



**OFFICE OF THE ATTORNEY GENERAL
ANNUAL REPORT- FISCAL YEAR 2021-2022**

At a Glance

WILLIAM TONG,
Attorney General

MARGARET Q. CHAPPLE,
Deputy Attorney General

Established – 1897

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

Central Office: 165 Capitol Avenue, Hartford, CT 06106

Average number of full-time employees: 295

Recurring General Fund operating expenses: \$ 33,432,121

Revenues Generated: \$ 973,376,747

Mission

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

Statutory Responsibility

The Attorney General is the chief civil legal officer of the state. The Office of the Attorney General (OAG) serves as legal counsel to all state agencies. The Connecticut Constitution, statutes and common law authorize the Attorney General to represent the people of the State of Connecticut to protect the public interest.

REVENUE ACHIEVED BY THE OFFICE OF THE ATTORNEY GENERAL

During the 2021-2022 fiscal year, \$ 973,376,747 was generated by the Attorney General's Office, as described below, including \$ 192,461,592 deposited to the General Fund. The remaining monies were directly paid to and/or used to benefit constituents, businesses, and other entities.

A. Revenue Generated for the General Fund

Tobacco Settlement Fund Collections	\$ 136,584,724
Child Support Collections	32,873,919
Global Civil Settlements / Antitrust	1,696,602
Civil Settlement / Employee Benefit Plan	952,401
Civil Settlement / Special Litigation	180,000
Department of Social Services / Civil	8,272,581
Penalties / Environmental Violations	1,027,950
Miscellaneous Collections	10,873,415

Total Revenue Generated for General Fund **\$ 192,461,592**

B. Revenue Generated for Special Funds

Opioid Settlement Fund	\$ 10,673,978
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Total Revenue Generated for Special Funds **\$ 10,673,978**

C. Revenue Generated for Individuals and Businesses

Child Support Collected/Enforced for Families	\$ 263,844,341
Consumer Assistance Unit Benefit to Consumers	1,030,719
Home Improvement Contractors -	
Consumer Restitution from Criminal Prosecution	136,771
Court ordered restitution to DCP Guaranty Fund	18,503

Healthcare Advocacy Benefit to Consumers	\$ 515,351
Electricity Restitution to Customers	82,346
Total Revenue Generated Individuals and Businesses	\$ 265,628,031

D. Revenue Protected for Consumers and Businesses

Charitable Trusts Protected	\$ 232,247,429
Charitable Funds Recovered or Preserved	1,768,717
Refunds for CT Utility Customers	105,597,000
Utility Rate Increases Requested (not yet obtained)	165,000,000
Total Revenue Protected	\$ 504,613,146

TOTAL REVENUE ACHIEVED \$ 973,376,747

PUBLIC SERVICE PROVIDED BY THE OFFICE OF THE ATTORNEY GENERAL

The Office is divided into 5 divisions: Appeals, Civil Litigation, Enforcement & Public Protection, Government Administration and Consumer and Constituent Services. Each division contains sections which, along with the Administration, represent agencies that provide particular categories of service to state residents. The Attorney General also participates in the legislative process, represents the State in various lawsuits and claims, maintains an active communication with citizens, promotes the protection of personal data and information, and investigates violations of privacy and breaches of personal information. The overall work completed by this office in fiscal year 2021 - 22 is summarized as follows:

<u>Trial Court Cases</u>	
Instituted	7,619
Completed	8,370
Pending	15,079

<u>Appeals</u>	
Instituted	330
Completed	336
Pending	228

<u>Administrative Proceedings</u>	
Instituted	1,166
Completed	897
Pending	3,598

<u>Antitrust/Fraud Investigations</u>	
Instituted	83
Completed	87
Pending	170

<u>Consumer Investigations</u>	
Instituted	138
Completed	73
Pending	103

<u>Privacy Investigations</u>	
Instituted	1,481
Completed	1,612
Pending	57

<u>Miscellaneous Investigations</u>	
Instituted	28
Completed	26
Pending	39

<u>Legal Documents Examined</u>	
Instituted	3,024
Completed	3,038
Pending	979

Consumer Protection Public Inquiries

Instituted	3,812
Completed	2,531
Pending	5,508

OAG Administration Public Inquiries

Instituted	1,029
Completed	895
Pending	345

Health Care Advocacy Public Inquiries

Instituted	262
Completed	259
Pending	3

Workers Compensation Public Inquiries

Instituted	85
Completed	123
Pending	24

Miscellaneous Public Inquiries

Instituted	235
Completed	217
Pending	364

Formal Opinions Issued 3

Informal Opinions Issued 106

AFFIRMATIVE ACTION

The Office of the Attorney General is firmly committed to equal employment opportunity. Exactly 59.60 % of the full-time attorney workforce consists of women and minorities. Women and minorities comprise 63.16 % of entry-level attorneys and 56.31 % of middle and higher-level attorneys.

LEGISLATION

The Connecticut General Assembly concluded its regular legislative session on Wednesday, May 4, 2022. Notably, the state budget for FY 2023, which was passed during the session, maintained the OAG's current funding levels.

The Attorney General spearheaded several proposals to benefit consumers and taxpayers. The Finance and Revenue Services Section assisted with the development of legislation improving the OAG's ability to protect consumers from unfair, deceptive, or abusive acts and practices and from discrimination related to consumer financial products and services, under the federal Consumer Financial Protection Act of 2010 (CFPA). The Government Fraud Section helped craft the Attorney General's proposal to expand the state False Claims Act to cover all state contractors in light of recent contracting scandals. The Consumer Protection Section drafted legislation expanding the OAG's price gouging authority and provided feedback and testimony on a number of consumer and utility ratepayer protection issues. As in previous years, the OAG proposed legislation that would protect the residential addresses of OAG staff from disclosure.

In addition, the OAG Opioid Team worked with Governor Lamont's Office, the Department of Mental Health and Addiction Services and other stakeholders to develop and pass Public Act 22-48, which implements the financial provisions of the opioid settlements between the states and the Distributors and Johnson and Johnson, which were announced in 2021. Public Act 22-48 sets up a framework for funding the state's efforts to abate the opioid epidemic and establishes safeguards to ensure that hard-fought settlement dollars are used to fund programming that meets the needs of victims, families and communities in need. The Privacy Section worked closely with the drafters of Connecticut's now-enacted consumer privacy legislation (Public Act 22-15), to ensure robust data privacy protections were included in the final bill. The Special Litigation Section assisted legislators in developing legislation to protect the rights of healthcare providers and patients seeking abortions and gender-affirming care (Public Acts 22-19 and 22-118) and preventing employers from imposing their religious or political views on their employees. (Public Act 22-24)

Further, with the assistance of Assistant Deputy Attorney General Joseph Rubin (now retired) and members of the Public Safety and General Litigation Sections, the OAG sought and obtained legislative approval for some significant agreements settling litigation, including the final settlement in the *Sheff v. O'Neill* educational equity case, which has been in litigation since 1989.

Additionally, many Assistant Attorneys General reviewed bills, developed amendments, drafted testimony and assisted client agencies and legislators with analyzing legislative proposals. Among others, the OAG assisted with legislative efforts aligned with its mission to serve Connecticut residents, including proposals to protect electric ratepayers; hold state contractors accountable for theft of employee wages; ban flavored tobacco products; enact the state's 2022 gas tax holiday; address organized retail crime; enhance oversight over hospital and healthcare transactions; support the ability of community health centers and vulnerable patients to access affordable drugs under the 340B program; clarify the statutes related to local tax exemptions for non-profit social service providers; and update the statutes governing charities.

APPEALS DIVISION

The Appeals Division is responsible for directing all the Office's appellate matters; for preparing the Office's formal opinions; and for coordinating all informal opinions. The Division is headed by the Solicitor General and the Deputy Solicitor General.

Appeals: By the Numbers

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

In FY 2021-2022, the number of new appeals began to rebound from a pandemic lull to more typical levels, with the Office representing a party in 111 new appeals and handling 98 new amicus matters. In cases where the Office represented a party, approximately 72% were before the state appellate courts and 28% were before the federal appellate courts. About 30% of new appeals involved the Department of Children and Families; 10% involved the Department of Energy and Environmental Protection; and an additional 10% involved the Department of Correction.

The Office closed 300 appeals in the fiscal year — 207 appeals where the Office represented a party, and another 93 appeals where the Office submitted or joined amicus briefs. Of those closed cases, 70% were before the state appellate courts and 30% before the federal appellate courts. Cases from the Office's Child Protection and Public Safety sections – which represents DCF and DOC, among other agencies – comprised slightly less than half of the closed cases where the Office represented a party. At the end of the fiscal year, the Office had a total of 232 open appeals, including 172 appeals where we represent a party and another 60 amicus matters.

In FY 2021-2022, the Office represented a party in 39 cases decided by Connecticut Supreme Court, with significant rulings concerning child protection, banking, and transportation. The Connecticut Appellate Court issued 100 decisions in civil appeals where the Office represented a

party, including significant decisions in employment and health matters as well as numerous administrative appeals. Before the U.S. Court of Appeals for the Second Circuit, parties represented by the Office received 46 decisions on topics including employment, health, labor, education, and civil rights.

Key Appeals in FY 2021-22: Opioids, Civil Rights, Public Safety, Pandemic Response, and Affordable Health Care

Opioids. One of the Office’s key appellate victories vacated Purdue Pharma’s proposed bankruptcy plan, leading to a significant increase in settlement funds for opioid victims.

Purdue is the Stamford-based pharmaceutical company that produced and aggressively marketed Oxycontin, playing a devastating role in driving the opioid epidemic. Purdue and its founding family, the Sacklers, were sued by Connecticut and many other states, municipalities, and individuals. Purdue sought protection by declaring bankruptcy, proposing a restructuring plan that would have given the Sacklers lifetime protection against personal liability. Connecticut and a few other plaintiffs refused to go along. And when the bankruptcy court approved the settlement, we appealed – and won. A federal court in the Southern District of New York vacated the deeply flawed bankruptcy agreement, and Purdue had to come back to the negotiating table. In the end, the Office and its allies forced Purdue and the Sacklers to pay \$6 billion to victims, survivors, and states – 40 percent more than the previously vacated settlement that Connecticut appealed.

Abortion rights. In June, the United States Supreme Court handed down its *Dobbs* decision, reversing *Roe v. Wade* and holding that the federal Constitution does not protect the right to choose an abortion. To be very clear: Connecticut law still protects the right to choose. Connecticut allows abortion at a pregnant woman’s discretion until a fetus’ viability, and allows abortion thereafter to protect the woman’s life or health.

