draw game offered by the Connecticut Lottery Corporation pursuant to a multistate agreement; (3) any components of the lottery gaming system including any components that provides communication with a multi-state lottery system[or]; (4) physical security services to the facilities of the Connecticut Lottery Corporation; (5) network security for the lottery gaming system and any peripheral components; (6) any online wagering system related facilities, components, goods or services [and that]; (7) maintains or installs lottery gaming equipment at retail or self-service locations; (8) test services for any component of or integration with the lottery gaming system, including any gaming laboratory; (9) manufacture or distribute scratch off instant tickets; (10) maintenance of physical draw equipment; (11) marketing or advertising services that will use personally identifiable information maintained by the Connecticut Lottery Corporation in providing those services; (12) auditing or accounting services; (13) services for the secure disposal of confidential documents and lottery equipment; (14) delivery services unless the delivery service meets the requirement under subsection (c) of this section (15) other goods or services that the department determines are used in, or are incidental to, the operation of the lottery, in a manner requiring licensing in order to contribute to the public confidence and trust in the credibility and integrity of the gaming industry in this state; or (16) any contractor that receives or, in the exercise of reasonable business judgment, can be expected to receive more than [seventy-five] one hundred and twenty five thousand dollars or twenty-five per cent of its gross annual sales from [said corporation]the provision of good or services to

the Connecticut Lottery Corporation, or [(2) that]has access to [the facilities]any facility of [said corporation]the Connecticut Lottery Corporation and provides services in such [facilities]facility without supervision by [said corporation]the Connecticut Lottery Corporation. Each applicant for a vendor license shall pay a nonrefundable application fee of two hundred fifty dollars.

(c) (1) The Connecticut Lottery Corporation may employ the delivery services of a business organization that does not hold a vendor license for the purpose of transporting and delivering lottery tickets to lottery sales agents, provided:

(A) All lottery tickets are securely packaged in tamper-evident packaging by employees of the corporation on the premises of the corporation while under video surveillance, the exterior of such packaging does not contain any word, graphic or symbol indicating that such packaging contains lottery tickets and the corporation does not include the word "lottery" anywhere on such packaging, including in the return address;

(B) All packages are tracked and require a signature upon delivery;

(C) The corporation creates and retains documentation for each package, which documentation includes, at a minimum, the following information: (i) The lottery game number; (ii) the pack number or numbers; (iii) the lottery game name; (iv) the number of packs contained in such package; (v) the name and address of the lottery sales agent who is the intended recipient of the lottery tickets; (vi) the package shipment date; and (vii) the name of the business organization delivering the tickets from the corporation to the lottery sales agent.

(2) Prior to utilizing a business organization described in subdivision (1) of this subsection for the purpose set forth in said subdivision, the corporation shall provide a detailed plan to the department, in a form and manner prescribed by the commissioner, which plan shall be reviewed and approved or denied by the commissioner not later than thirty days after the department receives such plan. Such plan shall include, at a minimum, the following information:

(A) The name and contact information for the business organization;

(B) The proposed date to commence shipment through such business organization;

(C) A detailed description of the specific tamper-evident packaging to be used, which description shall include the security features for such packaging;

(D) The additional security measures to be provided by the business organization during transport and at the point of delivery; and

(E) A description of the processes to be employed by the business organization in transporting the lottery tickets in the event a delivery is unsuccessful.

(3) The corporation shall retain a copy of all documentation created pursuant to subdivision (2) of this subsection for not less than three years. In the event the corporation

is notified by a lottery sales agent that a package of lottery tickets appears to be damaged, missing or otherwise compromised at the time of delivery, the corporation shall immediately notify the department and shall provide instructions to the lottery sales agent to embargo the package until such time that the contents can be verified against the documentation retained by the corporation.

(d) (1) No person or business organization, other than a shareholder in a publicly traded corporation, may be a contractor or shall be a subcontractor of a vendor licensee or of another affiliate licensee that is a subcontractor to a vendor license or another affiliate licensee for any facilities, good or services under subsection (a) (1) through (16) of this section on behalf of such vendor or affiliate licensee unless such person or business organization is licensed as an affiliate licensee by the commissioner. [for the provision of facilities, components, goods or services that are necessary for and directly related to the secure operation of the activities of the Connecticut Lottery Corporation, or may exercise] (2) No person or business organization that has control as defined in subsection (o) of this section in or over a vendor licensee unless such person or business organization is licensed as an affiliate licensee by the commissioner. Each applicant for an affiliate license shall pay a nonrefundable application fee of two hundred fifty dollars.