Throughout the past year, the Office fought alongside other pro-choice states in the nation’s appellate courts to protect the right to choose. We filed an amicus brief in *Dobbs*, urging the Supreme Court to uphold *Roe*. We also weighed in repeatedly on cases across the country that implicated abortion and other reproductive rights. For instance: We joined amicus briefs in *United States of America v. Texas*, urging the Supreme Court to stop Texas’ six-week abortion ban; in *Whole Woman’s Health Alliance v. Rokita*, which challenged Indiana’s draconian abortion restrictions; and in *Planned Parenthood South Atlantic v. Wilson*, which challenged South Carolina’s “fetal heartbeat” abortion ban.

Commonsense gun safety laws. Throughout the year, the Office fought in the appellate courts to defend commonsense gun safety laws that protect the public by reducing gun violence. We joined a multistate amicus brief at the United State Supreme Court in *New York State Rifle and Pistol Association v. Bruen*, arguing that New York’s law requiring a license for public carry of concealed weapons did not violate the Second Amendment. Unfortunately, in a deeply disappointing decision, the Supreme Court struck down the law. But the Office continues its fight to protect the public. Our other work on gun safety in 2021-22 includes filing a brief in the

federal Eleventh Circuit, defending Florida’s prohibition on firearms purchase by people younger than 21. We also joined a coalition of attorneys general in *Hirschfeld v. Bureau of Alcohol, Firearms, Tobacco, and Explosives*, where we defended federal laws and rules that bar 18-to-20-year-olds from purchasing handguns from federally licensed dealers.

Responses to the Pandemic. During the past year, the Office continued to defend Connecticut’s thoughtful response to the pandemic – a response that aimed to protect public health and to keep our public institutions effective and our economy moving. In *CCDL v. Lamont*, lawyers from the Office’s Public Safety section went to the federal Second Circuit to successfully defend the Governor’s executive order allowing temporary suspension of fingerprinting services for firearm permits during the COVID-19 pandemic. The Second Circuit dismissed the plaintiffs’ attempts to tie the state government’s hands in the midst of an unprecedented national health crisis. And, in a series of appellate cases at the Connecticut Supreme Court, the Office’s Child Protection section successfully defended the use of virtual technology during court hearings in the COVID-19 pandemic, ensuring that courts can safely adjudicate child protection cases and achieve timely, positive outcomes for children.

Affordable drug prices. The Office led two bipartisan, nationwide coalitions of attorneys general in *amicus* briefs, filed in the federal appeals courts in D.C. and the Third Circuit, defending affordable drug prices. The briefs urged the U.S. Department of Health and Human Services to hold pharmaceutical giants accountable for failure to comply with federal rules requiring discounted drug pricing for community health centers, clinics, and institutions serving low-income and underserved patient populations.

Opinions

A formal opinion is a published written opinion on a question of law, requested by legislative leaders, executive department heads, or state boards and commission. Formal opinions are archived on the Attorney General’s website. The Office was not asked to issue any formal opinions in FY 2021-2022. Informal opinions are confidential legal questions from the OAG’s client agencies and the advice provided to those agencies. The OAG offered more than a hundred such opinions in FY 2021-2022.

SECTIONS

ANTITRUST AND GOVERNMENT PROGRAM FRAUD SECTION

Antitrust Enforcement

The Section’s antitrust mandate is focused on identifying and deterring anticompetitive conduct and obtaining civil penalties, restitution, and injunctive relief. During the past year the Section focused significant resources to ensuring competition in Connecticut’s healthcare markets, with a primary emphasis on generic pharmaceuticals. The benefits to consumers from competitive

and efficient healthcare markets usually take the form of transparent and competitive pricing, sufficient consumer choice, access to providers, and high-quality care.

Generic Pharmaceutical Manufacturers

In July 2014, the Office of the Attorney General initiated an investigation into the reasons behind suspicious price increases of certain generic pharmaceuticals. In the fall of 2016, after accumulating significant evidence of potential violations, the Office of the Connecticut Attorney General organized a bi-partisan working group of state Attorneys General to assist with the office's investigation, which had broadened considerably since the inception of the investigation.

In December of 2016, Connecticut and nineteen other states filed a federal antitrust lawsuit in Connecticut against six generic pharmaceutical manufacturers alleging the companies engaged in a well-coordinated and long-running conspiracy to fix prices and allocate markets for two generic pharmaceuticals: doxycycline hyclate delayed release and glyburide. The lawsuit was subsequently transferred to federal court in the Eastern District of Pennsylvania.

In October 2018, the Attorney General's working group asked the federal court for permission to file a new complaint in the states' pending lawsuit that increased the number of generic drug manufacturer defendants from six to 18 in the case and the number of drugs at issue in the litigation from two to 15. The court granted the Attorney General's request on June 5, 2018.

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

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

In January 2021, the Attorney General released the third full unredacted complaint. The complaint was unsealed after the court granted the states' motion to unseal. The previously redacted portions of the complaint include detailed descriptions and images of evidence documenting the widespread price-fixing. In May 2021, the Court selected the June 10, 2020, Complaint as the bellwether case, reconsidering its earlier ruling selecting the Teva case due to the intervening indictment of Teva by the U.S. Department of Justice on related claims. In November 2021, various Defendants filed motions to dismiss the June 10, 2020, Complaint and Attorneys General responded. These motions are still pending before the Court. In December 2021, the Court issued a case schedule, including establishing a Fact discovery deadline of January 2023 for the bellwether case. The Attorneys General are currently fully engaged in affirmative and defensive discovery, including responding to document requests and interrogatories and taking and defending depositions.

Big Tech

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

In addition, in July 2021, the Office joined a coalition of attorneys general in filing a lawsuit against Google alleging antitrust violations involving the tech giant’s app store. The suit, filed in the U.S. District Court in California, alleges exclusionary conduct relating to the Google Play Store for Android mobile devices and Google Billing. The states accuse Google of using its dominance to unfairly restrict competition with the Google Play Store, harming consumers by limiting choice and driving up app prices. The heart of the case centers on Google’s exclusionary conduct, which substantially shuts out competing app distribution channels. Google also requires that app developers that offer their apps through the Google Play Store use Google Billing as a middleman. This arrangement, which ties a payment processing system to an app distribution channel forces app consumers to pay Google’s commission—up to 30%—on in-app purchases of digital content made by consumers through apps that are distributed via the Google Play Store. The lawsuit alleges that Google works to discourage or prevent competition, violating federal and state antitrust laws. Google had earlier promised app developers and device manufacturers that it would keep Android “open source,” allowing developers to create compatible apps and distribute them without unnecessary restrictions. The states allege that Google did not keep that promise.

In December 2020, a coalition of attorneys general filed a lawsuit in the U.S. District Court for the District of Columbia to stop Facebook’s anticompetitive conduct, specifically in acquiring competitors in a predatory manner and cut or conditioned services to smaller threats — depriving users of the benefits of competition and reducing privacy protections and services along the way — all in an effort to boost its bottom line through increased advertising revenue. The company

filed a motion to dismiss, which was granted by the court. In January, the states filed an appeal brief arguing that the district court's ruling dismissing the states' case was in error. The appeal to the U.S. Court of Appeals for the D.C. Circuit asked the court to allow the states to move forward with their suit. The coalition argues that the court was wrong to dismiss their case as time-barred, and made additional legal and factual errors. The D.C. Circuit has scheduled oral argument on the State's Facebook Appeal for September 19, 2022.

Healthcare Markets

Ensuring open and vigorous competition in Connecticut's health care markets is a chief law enforcement objective of the Attorney General. The benefits to consumers from competitive and efficient healthcare markets usually take the form of lower prices, sufficient consumer choice and access to providers, and high-quality care. During this fiscal year the Antitrust Section reviewed a number of proposed acquisitions by Connecticut hospitals and/or physician practice groups. These investigations are non-public unless the Attorney General ultimately challenges the acquisition in court. Although none of the reviews conducted this year resulted in a court challenge, two proposed acquisitions did raise potential competitive concerns. After investigations by the office, the parties ultimately decided to terminate the mergers.

Additionally, in September 2021, the Attorney General announced two antitrust settlements totaling \$1.6 million with Women's Health USA, In Vitro Science Inc., the Center for Advanced Reproductive Services, PC and Reproductive Medicine Associates of CT. The settlements are the first of their kind in Connecticut involving anticompetitive conduct by a physician practice management company representing multiple healthcare providers during contract negotiations with third-party payors.

Women's Health USA(WHUSA) is a Connecticut-based provider of physician practice management services to women's health providers in several states. In Vitro Science Inc., (IVS) also located in Connecticut, provides strategic and management business services for a network of fertility clinics both in and outside of Connecticut, including representing such practices in contract negotiations with third-party payors. The Center for Advanced Reproductive Services, PC (CARS) and Reproductive Medicine Associates of CT (RMACT) — the two largest providers of in vitro fertilization (IVF) and other assisted reproductive technology (ART) services in Connecticut — contracted with IVS to provide each practice with strategic and business services.

The Attorney General's investigation was initiated after it developed preliminary information of possible price fixing and other anticompetitive conduct during a different investigation involving CARS and RMACT. The evidence revealed that IVS's relationship with CARS went beyond the typical management and administrative services provided by a physician practice management company. Instead, IVS exercised direct and indirect control of CARS's business operations and finances and received a significant percentage of the net revenues CARS received for providing IVF/ART treatments and services. At the same time, IVS also provided management and administrative services for RMACT, a potential competitor of CARS. In return for these services, IVS received a fixed management fee and a percentage of the net revenues RMACT received for providing IVF/ART treatment and services. WHUSA, IVS, CARS, and RMACT fully cooperated

with the Attorney General's investigation. IVS was also responsible for negotiating reimbursement contracts for both CARS and RMACT with third-party payors.

During the investigation, the section found that IVS, CARS and RMACT allegedly violated Connecticut law by engaging in price fixing by jointly negotiating reimbursement rates for IVF/ART services in Connecticut. In addition, IVS's management and services agreement with RMACT included a territorial allocation restriction that prohibited RMACT from encroaching - - and thus competing - - in CARS market territory. Under the settlement agreements, WHUSA, IVS and CARS agreed to pay a total of \$1,252,401 — a \$300,000 civil penalty and \$952,401 to the State of Connecticut Health Benefit Plan. Under a separate settlement agreement with the Attorney General, RMACT agreed to pay \$348,856.50 to the Benefit Plan. In addition, both settlements include detailed business and conduct reforms that ensure a competitive market for IVF/ART services in Connecticut by requiring WHUSA, IVS, CARS and RMACT to cease and desist from:

- Entering into any agreement with any medical group practice to refuse to deal with any third-party payor;
- Allocating customers or markets between any other medical group practice;
- Entering into any agreement among two or more medical group practices that restrains any person from cold calling, soliciting, recruiting, hiring, or otherwise competing for employees (sometimes referred to as a “No-poach agreement”);
- Entering into any agreement with any other medical group practices regarding any terms upon which a medical group practice is willing to deal with any payor, including price terms;
- Entering into any agreement with any medical group practices to refuse to deal individually with any payor through any arrangement other than through WHUSA or IVS; and
- Exchanging information with any medical group practices concerning their willingness to deal with a payor.