(e) Each vendor or affiliate licensee shall, on or before January 1, 2027, and annually thereafter, provide in writing, to the department a list of the employees representing the licensee to assist the department in determining which employees are required to obtain an occupational license in accordance with the following:

(1) Each employee of a vendor or affiliate licensee who has access to the facilities of the Connecticut Lottery Corporation and provides services in such facilities without supervision by said corporation or performs duties directly related to the [activities of said corporation] provision of facilities, components, goods or services provided to the Connecticut Lottery Corporation by the vendor or affiliate licensee shall obtain an occupational license. An employee of a vendor or affiliate licensee shall be deemed to be performing duties directly related to the operation of the lottery in a manner impacting the integrity of such gaming or wagering if such employee: (A) Has the capability of affecting the outcome of a wager through deployment of code to production for any critical component of the lottery gaming system; (B) (i) can deploy code to production, and (ii) directly supervises individuals who have the capability of affecting the outcome of lottery games through deployment of code to production for other than read-only access or the equivalent access to any critical component of an electronic wagering platform; (c) directly manages lottery operations or directly supervises an individual who directly manages lottery operations; or (D) individuals responsible for testing the electronic

wagering platform, internet games, and gaming equipment and issue the certification of such testing. For purposes of this subsection, a "critical component" means a component of a lottery gaming system that records, stores, processes, shares, transmits or receives sensitive information, such as validation numbers.

(2) The following individuals of a vendor or affiliate licensee shall obtain an occupational license: (A) the president or chief officer, who is the top ranking individual of the licensee and is responsible for all staff and the overall direction of business operations; (B) financial manager, who is the individual who reports to the president or chief officer who is generally responsible for oversight of the financial operations of the licensee, including, but not limited to, revenue generation, distributions, tax compliance and budget implementation; (C) compliance manager, who is the individual that reports to the president or chief officer and who is generally responsible for ensuring the licensee complies with all laws, regulations and requirements related to the operation of the licensee; (D) chief information officer, who is the individual generally responsible for establishing policies or procedures on, or making management decisions related to, information systems; (E) chief data security officer, who is the individual generally responsible for establishing policies or procedures on, or making management decisions related to, technical systems; (F) all officers, directors, partners, trustees, or owners of [Each officer, director, partner, trustee or owner of a business organization licensed as a vendor or affiliate licensee] of such licensee; and (G) any shareholder, executive, agent or other person connected [with any vendor or affiliate] with such licensee who, in the judgment of the commissioner, [will exercise] has control as defined in subsection (o)(2) of this section in or over any such licensee shall obtain an occupational license.

(3) Each employee of the Connecticut Lottery Corporation shall obtain an occupational license.

(4) Each person designated as a person in charge of a lottery sales agent shall obtain an occupational license.

(f) The commissioner shall issue occupational licenses in the following classes: (1) Class I for persons specified in subdivision (1) of subsection (e) of this section; (2) Class II for persons specified in subdivision (2) and subdivision (4) of subsection (e) of this section; (3) Class III for persons specified in subdivision (3) of subsection (e) of this section who, in the judgment of the commissioner, will not exercise authority over or direct the management and policies of the Connecticut Lottery Corporation; and (4) Class IV for persons specified in subdivision (3) of subsection (e) of this section who, in the judgment of the commissioner, will exercise authority over or direct the management and policies of the Connecticut Lottery Corporation. Each applicant for a Class I or III occupational license shall pay a nonrefundable application fee of twenty dollars. Each applicant for a Class II or IV

occupational license shall pay a nonrefundable application fee of one hundred dollars. The nonrefundable application fee shall accompany the application for each such occupational license. Applicants for such licenses shall apply in a form and manner prescribed by the commissioner.

(g) (1) Each applicant for a Class III or Class IV occupational license, and each employee of the corporation holding such a license on January 1, 2026, shall disclose, in a form and manner prescribed by the commissioner, the forms of gaming under this chapter and chapter 229b on which such applicant or such licensed employee will work as an employee of the corporation. For an applicant approved for a Class III or Class IV occupational license, or for an employee of the corporation who currently holds such a license, the commissioner may issue a separate endorsement authorizing such licensee to engage in the corporation's operation, under chapter 229b, of Internet games or retail sports wagering, as such terms are defined in section 12-850, and such employee shall not be required to apply for a license pursuant to section 12-858 or section 12-859 in order to engage in such operation. All Class III or Class IV occupational licensees shall report to the department any criminal conviction not later than two business days after the order or judgment of such conviction is rendered. The corporation and all Class III or Class IV occupational licensees shall immediately report to the department any change in the scope of employment of such licensee employed by the corporation that would require the employee to obtain an additional endorsement pursuant to this subsection.

(2) Each applicant for a Class I or Class II occupational license, and each employee of vendor or affiliate licensee holding such a license on January 1, 2027, shall disclose, in a form and manner prescribed by the commissioner, the forms of gaming under this chapter and chapter 229b on which such applicant or such licensed employee will work as an employee of a online gaming operator or online gaming service provider licensee issued under chapter 229b. For an applicant approved for a Class I or Class II occupational license, or for an employee of a vendor or affiliate licensee who currently holds such a license, the commissioner may issue a separate endorsement authorizing such licensee to engage in the vendor , under chapter 229b, of lottery games, as such terms are defined in section 12-850, and such employee shall not be required to apply for a license pursuant to section 12-858 or section 12-859 in order to engage in such operation. All Class I or Class II occupational licensees shall report to the department any criminal conviction not later than two business days after the order or judgment of such conviction is rendered. A vendor and an affiliate licensee and all Class I or Class II occupational licensees shall immediately report to the department any change in the scope of employment of such licensee employed by such vendor or affiliate licensee that would require the employee to obtain an additional endorsement pursuant to this subsection.

(h) No person or business organization may be a lottery sales agent unless such person or organization is licensed as a lottery sales agent by the commissioner.

(i) In determining whether to grant a vendor, affiliate, lottery sales agent or occupational license to any such person or business organization, the commissioner may require an applicant to provide information as to such applicant [and person in charge]related to: (1) Financial standing and credit; (2) moral character; (3) criminal record, if any; (4) previous employment; (5) corporate, partnership or association affiliations; (6) ownership of personal assets; and (7) such other information as the commissioner deems pertinent to the issuance of such license, provided the submission of such other information will assure the integrity of the state lottery. The commissioner shall require each applicant for a vendor, affiliate, lottery sales agent or occupational license, provided if an applicant for a lottery sales agent is a business organization the commissioner shall require such entity's person in charge to submit to state and national criminal history records checks and may require each such applicant[, or person in charge,] to submit to an international criminal history records check before such license is issued. The state and national criminal history records checks required pursuant to this subsection shall be conducted in accordance with section 29-17a. The commissioner shall issue a vendor, affiliate, lottery sales agent or occupational license, as the case may be, to each applicant who satisfies the requirements of this subsection and who is deemed qualified by the commissioner.

(j) Each vendor, affiliate or Class I or II occupational license shall be effective for not more than one year from the date of issuance. Each Class III or IV occupational license shall remain in effect throughout the term of employment of any such employee holding such a license. The commissioner may require each employee issued a Class IV occupational license to submit information as to such employee's financial standing and credit annually. Initial application for and renewal of any such license shall be in such form and manner as the commissioner shall prescribe.

(k) (1) Upon petition of the corporation, a vendor licensee or an affiliate licensee, the department may authorize an applicant for an occupational license to provisionally perform the work permitted under the license applied for, if: (A) The applicant has filed a completed occupational license application in the form and manner required by the commissioner, and (B) the corporation, vendor licensee or affiliate licensee attests that the provisional authorization is necessary to continue the efficient operation of the lottery, and is based on circumstances that are extraordinary and not designed to circumvent the otherwise applicable licensing procedures.

(2) The department may issue a provisional authorization to an applicant for an occupational license in advance of issuance or denial of such license for a period not to exceed six months. Provisional authorization shall permit such applicant to perform the functions and require the applicant to comply with the requirements of the occupational license applied for as set forth in the provisions of this chapter and regulations adopted pursuant to this chapter. Provisional authorization shall not constitute approval for an occupational license. During the period of time that any provisional authorization is in effect, the applicant granted such authorization shall be subject to and comply with all applicable statutes and regulations. Any provisional authorization issued by the department shall expire immediately upon the earlier of: (A) The date of issuance of written notice from the department that the occupational license has been approved or denied, or (B) six months after the date the provisional authorization was issued.

(3) An individual whose occupational license application is denied after a period of provisional authorization shall not reapply for an occupational license for a period of one year from the date of the denial.

(4) An individual whose provisional authorization expires pursuant to subparagraph (B) of subdivision (2) of this subsection may apply for an additional provisional authorization. The department may issue such additional provisional authorization upon a determination that the conditions of subparagraph (B) of subdivision (1) of this subsection exist.

(I) When an incident occurs, or is reasonably suspected to have occurred, that causes a disruption in the operation, security, accuracy, integrity or availability of the lottery gaming system, the vendor licensed to provide such lottery gaming system shall, immediately upon discovery of such incident, but not later than twenty-four hours after discovery of such incident, provide the department with a written incident report including the details of the incident and the vendor's proposed corrections. Not later than five business days after notifying the department of an incident, the vendor licensee shall provide the department with a written incident report that (1) details the incident, including the root cause of the incident, and (2) outlines the vendor's plan to make corrections, mitigate the effects of the incident and prevent incidents of a similar nature from occurring in the future. If the vendor licensee is unable to determine the root cause and correct the incident within the initial five business days, the licensee shall continue to update the department every five business days with written incident reports until the root cause is determined and the incident is corrected. The department may require the vendor licensee to submit the lottery gaming system to a gaming laboratory for recertification.