The settlement agreements also prohibit IVS from representing RMACT in any negotiations for reimbursement contracts with third-party payors; prohibit CARS and RMACT from merging for a period of three years; and require WHUSA, IVS, CARS and RMACT to institute antitrust and competition compliance programs to assure compliance with the terms of the settlement agreements and the federal and state antitrust and competition laws.

Opioids

In February of 2019, the Attorney General filed a sovereign action in state court against Purdue Pharma, its owners and directors, asserting that they triggered the opioid epidemic through their unfair and deceptive practices in the sales and marketing of their opioid drugs. That action is presently stayed pending the outcome of Purdue Pharma's bankruptcy proceedings in New York.

In September, this Office led a group of seven other states and the District of Columbia in appealing a controversial and unprecedented decision by the United States Bankruptcy Court in the Southern District of New York that would have extinguished Connecticut's claims against both

Purdue Pharma and the non-bankrupt Sackler family, which owned Purdue Pharma. In December, the U.S. District Court for the Southern District of New York vacated the decision, denying the Sackler family lifetime legal immunity. Purdue, the Sackler family, and other parties. The matter is now awaiting decision from the Court of Appeals for the Second Circuit.

In March, the Attorney General announced that Purdue Pharma and the Sackler family will pay \$6 billion to victims, survivors, and states for their role in the opioid epidemic—40 percent more than the previously vacated settlement appealed by Connecticut. As part of the agreement, the Sackler family must apologize and allow institutions to remove the Sackler name from buildings and scholarships. Connecticut will receive up to approximately \$95 million from the settlement which will be used to fund opioid treatment and prevention. The agreement authorizes Connecticut to use a portion of the settlement funds to establish an Opioid Survivors Trust to directly aid survivors and victims of the opioid epidemic.

The settlement kept intact provisions of the Purdue bankruptcy plan forcing the company to be dissolved or sold by 2024 and banning the Sackler family from the opioid business in the United States and around the globe. The initial bankruptcy plan required Purdue and the Sackler family to make public over 30 million documents. The settlement forces disclosure of additional records previously withheld as privileged legal advice. Neither the agreement nor the prior bankruptcy plan releases the Sackler family from any potential future criminal liability.

Government Program Fraud Enforcement

Once again this year, the Section’s attorneys, investigators, and staff obtained significant results from their government program fraud investigations. The Section continued to participate in numerous multistate healthcare fraud settlements with pharmaceutical companies and other healthcare providers related to violations of the false claims act that affected the Medicaid Program. In all, the Attorney General entered into six (6) multistate settlements with healthcare companies and obtained a total recovery (federal and state) of approximately \$1,696,601.72 for the Medicaid program from multistate settlements. In addition to the multistate healthcare fraud settlements, the Section entered into several Connecticut-specific settlements and obtained a total recovery (federal and state) of approximately \$9,873,838.48 this past fiscal year for the Medicaid Program and the other state programs. These actions include the following:

- In August, 2021, this section recovered \$678,901 in a joint state and federal False Claims Act settlement with Hartford, CT vision care service provider who billed the Medicaid program for “miscellaneous” items/services that were not medically necessary. and for multiple pairs of eyeglasses for children that were not medically necessary. In addition to the \$678,901 payment, the vision care service provider entered into a Corporate Integrity Agreement imposing training, education, and compliance requirements.
- In August, 2021, this Office announced a \$350,000 settlement with a New Haven, CT Federally Qualified Health Center (FQHC) that implemented a policy that required Medicaid patients to receive routine dental cleanings and exams on separate days. This policy resulted in the FQHC getting paid two encounter rates for services that could have been completed during the same visit.

- In December, 2021, the Office collected \$739,759.52 from a Connecticut False Claims Act settlement with Manchester, CT pediatric physician who knowingly billed Medicaid twice for maternal depression screenings and vaccine administration and “up-coded” for medical services as if a physician had provided the services, instead of a physician assistant or nurse practitioner.
- In February, 2022, the Office announced a \$310,874 settlement with a Hamden, CT psychiatrist to resolve state and federal False Claims Act allegations arising from the employment of a former physician who was excluded from participating in government healthcare programs after losing his license to practice medicine following a healthcare fraud conviction in Florida.
- In March, 2022, the Office recovered \$4,797,578 in a joint state and federal settlement with a Santa Rosa, California laboratory that resolved allegations the lab violated Connecticut’s so-called “Most Favored Nation” regulation, which provides, in essence, that a lab should not seek payment from Medicaid for services at a price that is higher than the lowest price the lab charges for the same or similar services from other third parties. The government alleged that the lab regularly accepted payments from Connecticut Medicaid for certain drug tests at the rate of \$38 per test, while at the same time charging others from \$2 to \$10.50 for the same or similar tests.
- In March, 2022, the Office collected \$601,759 in a joint state and federal settlement resolving allegations that a Connecticut ambulance service overbilled the Medicaid program. An investigation found that the ambulance service billed the Medicaid program for “Advanced Life Support” services when they provided only “Basic Life Support” services. The investigation found that even when local fire departments had already provided and billed Medicaid for the “Advanced Life Support” services, the ambulance service continued to claim and bill Medicaid for those services they did not provide. In addition to the financial settlement, the ambulance service entered in a consent agreement with the Department of Public Health to ensure future compliance with primary service area responder laws and billing laws.
- In March, 2022, the Office announced a \$192,699 joint state and federal settlement with Windham, CT ophthalmological practice resolving allegations that the practice improperly employed an individual who was excluded from work with federal healthcare programs. The settlement followed an investigation that found the ophthalmological practice employed a practice administrator who had been excluded from all federal healthcare programs since 1993 due to a federal healthcare fraud conviction in New Jersey.
- In March, 2022, the Office recovered \$1 million from a Wallingford, CT pain management practice and its owner resolving allegations that the practice “upcoded” or used codes that would reimburse the office at a higher rate than it deserved.

Whistleblower Matters

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

CHILD PROTECTION SECTION

The Child Protection Section is responsible for representing the Connecticut Department of Children and Families (DCF) in state and federal court proceedings brought in the interest of abused and neglected children. DCF's most prominent mandate is to investigate reports of child abuse or neglect and, based on the outcome of the investigations, to provide the proper protection for children and to assist families in retaining or regaining the care and custody of their children by enhancing the safety of children's family environments and improving parenting skills. DCF's interventions in serious cases of abuse or neglect are always subject to judicial scrutiny. The vast majority of civil child protection cases before the Superior Court of Juvenile Matters are initiated by DCF through neglect petitions, applications for orders of temporary custody, review of permanency plans, petitions for termination of parental rights, adoptions and other civil proceedings.

DCF is also responsible for children and youths found guilty of committing acts of delinquency and committed to the custody of the DCF commissioner. Attorneys in the Child Protection Section regularly represent DCF in all twelve (12) juvenile courts statewide, as well as in state and federal court. In addition, this section defends DCF in all administrative appeals to the Superior Court and represents the State before the Office of the Claims Commissioner.

In fiscal year 2021-22, the Child Protection Section represented DCF in 65 appellate matters, including appeals in the Appellate Court, petitions, and oppositions to certification to the Supreme Court, and appeals in the Supreme Court. The OAG successfully argued nine cases before the Connecticut Supreme Court including four cases pertaining to the constitutionality of conducting child protection trials virtually, which has been an emergent issue since 2020, as courts across the country began using collaborative meeting computer software such as Zoom and Microsoft Teams to continue their operations during the COVID-19 pandemic while maintaining the safety of parties and court staff. In these four appeals, the OAG persuaded the Connecticut Supreme Court to rule that the state constitution does not grant parties in child protection cases a right to an in-person trial and successfully defended the use of virtual trials. The use of such technology has been crucial to clearing backlogs caused by the pandemic so that courts can safely adjudicate cases and thereby timely achieve positive outcomes for children.

COLLECTIONS/CHILD SUPPORT SECTION

The Collections/Child Support Section is dedicated to the expeditious recovery of monies owing to the State, as well as the establishment of orders for the support of children. The section

represents the Department of Administrative Services/Collection Services in matters involving the recovery of debts owed to the state, including reimbursable public assistance benefits, other state aid and care, and costs of incarceration. The section also represents the Office of Child Support Services within the Department of Social Services (DSS-OCSS), to establish child support orders. Additionally, the section provides legal services to enforce child support orders at the request of the Support Enforcement Services division of the Connecticut Judicial Branch (SES). Section staff also provide a full range of litigation services to collect, on a case-by-case basis, monies owed to various state agencies, including the Departments of Social Services, Revenue Services, Correction and Higher Education, as well as the Unemployment Division of the Labor Department, John Dempsey Hospital, the Second Injury Fund, the Connecticut State University System, the Office of the Secretary of the State, the State Elections Enforcement Commission and various other state agencies, boards and commissions.

In fiscal year 2021-2022, section attorneys recovered millions of dollars in cash payments on debts owed to the state. The section's activities on child support orders continue to create exceptionally large and increased caseloads. During the fiscal year, 3711 cases were opened in all child-support categories. These cases are handled in both the J.D. Superior Court - Family Division, the Family Support Magistrate Division, Probate Court, and involve the establishment of paternity and/or financial orders for the support of minor children. Additionally, the section argued some child support related matters in the state appellate courts.

The State of CT-Title IV-D partnership, comprised of the Attorney General's office, DSS-OCSS, and SES, successfully enforced/collected approximately \$264 million in child support for families, and of that amount, approximately \$33 million was collected/paid into the state General Fund under the state's assignment of rights.

Section attorneys actively argued cases on behalf of children who resided in the State of Connecticut, as well as children residing in other states and cooperating countries, pursuant to the Uniform Interstate Family Support Act. In addition to their work establishing paternity and support orders for children, section attorneys appeared and successfully argued hundreds of cases in Probate Court and Superior Court-Juvenile Court, to protect the State's interest and to preserve the legal rights of children to receive financial support from their parents. The Probate Court matters generally involve non-custodial parents seeking to terminate their own parental rights, or the custodial parent seeking to terminate the rights of the non-custodial parent. These matters are often transferred or appealed to Superior Court.

Outside the child-support area, section attorneys engaged in excess of 550 collection-related litigation matters and managed a large diverse case load, in numerous venues including state superior court, probate court, federal district court, and federal bankruptcy court proceedings in Connecticut and throughout the country. The section concluded several litigation collection matters involving the recovery of debts owed to numerous state agencies, boards and commissions.

The section's collections efforts resulted in a recovery of \$100,000 or more in approximately 10 cases, for a total of nearly \$ 5 million for the state General Fund. The largest of these matters involved recoveries of nearly \$ 1.3 million, approximately \$1 million, and approximately \$600

thousand dollars respectively, arising out of successfully enforced state claims on behalf of DAS seeking reimbursement for public assistance from various Special Needs Trust matters in Probate Court.

The section also recovered in excess of \$51,000 on behalf of the Department of Correction for costs of incarceration debts statutorily owed by inmates, and recovered nearly \$94,000 for unpaid medical care provided by John Dempsey Hospital. The section also successfully collected in excess of \$1.3 million in penalties/fines from foreign (unregistered) businesses, working in cooperation with the Secretary of the State's Commercial Recording Division.

Of the numerous bankruptcy claims that were successfully prosecuted in federal bankruptcy courts, the section collected approximately \$780,000 this fiscal year.

Additionally, within the section's bankruptcy case load, staff are litigating complicated questions of law involving matters of first impression. The section successfully defended a Chapter 7 bankruptcy trustee "clawback" case involving tuition payments made by parents of students who subsequently filed bankruptcy on the theory that parents are not legally liable for college tuition and therefore did not receive reasonably equivalent value for the payments. This is an area of first impression in Connecticut that may impact state colleges and universities, and a number of actions have been both threatened and initiated against various state universities.

The Section also successfully litigated a complicated collections matter in obtaining a federal court judgment in favor of the State involving a cost of care debt, which was also argued before the 2nd Circuit. Section attorneys also litigated several highly contested costs of incarceration matters in state and federal courts; including actively defending a federal lawsuit brought by the ACLU challenging the constitutionality of a state statute that mandates the recovery of costs of incarceration debts against current or former inmates who come int statutorily defined "windfall" income/assets.

The Section also actively litigated numerous state court child support appeals filed in both the Superior Court, as well as the state Appellate Court. These highly contested litigation efforts help ensure the payment of much needed financial support for families in need.

All told, Section staff instituted and litigated approximately 4,300 child support and civil collections cases this past year in state and federal courts throughout the state, and successfully recovered approximately of \$8.2 million dollars for the state's General Fund. Section staff worked tirelessly in coordination with our Title IV-D child support client agencies and partners to collect approximately \$264 million in child support payments - of which the vast majority was collected for needy families.

CONSUMER PROTECTION SECTION

The Consumer Protection Section protects Connecticut's consumers by investigating and litigating consumer protection matters under the authority of the Connecticut Unfair Trade Practices Act ("CUTPA") and other state and federal statutes. The section advises the Attorney General and the Commissioner of the Department of Consumer Protection on consumer

protection matters and represents and defends the Department of Consumer Protection in court. The section also advocates on behalf of Connecticut's energy and utility ratepayers in state and federal fora. Some highlights from the 2021-2022 fiscal year are described below.

Protecting Security Alarm Customers

State of Connecticut v. Safe Home Security, Inc., Docket No. X07-CV-07-4031933S. The Consumer Protection Section obtained a judgment against Safe Home Security and its president David Roman after the Middletown-based company failed repeatedly over many years to comply with court-ordered consumer protection measures. The court entered a civil penalty in the amount of \$5 million against Safe Home and Mr. Roman in a Judgment Stipulation filed on March 8, 2022. The judgment requires Safe Home Security to pay \$1 million within ten months, with the remaining \$4 million suspended pending its compliance with the judgment. The judgment also includes additional injunctive relief on top of that which had previously been ordered and requires Safe Home Security to hire an independent monitor to review their compliance for a period of five years. The judgment further requires Safe Home to establish a dedicated email address to receive and track complaints and to make a good faith effort to resolve all unresolved complaints filed with the Office of the Attorney General.

\$75 Million Rate Relief for Eversource Customers and Additional Consumer Protections

Eversource Rates Settlement (PURA Docket Nos. 17-12-03RE11, PURA Investigation Into Distribution System Planning Of The Electric Distribution Companies – New Rate Designs And Rates Review and 17-10-46RE03, Application Of The Connecticut Light And Power Company d/b/a Eversource Energy To Amend Its Rate Schedules – Interim Rate Decrease, Low Income Rates, And Economic Development Rates).

On October 27, 2021, PURA approved an Amended Settlement Agreement filed by the Attorney General, Eversource, Office of Consumer Counsel, Department of Energy and Environmental Protection, and PURA's Office of Education, Outreach, and Enforcement. As a result of the settlement, Eversource customers received rate credits in the amount of \$65 million beginning on their January and February 2022 bills. The agreement provides an average residential customer approximately \$35 in rate credits over two billing cycles.

In addition, the settlement provided \$10 million in direct rate relief to both hardship and non-hardship customers that were struggling to pay their bills. The settlement allocated up to \$5 million in \$100 payments to non-hardship customers who have entered into a payment arrangement with their utility. The remaining \$5 million was used to write down the balance of all hardship customers with an outstanding balance of \$1,000 or less.

Eversource further agreed to not change base distribution rates until at least January 2024, which will save Eversource ratepayers a projected \$150 million in addition to the \$75 million relief from the funds above.

Finally, Eversource agreed to make meaningful changes to its governance and corporate structure to increase local accountability and control including creating a new Connecticut-based president of The Connecticut Light & Power Company.

Protecting Gas Utility Ratepayers

PURA Docket No. 21-08-24, *Petition of William Tong, Attorney General for the State of Connecticut, and the Office of Consumer Counsel for an Investigation into Eversource Energy Regarding Gas Expansion Marketing*

On August 18, 2021, the Attorney General and Office of Consumer Counsel filed a Petition with the Public Utilities Regulatory Authority (“PURA”) seeking an investigation following media reports that Yankee Gas Services Company d/b/a Eversource Energy (“Eversource”) used high-pressure and misleading marketing tactics to entice Connecticut residents to convert to natural gas. After extensive discovery propounded by the Attorney General and other parties, on December 17, 2021, PURA issued a \$1.8 civil penalty against Eversource for consumer notice violations.

In a second phase of the docket, on April 27, 2022, PURA adopted the Attorney General’s recommendation to order the gas utilities to wind down the ratepayer subsidized gas expansion plan including ceasing all passive and outbound marketing. PURA found both that the gas system expansion plan does not benefit gas ratepayers, and that it no longer benefits the state’s overall climate and energy goals.

Protecting Seniors and Other Hearing Aid Customers

As part of the Office’s focus on unfair and deceptive practices in the over-the-counter hearing aid industry, the Consumer Protection Section reached settlements with five hearing aid suppliers over misleading claims that their products were FDA approved. The Office opened investigations into Lively Hearing Corporation, Widex USA, Inc., Hark Wellness, Inc., Wonder Ear, Inc., and Audicus, Inc. out of concern that consumers would be misled by the FDA-approved language into believing that these hearing aids received a government endorsement or approval that they had not. Collectively, the five companies paid \$45,000 in payments to the state and agreed to cease marketing their products as FDA-approved. The Section continues to monitor this space independently and through its involvement in the multistate OTC Hearing Aids working group.

CONSUMER ASSISTANCE SECTION

During fiscal year 2021-2022, the Consumer Assistance Section (“CAS”) utilized a staff consisting of three attorneys, one investigator, and three secretaries, and was supervised by Special Associate Attorney General Sandra Arenas. The section works tirelessly to assist constituents with numerous consumer related complaints and inquiries. The section is responsible for processing incoming complaints, mediating, investigating, and referring those

complaints to the proper department or partner agency for possible enforcement. During the past fiscal year, CAS received and responded to thousands of written complaints and telephone complaints. Over \$1,000,000.00 was refunded or credited to Connecticut's consumers due to CAS' mediation efforts. CAS continues to address a high volume of Covid-related complaints even with staffing shortages due to retirement and the continued inability of Senior Advocates to return to the Office.

CAS received over 3200 complaints in multiple areas including price gouging, travel cancellations, event interruptions, failure to receive unemployment benefits or other government services, and reports of potential scams. Besides e-complaints, CAS also fielded over 7000 telephone calls and thousands of additional emails from concerned constituents. CAS personnel assisted consumers with navigating supply chain issues including helping to locate specialized baby formula which is vital for many children with dietary restrictions. As a new initiative, CAS will work with the Department of Veterans Affairs and our military facilities to provide consumer assistance to our service men and women and our veteran population who unfortunately face an increased scam risk.

The Office continued to operate the Elder Justice hotline which has been instrumental in assisting numerous Connecticut seniors facing significant financial and physical issues. While handling several hundred incoming hotline calls, CAS referred over 50 complaints to our local, State and Federal partners within the Coalition of Elder Justice. The section focused its outreach efforts on the promotion of the hotline at many Senior Centers which will hopefully lead to an increase in awareness within the population.

EMPLOYMENT RIGHTS, LABOR AND WORKERS COMPENSATION SECTION

The Employment Rights division of this Section devotes a substantial amount of its resources to defending state agencies, including the University of Connecticut, the UCONN Health Center, the Connecticut State Colleges and Universities, and state officials in employment related litigation and administrative complaints. Its staff continues to work to effectively defend employment claims against the state and state officials – thereby limiting or avoiding the state's exposure to financial liability and other costs associated with litigation -- while ensuring protection of employees' legitimate legal rights. The section also regularly provides legal advice and counsel, both orally and in writing, to state agencies on a variety of employment matters. This section's role continues to increase in this regard as the issues facing state agencies become more complex. Section staff also participate in training agency staff in employment laws including the Connecticut Fair Employment Practices Act, the Civil Rights Act of 1964, and the Americans with Disabilities Act.

Section staff members are currently defending the State in approximately 268 employment cases. Section staff are defending 67 employment cases in the state and federal courts, 2 Second Circuit Court appeals and 7 appeals in the Connecticut Appellate and Supreme Courts. In addition to these cases, the section is defending approximately 179 complaints before the Connecticut Commission on Human Rights and Opportunities ("CHRO"), Office of Public Hearings, the

Equal Employment Opportunity Commission ("EEOC") and Freedom of Information Commission ("FOIC"). The section is also defending 13 claims in the Office of the Claims Commissioner. During the past year, the section successfully defended state agencies in numerous cases in the state and federal courts. Significantly, the section was able to obtain judgment in favor of the state and its officials on 11 dispositive motions including 5 summary judgment motions that were filed in federal court and summary judgment motions filed in state court, thus eliminating the need for trials in those cases. These victories are important as they eliminate not only the need to expend resources at trial, but also eliminate the uncertainty and exposure the state has to large jury awards. During fiscal year 2021-2022 the COVID-19 pandemic continued to affect the judicial system. As such, the section handled two trials to verdict. The section was also successful in avoiding the state's exposure to financial liability by entering into favorable settlement agreements, and by filing motions in several cases, which resulted in dismissals by the Courts and CHRO.