(m) (1) After a hearing held in accordance with chapter 54, the commissioner may, for good cause, suspend, revoke, refuse to renew or place conditions on a vendor, affiliate, lottery

sales agent or occupational license, deny an application for any such license or impose a civil penalty on a vendor, affiliate, lottery sales agent or occupational licensee for good cause, including, but not limited to: (A) Any failure to comply with the provisions of this chapter, chapter 226 or the regulations adopted pursuant to said chapters; (B) any conduct likely to mislead, deceive or defraud the public or the commissioner; (C) any provision of materially false or misleading information; (D) any criminal conviction or civil judgment involving fraud, theft or another financial crime; (E) any demonstrated insolvency, including, but not limited to, the filing of a bankruptcy petition or any failure to meet material financial obligations that directly impact the licensee's ability to operate in compliance with the provisions of this chapter and chapter 226; or (F) any failure to complete an application. The commissioner may order summary suspension of any such license in accordance with subsection (c) of section 4-182.

(2) Any such applicant aggrieved by the action of the commissioner concerning an application for a license, or any person or business organization whose license is suspended or revoked, may appeal pursuant to section 4-183.

(3) The commissioner may impose a civil penalty on any licensee for a violation of any provision of this chapter or any regulation adopted under section 12-568a in an amount not to exceed two thousand five hundred dollars per violation after a hearing held in accordance with chapter 54.

(4) No lottery sales agent shall keep any unauthorized gambling device, illegitimate lottery ticket or illegal bookmaking equipment, or allow any professional gambling, as defined in section 53-278a, at the lottery sales agent's retail facility. In the event the department finds any unauthorized gambling device, illegitimate lottery ticket, illegal bookmaking equipment or professional gambling at a lottery sales agent's retail facility, the lottery sales agent shall be fined not more than four thousand dollars per violation, and the commissioner shall issue a notice of violation to the lottery sales agent that (A) includes an order summarily suspending the lottery sales agent license the commissioner issued to the lottery sales agent, and (B) notifies the suspended lottery sales agent that the suspended lottery sales agent (i) is liable for the fine imposed pursuant to this subdivision, (ii) shall immediately cease all activity that requires a lottery sales agent license, and (iii) may, not later than fifteen days after the lottery sales agent receives such notice of violation, submit to the commissioner a written request that a hearing be held in accordance with the provisions of chapter 54 concerning such summary suspension and fine. If the suspended lottery sales agent requests a hearing within such fifteen-day period, the commissioner shall conduct a hearing in accordance with the provisions of chapter 54 concerning such summary suspension and fine. If the suspended lottery sales agent does not request a hearing within such fifteen-day period, the summary suspension order issued, and fine imposed, pursuant to this subdivision shall be deemed a final decision subject to appeal

pursuant to section 4-183. A summary suspension order issued pursuant to this subdivision shall remain in effect until the summary suspension is lifted and all fines imposed pursuant to this subdivision have been paid. The summary suspension may be lifted by a written order issued by the commissioner or upon a final decision rendered after a hearing held in accordance with the provisions of chapter 54.

(n) The commissioner may require that the books and records of any vendor or affiliate licensee be maintained in any manner which the commissioner may deem best, and that any financial or other statements based on such books and records be prepared in accordance with generally accepted accounting principles in such form as the commissioner shall prescribe. The commissioner or a designee may visit, investigate and place expert accountants and such other persons as deemed necessary in the offices or places of business of any such licensee, or require that the books and records of any such licensee be provided to the department, for the purpose of satisfying the commissioner that such licensee is in compliance with the regulations adopted by the department.

(o) For the purposes of this section, (1) "business organization" means a partnership, incorporated or unincorporated association, firm, corporation, limited liability company, trust or other form of business or legal entity; (2) "control" means the power to exercise authority over or direct the management and policies of a licensee; and (3) "person" means any individual.

(p) The Commissioner of Consumer Protection may adopt such regulations, in accordance with chapter 54, as are necessary to implement the provisions of this section.

Sec. 19. Section 12-568a. Regulation of state lottery. The Department of Consumer Protection shall adopt regulations, in accordance with chapter 54, for the purpose of assuring the integrity of the state lottery, concerning the regulation of the state lottery under the operation and management of the Connecticut Lottery Corporation. Such regulations shall include: (1) The licensing of employees of the Connecticut Lottery Corporation, (2) the licensing of contractors and subcontractors [and any person or business organization awarded the primary contract by said corporation] to provide facilities, components, goods or services which are necessary for the operation of the activities of the Connecticut Lottery Corporation authorized by chapter 229a; (2)(3) the approval of procedures of the corporation; (3)(4) the time period for complying with the regulations governing said approval of procedures; (4)(5) offerings of lottery games; (5)(6) minimum prize payouts and payments; (6)(7) regulation of lottery sales agents including qualifications for licensure and license suspension and revocation; (7)(8) assurance of the integrity of the state lottery including the computer gaming system, computer internal control and

system testing; and ~~[(8)](9)~~ limitations on advertising and marketing content to assure public information as to the odds of winning the lottery and the prohibition of sales of tickets to minors.