The Labor and Workers' Compensation division of this Section represents the State Treasurer as the Custodian of the Second Injury Fund, the Workers' Compensation Commission and the Department of Administrative Services in its capacity as the administrator of the state employees' workers' compensation program, as well as DAS Personnel, the Labor Department, the Office of Labor Relations, the Office of the Claims Commissioner, the State Employees Retirement Commission, the Teachers' Retirement Board, and others. The section's workers' compensation attorneys and paralegals represent the Second Injury Fund in cases involving potential liability of the Fund for workers' compensation benefits and the State of Connecticut in contested workers' compensation claims filed by state employees, while the section's labor attorneys represent the Department of Labor in unemployment compensation appeals to the Superior Court. The section also represents the Department of Labor's Wage Enforcement Division, collecting unpaid wages due Connecticut employees in the private sector. The section's workers' compensation attorneys and paralegals also devote significant time to third party tortfeasor cases that result in the recovery of money for the State and the Fund, as well as handling a large number of appeals to the Compensation Review Board and the Appellate and Supreme Courts.

During the past fiscal year, section attorneys and paralegals appeared for the Fund and the State in 2,647 hearings before workers' compensation commissioners and in 69 new unemployment compensation cases in the Superior Court. The section also opened 20 new cases on behalf of Connecticut citizens who were not paid wages by their employers.

Section attorneys and paralegals were responsible for recouping \$688,173.45 for the State of Connecticut and \$50,174.23 through third party interventions in Superior Court and negotiated settlements in lieu of litigation. These sums represent reimbursements to the State of money which was paid out in workers' compensation benefits for injuries caused by third parties. Finally, section attorneys were responsible for the collection of \$122,141.12 in unpaid wages and civil penalties for Connecticut citizens whose employers failed to pay them in accordance with Connecticut's labor laws.

ENVIRONMENT SECTION

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

In the continuing effort to improve Connecticut's air quality, the Environment Section participated in a number of legal actions to enforce the Clean Air Act, including actions seeking to reduce the impact in Connecticut from air pollution generated in other states. For example, the section continued efforts to defend the Clean Power Plan, which included rules intended to reduce emissions of CO₂ (the main greenhouse gas that causes climate change). Connecticut joined a multistate coalition in the case of *West Virginia v. EPA* that urged the United States Supreme Court to find that EPA has the authority to regulate greenhouse gas emissions. In June 2022, by a vote of 6-3, the Court held that Congress did not grant the U.S. Environmental Protection Agency (EPA) the authority through the Clean Air Act to regulate emissions from existing power plants by requiring the shifting of electricity generation among separate, distinct power plants to reduce emissions. Despite this decision, we will continue to work with DEEP and the multistate group to pursue tools that reduce greenhouse gas emissions and meet Connecticut's climate goals.

In addition, the section worked with other states to support and defend federal rules intended to promote cleaner air in Connecticut. The section also worked to ensure that rules intended to protect Connecticut from upwind pollution are enforced and not eliminated. These efforts included joining a multistate group that sought to prevent the rollback of vehicle emissions laws that are at the heart of Connecticut's air pollution program. The section also worked with the multistate group to come to an agreement with United States Environmental Protection Agency (EPA) whereby the EPA is required to act on certain upwind State Implementation Plans (SIPs) that have the potential to impact Connecticut's air quality.

This year the section also secured a number of legal victories on behalf of the DEEP that furthered the State's efforts to enforce and defend environmental laws. This section received a favorable decision after a hearing in damages against a company that failed to fully address contamination from Underground Storage Tank (USTs). The court ordered injunctive relief requiring remediation and rewarded a \$250,000 civil penalty award for the failure to comply with the environmental statutes and regulations.

The Environment Section continued to represent the Department of Energy and Environmental Protection in a case involving Long Island Sound. In *Rosado v EPA*, New York officials sought to overturn an EPA decision approving a disposal area in the eastern Sound for dredged materials. This section intervened on behalf of DEEP and took a leading role in this federal litigation in the Eastern District of New York. The case is important because any impact on the

ability to dredge the state's ports and harbors could cost Connecticut businesses and industry more than 40,000 jobs and hundreds of millions of dollars. This section prevailed at the trial level and is continuing to defend the EPA decision at the Court of Appeals for the Second Circuit.

The Environment Section also provided extensive support for DEEP's Bureau of Energy and Technology Policy (BETP) over the last year. Our section defeated several challenges to DEEP actions in various clean energy programs. We gained full dismissals for lack of subject matter jurisdiction in two separate lawsuits brought by a plaintiff, Jefferson Solar LCC, who had participated as a bidder in a clean energy procurement. Those lawsuits were, Jefferson Solar LLC v. FuelCell Energy Inc., et al. a complex civil action seeking declaratory and injunctive relief against DEEP, and Jefferson Solar LLC v. DEEP, et al. an appeal brought under the Uniform Administrative Procedures Act. The section also was successful in achieving a full dismissal of two administrative appeals brought by biomass generation facilities that attempted to convert an uncontested DEEP programmatic proceeding into an inadvertent declaratory relief proceeding under the UAPA. Those appeals were ReEnergy Holdings LLC v. DEEP, and Plainfield Renewable Energy, LLC v. DEEP.

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

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

The section continues to represent and assist the Department of Agriculture ("DoAg") in animal cruelty cases, working with DoAg to protect neglected and cruelly treated animals. This past year, this section continued its work on behalf of the Chief Animal Control Officer of the Department of Agriculture to gain permanent custody of 95 goats that were seized last year from a property in Redding, Connecticut. At the time of the seizure by the Department of Agriculture, the goats were found to be living in extremely poor conditions. The court held a two-day hearing with evidence and testimony. The court found that the goats were neglected and cruelly treated and awarded temporary custody and costs to the State. The goats have been in the care of the State since the temporary order of the court and their condition has improved. The court recently awarded permanent custody of the animals to the State of Connecticut.

The section also worked with DoAg on a number of other animal cruelty cases. In one case the court awarded permanent custody of 27 dogs, including puppies, that had been found to be neglected and cruelly treated in Haddam. In another case the court awarded permanent custody of 33 dogs and 23 cats that had been neglected and cruelly treated in Hebron. The Section was also successful in assisting with the relinquishment of ownership of 31 cruelly treated dogs from a facility in Naugatuck. The Section also was successful in gaining permanent custody of a number of pit bull dogs that were found to have been treated cruelly as a part of an illegal dog

fighting ring. Overall, this section has worked to rescue numerous animals from abuse and neglect.

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

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

FINANCIAL & REVENUE SERVICES SECTION (formerly Finance)

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

The section is also responsible for a variety of tobacco-related matters. These include implementation and enforcement of the Tobacco Master Settlement Agreement ("MSA") between fifty-two states and territories, including Connecticut, and more than forty participating tobacco product manufacturers. The section also engages in a variety of affirmative efforts to protect Connecticut's residents, particularly youth, from the deleterious health effects of smoking and vaping.

State Agency Representation

During the past fiscal year, the section's work on behalf of state agencies included representing the Department of Revenue Services in state and federal appellate proceedings, as well as 425 tax warrant proceedings seeking to collect overdue and delinquent state taxes. The section also represented the Department of Banking and the Connecticut Insurance Department in numerous administrative enforcement actions and other litigation matters and provided the Department of Economic and Community Development with legal assistance regarding grant, loan, and economic development programs. Other work performed by the section included assisting the

Office of Health Strategy and the Office of Workforce Strategy by providing legal advice with respect to their statutory responsibilities and guidance on state contract requirements.

Representative litigation matters included the following:

- *Costas v. Sullivan*, AC 44075 – The Connecticut Appellate Court affirmed the decision of the Superior Court upholding the determination by the Commissioner of Revenue Services concerning the plaintiffs’ tax credit for income taxes paid to New York, specifically with respect to the proper allocation, under Connecticut tax regulations, of deferred compensation received by the plaintiffs.
- *Grand River Enterprises, Six Nations, Ltd. v. Boughton* – The United States Supreme Court declined to hear an appeal of the Second Circuit Court of Appeals’ affirmance of the Connecticut federal district court’s dismissal of a suit brought against the Department of Revenue Services by a nonparticipating tobacco manufacturer to challenge the constitutionality of Conn. Gen. Stat. § 4-28m(a)(3)(C), a cigarette sales reporting requirement. The Second Circuit’s ruling, which remains unchanged, contains valuable interpretations of the federal Commerce Clause and of the federal PACT Act, and will assist Connecticut and other states in their future efforts to combat illicit tobacco sales.
- *1st Alliance Lending LLC v. State of CT Dep’t of Banking* — The Connecticut Supreme Court affirmed the Superior Court’s judgment dismissing an administrative appeal of the Banking Commissioner’s decision to revoke the plaintiff’s mortgage lender license for failure to maintain the required surety bond. In upholding the agency’s decision, the Court agreed with the agency’s interpretation and application of the statutory scheme governing the suspension and revocation of a mortgage lender license, which was a matter of first impression for the Court.
- *In re Safeguard Metals* (C. D. Cal. 2022) – The section, on behalf of the Department of Banking, joined the Commodities Futures Trading Commission and 26 other state regulators in suing Safeguard Metals for alleged violations of the Commodities Exchange Act, 7 U.S.C. § 1, and various state statutes prohibiting unauthorized investment advisor activity and fraud in the sale of securities, all in connection with a fraudulent precious metals investment scheme. To date, this Office has drafted the Connecticut law section of the Amended Complaint and participated in preparing the state law objection to Safeguard’s pending motion to dismiss.
- *Perez v. Westphalen* – In an action brought in Superior Court to enforce a securities fraud order of the Banking Commissioner, the section obtained a money judgment for restitution owed to victims, a \$900,000 fine owed to the state, a \$400,000 penalty for failure to obey the Commissioner’s order, plus post-judgment interest.
- *Connecticut v. Navient Corp.* – A stipulated judgment entered in Superior Court in this multistate action resolved a multistate investigation of unfair and deceptive practices by a student loan servicer. The judgment included a comprehensive agreement on minimally adequate student loan servicing standards, putting a significantly improved floor beneath nationwide student loan servicing standards (aka ‘conduct reform’). The

judgment granted substantial relief (\$1.7 billion nationwide) for the most severe victims of the predatory school financing scheme, including debt cancellation and credit repair for subprime private student loans. The judgment included modest cash relief (\$95 million nationwide, \$260 per victim) for all victims of so-called ‘forbearance steering’ (servicer-advantaged steering of federal student loan borrowers from more advantageous income-based repayment options to simple forbearance). Moreover, victims did not have to give up their individual rights in order to obtain their relief. The defendant also paid a cash penalty of \$141,240 to the State.