Sec. 20. Sections 42-103b through 42-103m, inclusive, of the Connecticut General Statutes, are repealed. *(Effective upon passage)*



Agency Legislative Proposal

2026 Session

General Information

Agency	Dept. of Consumer Protection
Proposal Name	An Act Concerning the Department of Consumer Protection's Recommendations Regarding Streamlining Processes Related to Guaranty Funds.
Legislative Liaison	C.J. Strand and Sara LeMaster
Division Requesting Proposal	Legal; Operations
Drafter	Caitlin Anderson

Overview

Brief Summary of Proposal

Streamlines processes related to guaranty funds administered by the Department of Consumer Protection and makes conforming and minor technical updates to the Home Improvement Guaranty Fund and Real Estate Guaranty Fund.

What problem is this proposal looking to solve?

Currently, when guaranty fund obligations are referred to DAS for collections, interest continues to accrue. A licensee will believe that they have paid the full amount owed after dealing with collections, only to face another interest penalty.

Additionally, licensees are able to renew their credential despite outstanding guaranty fund balances.

How does the proposal solve the problem?

Tolls the accrual of interest on guaranty fund balances once the case is referred to DAS for collection services. Additionally, the proposal requires all guaranty fund balances be paid in full prior to renewal of a license. Finally, the proposal makes technical updates to conform the Home Improvement Guaranty Fund statutes with changes made in Public Act 25-53 related to the New Home Construction Guaranty Fund and minor and technical updates to the Real Estate Guaranty Fund statutes.

Section by section summary:

Section #(s)	Section Summary
Sections 1-9	Amends § 20-432, 20-324c through 20-324h, 21a-226, and 20-417i, as amended by PA 25-53, to conform the Home Improvement Guaranty Fund to that of the New Home Construction Guaranty Fund, as amended by PA 25-53, which clarifies requirements for demonstrating the applicant for the Home Improvement Guaranty Fund made a good faith effort to obtain payment from the respondent after a judgement was ordered. These sections also tolls accrual of interest on guaranty fund balances once the case is referred to DAS for collection services.
Section 10	Amends § 20-324a to make technical corrections related to the Real Estate Guaranty Fund.

Statutory Reference:	CGS § 20-432; 20-324c; 20-324d; subsection (f) of 20-324e, as amended by PA 25-111; 20-324f; 20-324g; 20-324h; subsection (h) of 21a-226; subsection (n) of 20-417i, as amended by PA 25-53; 20-324a.
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Background

New Proposal

Resubmission

Have there been any changes in federal laws or regulations that make this legislation necessary?

No

Have there been any changes in state laws or regulations that make this legislation necessary?

No

Has this proposal or a similar proposal been implemented in other states?

No

Have certain constituencies called for this proposal?

No

Interagency Impact

Check here if this proposal does NOT impact other agencies

Agency	N/A			
Contact	N/A			
Date Contacted	N/A			
Status	<input type="checkbox"/>	Approved	<input type="checkbox"/>	Unresolved
Open Issues	N/A			

Fiscal Impact

No Fiscal Impact

Budget Option Submitted

Include the section number(s) which have a fiscal impact and the anticipated impact:

State

No

Municipal

No

Federal

No

Other Information

If there is any additional information we should know, please detail below: N/A

Legislative Language

Insert fully drafted bill below. Please use standard legislative drafting considerations, as published by LCO [here](#).

Section 1. Section 20-432 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective upon passage*):

- (a) The commissioner shall establish and maintain the Home Improvement Guaranty Fund.
- (b) Each salesman who receives a certificate pursuant to this chapter shall pay a fee of forty dollars annually. Each contractor (1) who receives a certificate pursuant to this chapter, or (2) receives a certificate pursuant to chapter 399a and has opted to engage in home improvement pursuant to subsection (f) of section [20-417b](#) shall pay a fee of one hundred dollars annually to the guaranty fund. Such fee shall be payable with the fee for an application for a certificate or renewal thereof. The annual fee for a contractor who receives a certificate of registration as a home improvement contractor acting solely as the contractor of record for a corporation shall be waived, provided the contractor of record shall use such registration for the sole purpose of directing, supervising or performing home improvements for such corporation.
- (c) Payments received under subsection (b) of this section shall be credited to the guaranty fund until the balance in such fund equals seven hundred fifty thousand dollars. Annually, if the balance in the fund exceeds seven hundred fifty thousand dollars, the first four hundred thousand dollars of the excess shall be deposited into the consumer protection enforcement account established in section [21a-8a](#). Any excess thereafter shall be deposited in the General Fund. Any money in the guaranty fund may be invested or reinvested in the same manner as funds of the state employees retirement system, and the interest arising from such investments shall be credited to the guaranty fund.
- (d) Whenever an owner obtains a binding arbitration decision, a court judgment, order or decree against any contractor holding a certificate or who has held a certificate under this chapter, or against a proprietor, within two years of the date such contractor entered into the contract with the owner, for loss or damages sustained by reason of performance of or offering to perform a home improvement within this state by a contractor holding a