- *MA, MD, PA, and IL v. DeVos* – Connecticut, through the efforts of this section, participated in four separate multistate challenges to federal Department of Education ("DOE") actions under former President Trump, including DOE’s non-compliance with, and attempted rescission of, the so-called “Gainful Employment Rule” and the “Borrower Defense Rule.” These four matters were ultimately either successful through litigation or mooted through administrative action by the current Secretary of Education, Miguel Cardona. Additionally, substantial “Borrower Defense Rule” conduct reform and relief was obtained for borrowers through a private class action, *Sweet v. Cardona*, which was supported by a multistate coalition that included Connecticut.
- *Lehman v. Gallow* – In an application to the Superior Court for excess proceeds from a municipal tax sale, the section obtained \$15,216.39 to be applied to a defaulted economic development loan.
- *Wade v. Healthy CT* – Through this Superior Court action, the section obtained judicial oversight and approval for the Insurance Commissioner’s receivership over a defunct health care co-op.
- *DWP Enterprises v. Grace Community Econ. Dev. Corp.* – The section protected the interests of the Department of Economic and Community Development in Superior Court in a lender’s foreclosure action concerning a failed New Britain redevelopment of a brownfield property.

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

Tobacco Enforcement and Advocacy

In 2021, Connecticut received over \$136 million in payments from tobacco manufacturers that participate in the MSA. Section attorneys work to ensure that Connecticut continues to receive the monetary payments it is owed under the MSA from participating manufacturers, that those manufacturers also comply with the public health provisions of the MSA, that nonparticipating manufacturers selling cigarettes in Connecticut make their requisite escrow deposits for

Connecticut's benefit, and that all tobacco product manufacturers abide by other requirements of state and federal law. Section attorneys assisted in drafting a multistate letter to the Food and Drug Administration (FDA) regarding regulation of e-cigarettes and oral nicotine products that was signed onto by 31 State Attorneys General. In the past year, section attorneys have also facilitated multistate efforts to prevent manufacturers of electronic cigarettes from enticing youth to vape by engaging in youth-oriented advertising.

GENERAL LITIGATION SECTION (formerly Torts)

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

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

During the past year, the section continued to defend several complex, high-exposure, wrongful death, medical malpractice, civil rights, intentional tort, and personal injury cases. The section appeared for the state, its employees or officials from 35 state agencies and institutions this fiscal year; and successfully argued in most cases that the claims lacked merit, had jurisdictional defects, or failed to state a legally sufficient cause of action. Of the 122 cases the section closed this fiscal year, the state prevailed in 71 after section attorneys filed dispositive motions or defended the state in trials or hearings on the merits; and obtained withdrawals in 24. In five cases, section attorneys were successful in negotiating reasonable and just settlements. Of the remaining cases the section concluded, nine were not pursued by the claimant, some after discussion with our attorneys; and in twelve, the claims commissioner granted permission to sue the state in the superior court. One hundred ninety-seven of the section's cases are ongoing. Many involve a death, assault or serious injury. Most of these cases are pending in the U.S. District Court, Connecticut Appellate Court, Connecticut Superior Court, and the OCC. To defend these cases, the section engages in extensive investigation, legal research, discovery and briefing, including complicated electronic forensic examinations and consultation with expert witnesses.

As an outgrowth of handling the many supervisory and premises liability claims filed, the section advises agencies on issues relating to physical or policy changes designed to increase safety or

ameliorate unsafe conditions or practices in the future. This advice contributes to reduced risk of state liability, thereby resulting in substantial savings of state taxpayer funded resources. When plaintiffs owe money to the state, the section has been successful in recovering that money or reducing settlements by the amounts owed. It does so by consulting with the Department of Administrative Services for the outstanding figures and asserting setoffs in the claims brought by parties who have uncollected debt to the state.

Where an alleged injury may be covered by an insurance policy that a private party purchased as a term and condition of a contract or lease with a state agency -- or when a state contract requires a private contractor to indemnify the state -- the section seeks insurance coverage to ensure that the state is held harmless and/or reimbursed for expenses. In such cases, the section has been successful in persuading contractors or their insurance carriers to settle and pay claims against the state, thereby saving the state thousands of dollars. Indeed, most of the 24 withdrawals the section obtained, and some of the claims parties abandoned, resulted from convincing state contractors to assume liability for the claims. If state contractors and/or their insurers do not quickly come forward to defend and indemnify the state, section attorneys seek monetary compensation for their time and costs in defending the claims.

HEALTH AND EDUCATION SECTION

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

The section's workload addresses the entire spectrum of litigation in federal and state courts for these clients, including but not limited to class action lawsuits, administrative appeals, regulatory enforcement actions, non-employee discrimination claims, civil rights actions, probate proceedings, bankruptcy and receivership actions. The section also is involved in a variety of administrative proceedings representing the adjudicating agency (*e.g.* licensing boards), the prosecuting agency (*e.g.* day care and health care facility prosecutions) and defending agencies in proceedings before the Office of the Claims Commissioner, the Freedom of Information Commission and the Commission on Human Rights and Opportunities. The section advises and counsels client agencies on wide spectrum of issues, including, for example, regulatory issues for health care facilities and professions, emergency medical services, child day care services and environmental health such as public water supply, lead paint, and asbestos; Medicaid and other

welfare programs such as food stamps; nursing home and hospital rates; health care facility certificates of need; confidentiality of medical and education records; civil commitment law, medical/psychiatric treatment at state facilities, property acquisitions, state contract law, disability accommodations for students; federal higher education law, and oversight of public and private educational entities. The section also reviews and approves for legal sufficiency regulations and contracts for its client agencies.

Health

Since the beginning of the pandemic, with the Governor's declaration of a public health emergency and civil preparedness emergency, the section has been extensively engaged in responding to legal demands arising from the COVID-19 pandemic. The section provided advice on dozens of the Governor's executive orders issued under the declaration and numerous orders of the Commissioner of Public Health.

Our section successfully represented the Department of Public Health in an appeal from the Commissioner's Order finding the respondent violated the governor's executive orders related to COVID-19. The respondent held a social gathering in Bridgeport that exceeded the size limitation for restaurants/bars under the governor's executive orders. Several people were shot and at least two fatalities occurred. After receiving a proposed decision upholding the order and \$10,000 penalty, a consent order was negotiated and executed with the respondent in which the respondent agreed to pay the \$10,000 penalty in full.

The section represented the Connecticut Medical Examining Board in the matter of a licensed physician who was providing vaccine exemption through the mail for COVID-19 masks, COVID-19 vaccines, general vaccines, and COVID-19 testing without examining, identifying or evaluating the patient. The Board accepted a voluntary surrender of her license to practice.

The section represented the Department of Public Health in eight separate administrative appeals brought by Farmington Care Center, Wintonbury Care Center, Kettlebrook Care Center, Trinity Health Care Center, Universal Health Care Holdings, Westside Care Center, Chestnut Point Care Center, and Bidwell Care Center. The plaintiffs sought to challenge federal violations related to infection control identified by the Department at each of the nursing homes during COVID-19 as part of a federal survey investigation conducted by the Department on behalf of the Centers for Medicare and Medicaid Services (CMS). The trial court dismissed the appeals.

As a result of the pandemic, Gov. Lamont issued executive order 13F which generally had two components. COVID-19 vaccination requirements for workers at long term care facilities and a reporting requirement regarding the vaccination status of those workers. Our section prosecuted cases for the Department of Public Health at administrative hearings resulting in hundreds of thousands of dollars of penalties.

The section was successful in the Appellate Court in upholding a finding of contempt against a licensed dentist for failure to produce subpoenaed records with respect to a Department of Public Health investigation into the dentist's billing practices. Our section was also awarded \$159,500.00 in attorneys' fees for our efforts in pursuing contempt findings based upon the

dentist's failure to comply with the Court's orders related to the production of subpoenaed patient records.

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

Education

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

Our section won an important vaccination case – *Nicole Wade, et al., v. UConn* – The plaintiffs challenged UConn's vaccine policy on several grounds, including procedural due process, substantive due process, and vagueness. They sought a preliminary injunction barring the university from enforcing the policy. The district court denied the preliminary injunction and dismissed the case finding that one plaintiff lacked standing, and that the court lacked jurisdiction over the claims raised by the remaining two plaintiffs on the grounds of mootness.

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

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

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INFRASTRUCTURE & ECONOMIC DEVELOPMENT SECTION (formerly Transportation)

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

Contracting matters

As a result of the large number of public works projects undertaken by the State during any given year, and the broad scope and complexity of many of these projects, there is a continuing need for the attorneys in the Infrastructure section to provide legal assistance to the DOT, DCS, DAS, DMV, Housing, and other state agencies, such as the General Assembly’s Joint Committee on Legislative Management (“JCLM”). The section also provides counsel on and drafting of many of the state’s significant transactional matters. In conjunction with agency staff, the section has been assisting with the development and amendment of various master contracts for use in all areas of contracting at the DOT, DAS, DCS and DOH with the goal of streamlining the State’s contracting process.

During the past year, the section reviewed contracts for substance and form and provided substantive advice in connection with the negotiation of several significant State transactions, including:

- a) Assisted and assisting DOT with the review and approval of various contracts related to the Norwalk Bridge replacement project.

- b) Assisted and assisting DOT with various property transfers, easements, leases, licenses, and requests for breaks in non-access highway lines.
- c) Advising DOH with regard to the proper structure of the so-called Resilient Bridgeport project, including advice on the appropriate state agencies to carry out various portions of the project.
- d) Assisted and assisting DOH with the review and approval of various personal service agreements, personal service agreement amendments, assistance agreements, and other contracts and agreements.
- e) Assisted all agencies and the OAG with the implementation of new and revised standard State contracting language required by statute.
- f) Assisting DOT with a land swap transaction between DOT and the City of New Britain related to the construction of a new State commuter parking lot.
- g) Assisting DOT with the review of an agreement for the successor to First Transit to provide bus transit services within the State.
- h) Assisted DOT with the review and approval of an agreement with New Flyer of America, Inc. related to the testing and deployment of electric buses using autonomous driving system technology.
- i) Assisted DOT with fairly complex release of easement to American Republican, Incorporated relating to property located in Waterbury.
- j) Assisted DOT with the review and approval of an agreement among DOT, the Massachusetts Department of Transportation, and Amtrak related to the sharing of revenues and expenses for state supported Amtrak passenger train services.
- k) Assisted DOT with the review and approval of a lease with the City of New Haven for the Union Station property.
- l) Assisted DOT with the review and approval of an agreement with Metro North for the operation and maintenance of certain railroad cars to be used on the CT rail Shore Line East train service.

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

Litigation Matters and Construction Claims

In addition to prosecuting and defending lawsuits in court, the section continues to regularly assist agency personnel with early analysis and settlement negotiations in an attempt to avoid

litigation, with the goal of quickly resolving disputes to avoid or minimize the potential adverse financial impact of such claims on the public treasury.

During the past fiscal year, the section resolved two construction claims filed by contractors pursuant to Conn. Gen. Stat. § 4-61 alleging damages for delay, lost productivity, and unforeseen site conditions. In the first case the contractor filed suit in Superior Court seeking more than \$10 million dollars in damages on a bridge inspection contract and the section settled the claim for \$4.3 million dollars, a total savings to the State of \$5.7 million dollars. In the second case the contractor filed a claim for \$451,271 for damages related to a traffic signals contract and the case was settled for \$275,000, a total savings to the State of \$176,271. The section continues to represent DOT and DAS in several pending claims against the State.

During the past fiscal year, section staff has been involved in the prosecution and defense of several major lawsuits and appeals. The section routinely argues cases at the Supreme Court and the Appellate Court. The section successfully won four cases at the Appellate Court. In one of the cases the Court upheld DOT's determination that "maintenance and repair" of a billboard did not include replacement of the support structure. The section also successfully represented DMV in a case before the Appellate Court affirming DMV's authority to prohibit tow companies from charging additional fees for the release of a vehicle after a nonconsensual tow other than the rates set by DMV. The Appellate Court also determined that a tow company's attempt to make a contract to avoid DMV's regulation of nonconsensual tows was void as against public policy.

This past year, the section settled the 10-year litigation against DOT that involved Certificates of Public Convenience and Necessity for three bus companies. These bus companies, in four separate actions, claimed that they have exclusive authority to run certain routes and in certain locations based on the Certificates. After the Superior Court ruled in favor of DOT the three bus companies filed appeals at the Appellate Court. DOT initially settled with two of the companies and eventually settled with the third as well.

Finally, the Department is defending several claims filed against DOT involving salt contamination.

Property Matters

The section's representation of DOT also includes provision of legal services and advice relating to: eminent domain; rights-of-way; surplus property divestitures; service plazas and other properties and facilities along I-95 and the Merritt Parkway; Transit Oriented Development projects in various towns; public transit and rails; the State Traffic Commission; and environmental matters involving permitting, salt shed and maintenance facilities located throughout the State. The section also counseled the DOT regarding the divestiture of surplus properties.

The section resolved 8 eminent domain appeals filed against DOT by stipulated judgment. There are currently 16 eminent domain appeals in litigation. The litigation outcomes of the concluded

eminent domain appeals resulted in savings to the State of \$462,087. The section is currently defending a successful eminent domain trial in which the court ruled in favor of DOT.

The section also worked with DEEP in connection with the procurement of conservation easements, resulting in the dedication of acres to public recreation.

These conservation easements equal the value of the grants that DEEP provided for land purchases by other entities, specifically municipalities and land trusts. The section also regularly provides legal advice to DEEP on complex property law issues. During the past year, the section provided DAS and DCS with legal counsel and review of leases, agreements and contracts including:

- a) Assisted and assisting DOT with various property transfers, easements, leases, licenses, and requests for breaks in non-access highway lines.
- b) Assisting DEEP with lease to Town of Bloomfield for property to be used for certain passive recreational purposes.
- c) Assisting DEEP with the acquisition of property in Middletown to provide DEEP access to a dam located on State property.
- d) Assisting DEEP with an easement exchange with Riverfront Recapture to permit certain improvements to be constructed on State property and to provide DEEP certain access over Riverfront property.
- e) Assisted and assisting DEEP with the review and approval of various grant agreements and conservation easements in connection with the statutory Open Space and Watershed Land Acquisition Grant Program.
- f) Assisted and assisting DEEP with the purchase of various properties pursuant to its statutory land acquisition authority.
- g) Assisted and assisting DEEP with various leases, easements, and boundary line agreements.
- h) Assisted and assisting DAS with the review, negotiation, and approval of various agreements related to property purchases, sales, licenses, and leases.
- i) Assisting DAS with revisions to its form commercial lease.

Housing Matters

The Infrastructure Section is also responsible for representing the Department of Housing. These matters include representing the Department at the Commission of Human Rights and Opportunities for housing discrimination complaints, administrative appeals, and disputes with residents of state-owned residential properties and foreclosures involving real property in which the state has an interest in the property. The section is currently defending DOH in several construction claims brought by a contractor hired to renovate and rebuild properties as part of Superstorm Sandy. Finally, the section is defending DOH before HUD on a complaint filed by Open Communities Alliance alleging a violation of the Fair Housing Act.

State Historic Preservation Office

The section represents the State Historic Preservation Office matters and is occasionally called upon to seek the court's protection of historic properties on the National Register of Historic Places (16 USC 470a, as amended) which face destruction by owners or developers. During this past year the section achieved agreements with developers to preserve historic buildings at 650 Atlantic Avenue, Stamford; 153 East Main Street, Clinton, and 1 Old Kings Highway in Norwalk.

Department of Motor Vehicles

The section handles a variety of matters for DMV, including appeals of administrative suspensions or revocations of driving licenses of impaired drivers. The section also provides legal support to DMV in connection with dealers and repairer complaints, registration matters, the emissions program and safety inspections.

Environmental Matters

In addition, the section is deeply involved in various environmental matters associated with public works projects, roads and bridges projects, and other activities of its client agencies. Staff continues to provide legal assistance and guidance to those agencies to ensure that there is compliance with applicable federal and state environmental laws in the planning of projects and the operation of state facilities. In particular, the section assists these agencies in complying with the requirements of the National Environmental Policy Act ("NEPA"), the Connecticut Environmental Policy Act ("CEPA") and other federal and Connecticut regulations that have been enacted to balance the need to develop our state economy and governmental services with the need to protect the air, water, and other natural resources of the state. In this regard, the section assists the agencies in preparing and obtaining required environmental permits from both Connecticut and federal regulatory agencies, including the DEEP and the United States Army Corps of Engineers. The section successfully represented DOT in getting one of the permits necessary at DEEPs for the construction of the new Walk Bridge, Stamford. The section also defends client agencies in court when environmental challenges are brought.

PRIVACY AND DATA SECURITY SECTION

The Privacy Section handles matters related to the protection of Connecticut residents' personal information and data. The section advises the Attorney General regarding the enforcement of state and federal privacy laws. These laws include Connecticut's breach notification statute, Connecticut's safeguards law, the Connecticut Unfair Trade Practices Act (CUTPA), the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), the federal Children's Online Privacy Protection Act (COPPA), and the federal Fair Credit Reporting Act (FCRA). In

addition, the section provides the Attorney General with advice on matters regarding privacy and data security and engages in extensive outreach to citizens and businesses.

Legislation

The section monitors federal and state privacy and data security initiatives and provides the Attorney General with counsel on proposed Connecticut legislation. In particular, over the past several years, our office spent a significant amount of time reviewing consumer data privacy bills raised in the state as well as across the country. We testified in support of the consumer data rights that the bills would create but urged legislators to address flaws impacting our Office's enforcement authority.

The Office engaged in numerous meetings with legislators and stakeholders as we advocated for stronger protections. Most recently, over the fall of 2021, we participated in an informal working group discussing key components of future legislation. As a result of these efforts, Connecticut recently became just the fifth state—joining California, Colorado, Utah, and Virginia— with a comprehensive consumer data privacy law. The law was signed by the Governor on May 10, 2022 and will take effect on July 1, 2023. Our Office is tasked with heavy responsibilities under the law, and we have begun preparing for implementation.

Updates to Connecticut's breach notification statute also took effect on October 1, 2021. The changes included expanding the definition of "personal information" to encompass passport numbers, individual tax identification numbers, medical information, health insurance information, biometric data, and online account information. The updates also shortened the outside limit for notice of data breaches to sixty days to ensure that Connecticut residents are informed as quickly as possible.

Data Breaches

The section reviews all data breaches reported to the Office under Connecticut's breach notification statute. The number of notices received by our Office has increased dramatically over the years—we received 811 notices in FY 2019-20, 1,598 notices in FY 2020-21 and 1,481 in FY 2021-22. We review each notification for compliance with our breach notification and data security laws. That includes a review of the privacy protections offered to affected residents, the safeguards in place at the time of the breach and the post-breach measures taken to improve data security. The section conducts all necessary follow-up, including requests for further information about the incident itself, copies of consumer notice letters and/or requests for extended protection services where warranted.

In January 2022 our Office implemented an online breach form for the uniform reporting of incidents to our office. The form is intended to streamline the logging and review of breach notifications. The form also includes voluntary information to assist us in identifying patterns or trends impacting the security of Connecticut residents' personal information.

Investigations

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

Professional Dental Alliance of Connecticut, PLLC, dba First Impressions Orthodontics

On February 1, 2022, our office finalized a resolution with Connecticut-based Professional Dental Alliance of Connecticut, PLLC, d/b/a First Impressions Orthodontics (“PDA”) to address our concerns over a Fall 2020 breach of PDA’s systems. The breach involved a ransomware attack that led to the compromise of approximately 25,000 Connecticut residents’ personal information. Given PDA’s cooperation with our investigation, we offered PDA the ability to resolve our concerns through an Assurance of Voluntary Compliance that incorporates PDA’s post-breach remedial measures, sets forth requirements for stronger security practices going forward, and requires the company undergo an outside security audit. PDA also made a \$15,000 payment to the General Fund on February 2, 2022.

Carnival Cruise Lines

On June 22, 2022, the office announced a \$1.25 million multistate settlement with Florida-based Carnival Cruise Line (“Carnival”) stemming from a 2019 a data breach reported by Carnival. The breach, spanned from April to July 2019 and involved the compromise of 124 employee e-mail accounts. Carnival first detected the breach in May 2019 and completed its investigation that September but did not notify consumers or the Attorneys General until early March 2020. The breach exposed personal information of Carnival employees and customers, including passport numbers, driver’s license numbers, financial information, health-related information, and a low number of Social Security numbers. Across the participating states, approximately 114,000 individuals were impacted, 3.5% of whom had Social Security numbers potentially compromised. In Connecticut, approximately 1,200 residents were impacted, although none had SSNs exposed.

The Office co-led—with Washington and Florida—a 46-state investigation of the breach. To address our concerns over Carnival’s email security practices and compliance with state breach notification timeframes, we negotiated an Assurance of Voluntary Compliance with the company. Under the settlement, Carnival has agreed to a series of provisions designed to strengthen its email security and breach response practices going forward. Those include:

- Implementation and maintenance of a breach response and notification plan;

- Email security training requirements for employees, including dedicated phishing exercises;
- Multi-factor authentication for remote email access;
- Password policies and procedures requiring the use of strong, complex passwords, password rotation, and secure password storage;
- Maintenance of enhanced behavior analytics tools to log and monitor potential security events on the company's network; and
- Consistent with past data breach settlements, undergoing an independent information security assessment.