certificate under this chapter, such owner may, upon the final determination of, or expiration of time for, taking an appeal in connection with any such decision, judgment, order or decree, apply to the commissioner for an order directing payment out of said guaranty fund of the amount unpaid upon the decision, judgment, order or decree, for actual damages and costs taxed by the court against the contractor or proprietor, exclusive of punitive damages. The application shall be made on forms provided by the commissioner and shall be accompanied by a copy of the decision, court judgment, order or decree obtained against the contractor or proprietor and an attestation that the applicant made a good faith effort to satisfy any such decision, judgment, order or decree in accordance with the provisions of chapter 906, which effort may include causing to be issued a writ of execution upon such decision, judgment, order or decree, provided the officer executing the same has made a return showing that no bank accounts or personal property of such contractor liable to be levied upon in satisfaction of the decision, judgment, order or decree could be found, or that the amount realized on the sale of them or of such of them as were found, under the execution, was insufficient to satisfy the actual damage portion of the decision, judgment, order or decree or stating the amount realized and the balance remaining due on the decision, judgment, order or decree after application on the decision, judgment, order or decree of the amount realized, except that the requirements of this subdivision shall not apply to a judgment, order or decree obtained by the consumer in small claims court. No application for an order directing payment out of the guaranty fund shall be made later than two years after the final determination of, or expiration of time for, taking an appeal of said decision, court judgment, order or decree.

(e) Upon receipt of said application together with said copy of the decision, court judgment, order or decree, statement and, except as otherwise provided in subsection (d) of this section, true and attested copy of the executing officer's return, the commissioner or the commissioner's designee shall inspect such documents for their veracity and upon a determination that such documents are complete and authentic, and a determination that the owner has not been paid, the commissioner shall order payment out of the guaranty fund of the amount unpaid upon the decision, judgment, order or decree for actual damages and costs taxed by the court against the contractor or, if the contractor is a business entity, a proprietor, exclusive of punitive damages.

(f) Whenever an owner is awarded an order of restitution against any contractor or, if the contractor is a business entity, any proprietor for loss or damages sustained by reason of performance of or offering to perform a home improvement in this state by a contractor holding a certificate or who has held a certificate under this chapter within two years of the date of entering into the contract with the owner, in a proceeding brought by the commissioner pursuant to this section or subsection (d) of section 42-110d, or in a proceeding brought by the Attorney General pursuant to subsection (a) of section 42-110m or subsection (d) of section 42-110d, or a criminal proceeding pursuant to section 20-427, such owner may, upon the final determination of, or expiration of time for, taking an appeal in connection with any such order of restitution, apply to the commissioner for an order directing payment out of said guaranty fund of the amount unpaid upon the order of restitution. The commissioner may issue said order upon a determination that the owner has not been paid.

(g) Whenever the commissioner orders payment to an owner out of the guaranty fund based upon a decision, court judgment, order or decree of restitution against any proprietor, such proprietor and the business entity that holds or held a certificate under this chapter shall be liable for the resulting debt to the guaranty fund.

(h) Before the commissioner may issue any order directing payment out of the guaranty fund to an owner pursuant to subsection (e) or (f) of this section, the commissioner shall first notify the contractor of the owner's application for an order directing payment out of the guaranty fund and of the contractor's right to a hearing to contest the disbursement in the event that the contractor or proprietor has already paid the owner or is complying with a payment schedule in accordance with a court judgment, order or decree. Such notice shall be given to the contractor not later than fifteen days after receipt by the commissioner of the owner's application for an order directing payment out of the guaranty fund. If the contractor requests a hearing, in writing, by certified mail not later than fifteen days after receiving the notice from the commissioner, the commissioner shall grant such request and shall conduct a hearing in accordance with the provisions of chapter 54. If the commissioner does not receive a request by certified mail from the contractor for a hearing not later than fifteen days after the contractor's receipt of such notice, the commissioner shall determine that the owner has not been paid, and the commissioner shall issue an order directing payment out of the guaranty fund for the

amount unpaid upon the judgment, order or decree for actual damages and costs taxed by the court against the contractor or proprietor, exclusive of punitive damages, or for the amount unpaid upon the order of restitution.

(i) The commissioner or the commissioner's designee may proceed against any contractor holding a certificate or who has held a certificate under this chapter within the past two years of the effective date of entering into the contract with the owner, for an order of restitution arising from loss or damages sustained by any person by reason of such contractor's or the proprietor's performance of or offering to perform a home improvement in this state. Any such proceeding shall be held in accordance with the provisions of chapter 54. In the course of such proceeding, the commissioner or the commissioner's designee shall decide whether to exercise the commissioner's powers pursuant to section [20-426](#); whether to order restitution arising from loss or damages sustained by any person by reason of such contractor's or proprietor's performance or offering to perform a home improvement in this state; and whether to order payment out of the guaranty fund. Notwithstanding the provisions of chapter 54, the decision of the commissioner or the commissioner's designee shall be final with respect to any proceeding to order payment out of the guaranty fund and the commissioner and the commissioner's designee shall not be subject to the requirements of chapter 54 as they relate to appeal from any such decision. The commissioner or the commissioner's designee may hear complaints of all owners submitting claims against a single contractor in one proceeding.

(j) No application for an order directing payment out of the guaranty fund shall be made later than two years from the final determination of, or expiration of time for, appeal in connection with any decision, judgment, order or decree of restitution.

(k) Whenever the owner satisfies the commissioner or the commissioner's designee that it is not practicable to comply with the requirements of subsection (d) of this section and that the owner has taken all reasonable steps to collect the amount of the decision, judgment, order or decree or the unsatisfied part thereof and has been unable to collect the same, the commissioner or the commissioner's designee may, in the commissioner's or such designee's discretion, dispense with the necessity for complying with such requirement.

(l) In order to preserve the integrity of the guaranty fund, the commissioner, in the commissioner's sole discretion, may order payment out of said fund of an amount less than the actual loss or damages incurred by the owner or less than the order of restitution awarded by the commissioner or the Superior Court. In no event shall any payment out of said guaranty fund be in excess of twenty-five thousand dollars for any single claim by an owner.

(m) If the money deposited in the guaranty fund is insufficient to satisfy any duly authorized claim or portion thereof, the commissioner shall, when sufficient money has been deposited in the fund, satisfy such unpaid claims or portions thereof, in the order that such claims or portions thereof were originally determined.

(n) Whenever the commissioner has caused any sum to be paid from the guaranty fund to an owner, the commissioner shall be subrogated to all of the rights of the owner up to the amount paid plus reasonable interest, and prior to receipt of any payment from the guaranty fund, the owner shall assign all of this right, title and interest in the claim up to such amount to the commissioner, and any amount and interest recovered by the commissioner on the claim shall be deposited to the guaranty fund.

(o) If the commissioner orders the payment of any amount as a result of a guaranty fund claim against a contractor or proprietor, the commissioner shall determine if the contractor is possessed of assets liable to be sold or applied in satisfaction of the claim on the guaranty fund. If the commissioner discovers any such assets, the commissioner may request that the Attorney General take any action necessary for the reimbursement of the guaranty fund.

(p) If the commissioner orders the payment of an amount as a result of a guaranty fund claim against a contractor, the commissioner may, after notice and hearing in accordance with the provisions of chapter 54, revoke the certificate of the contractor and the contractor shall not be eligible to receive a new or renewed certificate until the contractor has repaid such amount in full, plus interest from the time said payment is made from the guaranty fund until the date that the commissioner refers the unpaid amount to the Department of Administrative Services for collection services, at a rate to be in accordance with section 37-3b, except that the commissioner may, in the commissioner's sole discretion, permit a contractor to receive a new or renewed

certificate after that contractor has entered into an agreement with the commissioner whereby the contractor agrees to repay the guaranty fund in full in the form of periodic payments over a set period of time. Any such agreement shall include a provision providing for the summary suspension of any and all certificates held by the contractor if payment is not made in accordance with the terms of the agreement.

Sec. 2. Section 20-324c of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective upon passage*):

The [commission]department shall maintain the Real Estate Guaranty Fund at a level not to exceed five hundred thousand dollars and to this intent moneys received under section 20-324b shall be credited to said fund whenever the fund balance is below five hundred thousand dollars. Any such moneys may be invested or reinvested in the same manner as funds of the state employees retirement system. The interest arising from such investments shall be credited to the Real Estate Guaranty Fund whenever the fund balance is below five hundred thousand dollars, and to the General Fund whenever the fund balance is equal to or greater than five hundred thousand dollars. Any moneys received under section 20-324b not required to maintain the Real Estate Guaranty Fund balance shall be deposited to the General Fund. All moneys in the Real Estate Guaranty Fund in excess of five hundred thousand dollars, shall be transferred by the State Treasurer to the General Fund.

Sec. 3. Section 20-324d of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof(*effective upon passage*):

No application to recover compensation under sections 20-324a to 20-324i, inclusive, which might subsequently result in an order for collection from the Real Estate Guaranty Fund shall be brought later than two years from the final determination of, or expiration of time for appeal in connection with, any binding arbitration decision or a court judgment, order or decree.

Sec. 4. Subsection (e) of section 20-324e (As amended by Public Act 25-III) of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective upon passage*):

(e) If the department pays from the Real Estate Guaranty Fund any amount in settlement of a claim or toward satisfaction of a decision, judgment, order or decree against a real estate licensee or an unlicensed employee of a real estate licensee pursuant to an order under subsection (d) of this section, such person shall not be eligible to receive a new license until such person has repaid in full, plus interest at the rate of ten per cent per year. Interest from the time said payment is made from the guaranty fund until the date that the commissioner refers the unpaid amount to the Department of Administrative Services for collection services. A discharge in bankruptcy shall not relieve a person from the penalties and disabilities provided in this subsection.

Sec. 5. Section 20-324f of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective upon passage*):

Any person filing with the [commission]department any notice, statement or other document required under the provisions of section 20-324e which is false or untrue or contains any material misstatement of fact shall be fined not less than two hundred dollars.

Sec. 6. Section 20-324g of the Connecticut General Statutes is repealed. (*effective upon passage*)

[When the commission receives notice, as provided in section 20-324e, it may enter an appearance, file an answer, appear at the court hearing, defend the action or take whatever other action the commission may deem appropriate on the behalf and in the name of the defendant and take recourse through any appropriate method of review or appeal on behalf and in the name of the defendant.]

Sec. 7. Section 20-324h of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective upon passage*):

When the [commission] department has caused to be paid from the Real Estate Guaranty Fund any sum to the [judgment] creditor of a decision, judgment, order or decree, the [commission] department shall be subrogated to all of the rights of the [judgment] creditor of a decision, judgment, order or decree up to the amount paid, and the [judgment] creditor of a decision, judgment, order or decree shall assign all of [his] the creditor's right, title and interest in the decision, judgment, order or decree up to such amount paid to the [commission] department, and any amount and interest recovered by the [commission] department on the decision, judgment, order or decree shall be deposited to the fund.

Sec. 8. Subsection (h) of section 21a-226 of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective upon passage*):

(h) If the [commissioner] department pays any amount as a result of a claim against a health club pursuant to an order under subsection (g) of this section, the health club shall pay the amount due plus interest at the rate of ten per cent per year, until the date that the commissioner refers the unpaid amount to the Department of Administrative Services for collection services. A health club shall not be eligible to receive a new or renewed license until the health club has repaid such amount in full. All funds paid pursuant to this subsection shall be deposited in the guaranty fund.

Sec. 9. Subsection (o) of section 20-417i (as amended by Public Act 25-53) of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective upon passage*):

(o) If the commissioner orders the payment of an amount as a result of a guaranty fund claim against a new home construction contractor, the commissioner may, after notice and hearing in accordance with the provisions of chapter 54, revoke the certificate of such contractor and such contractor shall not be eligible to receive a new or renewed certificate until such contractor has repaid such amount in full, plus interest from the time such payment is made from the New Home Construction Guaranty Fund until the date that the commissioner refers the unpaid amount to the Department of Administrative

Services for collection services, at a rate to be in accordance with section 37-3b, except that the commissioner may, in the commissioner's sole discretion, permit a new home construction contractor to receive a new or renewed certificate after such contractor has entered into an agreement with the commissioner whereby such contractor agrees to repay the fund in full in the form of periodic payments over a set period of time. Any such agreement shall include a provision providing for the summary suspension of any and all certificates held by the new home construction contractor if payment is not made in accordance with the terms of the agreement.

Sec. 10. Section 20-324a of the Connecticut General Statutes is repealed and the following is substituted in lieu thereof (*effective upon passage*):

The [commission]department shall establish and maintain a Real Estate Guaranty Fund from which, subject to the provisions of this section and sections 20-324b to 20-324i, inclusive, any person aggrieved by any action of a real estate licensee, duly licensed in this state under section 20-312, by reason of the embezzlement of money or property, or money or property unlawfully obtained from any person by false pretenses, artifice or forgery or by reason of any fraud, misrepresentation or deceit by or on the part of any such real estate licensee or the unlicensed employee of any such real estate licensee, may recover, upon approval by the [commission]department of an application brought pursuant to the provisions of section 20-324e compensation in an amount not exceeding in the aggregate the sum of twenty-five thousand dollars in connection with any one real estate transaction or claim, regardless of the number of persons aggrieved or parcels of real estate involved in such real estate transaction or claim. |