The settlement also requires Carnival to make a \$1.25 million payment to the states. As a lead state, Connecticut's share will be \$66,846. Carnival must remit payment within 30 days of the effective date of July 22, 2022.

Education

Finally, the section engages in extensive outreach to constituents, community groups and businesses. For example, we have participated in events hosted by our local chapter of the International Association of Privacy Professionals, regularly speak at the Practicing Law Institute's Cybersecurity Seminars, and recently presented at a meeting of the Connecticut Health Information Management Association. The section is also participating in a series of outreach events for local Chambers of Commerce chapters with the Attorney General, including to raise awareness about the growing threat of ransomware. We anticipate doing further education efforts for both Connecticut businesses and consumers on the new privacy law.

PUBLIC SAFETY SECTION

The Public Safety Section represents the Department of Correction; the Department of Emergency Services and Public Protection, including the Division of State Police, the Division of Emergency Management and Homeland Security; the Military Department; the State Marshal's Commission and the Department of Consumer Protection Liquor Control Division. The Section also provides legal services and representation to a number of associated boards, commissions and agencies, including the Division of Criminal Justice, the Division of Public Defender Services, the Office of Adult Probation, the Governor's Office (Interstate Extradition), the Statewide Emergency 9-1-1 Commission, the State Police Special Licensing and Firearms Unit, the Board of Firearms Permit Examiners, the Commission on Fire Prevention and Control, the Board of Pardons and Paroles and the Police Officer Standards and Training Council. Within the last year, attorneys in the Section have also represented several units within the Judicial Branch in various litigation matters.

The Department of Correction

The Department of Correction ("DOC") is the section's largest client agency. With over 6,000 employees, nearly 10,000 inmates and another 2,500 offenders supervised in community placements, all of the attorneys in the section devote most of their time to representation of the DOC. Much of this work is done in defense of the agency and its employees in lawsuits brought by and on behalf of prisoners. The section continues to defend a large number of lawsuits in state and federal court challenging conditions of confinement in state correctional facilities and the administration of community programs. The pending corrections cases in the U.S. District Court alone continue to represent approximately 12% of the overall federal court docket. These lawsuits, which oftentimes involve court appointed counsel, collectively request millions of dollars in money damages and seek to challenge and restrict the statutory authority and discretion of the Department of Correction. The section's efforts in defense of these cases saved the State of Connecticut millions of dollars in damages claims, and preserved the state's authority to manage an extremely difficult prison population free of costly and onerous court oversight as has been the experience in other states. Significant areas of litigation in the last year include: litigation relating to the impact of COVID-19, continued defense of the DOC's classification of former death row inmates, security risk group members and inmates with sexual treatment scores based on non-conviction information; defense of various challenges to limitations on access to courts by inmates; defense of policy restrictions on the ability of restrictive housing inmates to move out of cell without restraints; class action litigation regarding the provision of treatment for Hepatitis C; limitations on inmate access to gang materials; environmental claims arising from exposure to Radon, PCBs and other hazardous conditions at several correctional facilities; and litigation brought by certain violent groups that seek to be recognized as religious organizations.

Because the inmate population continues to present exceptionally challenging medical and mental health issues, we continue to see a considerable increase in the number of complex medical cases involving issues such as: suicides; the alleged misdiagnosis of cancer and other serious chronic illnesses; viral infections allegedly resulting in blindness; loss of organ function; medical claims of individuals impacted by the opioid epidemic and other addictions; and the adequacy of dental care in prisons. Additionally, we continue to initiate emergency proceedings to allow for extraordinary measures to reverse the physical effects of inmates actively engaged in hunger strikes or other acts of self-harm. This section continues to work with the DOC, the University of Connecticut Health Center, and outside medical and mental health experts to defend litigation, develop policies addressing inmate patient care and identify systemic deficiencies in an effort to improve medical care and reduce the state's exposure to substantial damages awards.

A great number of inmate claims addressing conditions of confinement continue to be brought as habeas corpus cases. Thus, the section continues to defend inmate challenges to prison conditions and the application of the "good time" statutes to multiple sentences. The DOC utilizes a "Risk Reduction Earned Credit" program to reduce the inmate population by awarding sentence credits for good behavior and participation in designated inmate programming. Inmates who believe their sentence is improperly calculated frequently pursue relief by means of a habeas

corpus petition. In each of the last several legislative sessions, statutory changes have altered the manner in which sentences are calculated. This has also increased the volume of habeas cases. We also continue to see an increase in medical claims in habeas court.

With the various waves of the COVID-19 pandemic, inmates have brought a number of new cases, and filed numerous emergency motions in pending cases, challenging DOC's response to Sars-CoV-2 and seeking remedies ranging from money damages to emergency release from custody. This section aided DOC in its response to COVID-19, which resulted in a reduced positivity rate and an approach modeled by other correctional institutions. Thus far, none of the cases we have defended has resulted in a court-ordered release of an inmate or an award of money damages.

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

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

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

Board of Pardons and Paroles

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

Department of Emergency Services and Public Protection

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

This section continues to represent DESPP in revocation proceedings relating to firefighters, private investigators and certain tradesmen involved in fireworks and demolition and to give advice to agency attorneys who prosecute and sit as hearing officers in these administrative proceedings. Section attorneys also routinely appear on behalf of DESPP in state and federal court and before the Freedom of Information Commission to address the many different statutory provisions that mandate confidentiality, and even erasure, of police records. Our attorneys also appear on behalf of DESPP in matters before the Commission on Human Rights and Opportunities in matters relating to racial profiling and discrimination based on past criminal history.

With the recent passage of significant police accountability legislation, it is likely that this section will see an increase in police misconduct litigation in state court, as well as an increase in administrative proceedings arising from the revocation of the credentials of municipal police officers by the Police Officers' Standards and Training Council, as well as regulation review to comport with the regulatory requirements of this new legislation.

Board of Firearms Permit Examiners

During the past year, the section provided legal advice and representation to the Board of Firearms Permit Examiners on a number of issues, including appeals from denials of permits based on mental health and medicinal marijuana use. The section has handled several appeals to the Superior Court from the Board's decisions, including efforts to compel towns to issue permits in accordance with the orders of the Board. The Section also continues to field many public inquiries related to the concealed and open carrying of firearms under Connecticut law and the recently enacted firearms legislation as it relates to the licensing of firearms owners and their purchases of firearms and ammunition. The section continues to work with the Board to enforce the firearms laws of the State of Connecticut.

Liquor Control Division

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

State Marshal Commission

During the past year, the section continued to provide legal advice to the State Marshal Commission on several matters, particularly with respect to the duties of state marshals and the removal of state marshals. This section also represented the Commission in actions where individual state marshals challenged disciplinary actions taken against them. In addition, attorneys in the section assisted and advised the Commission on the writing and adoption of selection standards for judicial marshals, a first for that agency.

Division of Criminal Justice & Division of Public Defender Services

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

Military Department

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

Prosecution of Home Improvement Contractors

Assistant Attorney General Matthew Beizer oversees the Attorney General's program for prosecution of fraudulent and/or unlicensed home improvement contractors. Under this program, several of the office's AAGs are appointed as special assistant state's attorneys to prosecute new home construction contractors and home improvement contractors for various crimes including failure to obtain proper licensing and refusing to refund deposits. The program's AAGs review and approve warrant applications leading to the arrest of individuals who violate the laws governing home improvement and new home construction contractors. The

AAGs then prosecute the cases to completion in criminal court and recover restitution for victims of unscrupulous home improvement contractors.

Wrongful Incarceration Claims

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

Contracts

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

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

Appeals

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

SPECIAL LITIGATION & CHARITIES SECTION

The Special Litigation Section represents the Governor, the Lieutenant Governor, the General Assembly, the Judicial Branch, the Secretary of the State, the Treasurer, the Comptroller, the Auditors of Public Accounts, the State Elections Enforcement Commission, the Office of State Ethics, the Department of Consumer Protection, the Department of Revenue Services, the Office of Governmental Accountability, the State Contracting Standards Board, the State Properties Review Board, the Judicial Review Council, the Judicial Selection Commission, the Statewide Grievance Committee, the Probate Court Administrator, the Office of the Child Advocate, the Office of the Victim Advocate, the Public Utilities Regulatory Authority and the Connecticut Siting Council. In addition, through its Public Charities Unit, the section protects the public interest in gifts, bequests and devises for charitable purposes, and, in conjunction with the Department of Consumer Protection, enforces state laws regulating charities and professional fundraisers who solicit from the public.

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

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

Constitutional Litigation and Other Matters

- the continued successful defense of numerous federal and state constitutional challenges to the Governor's executive orders issued to address the COVID-19 public health emergency, including challenges to masking requirements, restrictions placed on social and religious gatherings, and restrictions imposed on retail businesses;
- advising the Governor, Secretary of State, and legislative leaders related to election issues during the COVID-19 public health emergency, including in particular the availability of absentee balloting;
- the successful defense of lawsuits challenging the State's election laws including a federal constitutional challenge to candidate ballot access requirements;
- continued litigation challenging federal and state-level efforts to restrict reproductive rights and access to reproductive health care;
- defending challenges to the constitutionality of the State's laws prohibiting deceptive advertising by pregnancy support centers;
- advising the Governor and legislative leaders regarding complex legal issues related to existing and proposed gaming within the State, including sports betting, online gaming, and the development of a gaming facility jointly owned and operated by the Mohegan and Mashantucket Pequot tribes, and related federal court litigation;

- advising the Governor and legislative leaders regarding legal issues related to cannabis;
- the continued successful defense of First Amendment-based challenges to decisions of the State Elections Enforcement Commission relating to campaign finance regulation;
- defending challenges to the constitutionality of the State's laws allowing the State to recover a portion of the cost of inmates' incarceration from inmates with substantial assets brought in a putative 30,000-person federal class action;
- successful defense of Contract Clause-based challenge to the constitutionality of police accountability and transparency legislation;
- assisting in the successful defense of vaccine requirements in public schools and other facilities;
- representing the Reapportionment Commission during the redistricting process;
- defending First Amendment-based challenges to the constitutionality anti-discrimination rule of professional conduct for attorneys.

Tribal Matters

The section represents the interests of the State in ongoing tribal matters every year and provides advice to numerous state agencies regarding issues of Indian law and issues connected to the two federally acknowledged Indian tribes in Connecticut and their authority over tribal lands, their operation of their casinos, as well as issues relating to gaming generally. This past year in particular, the section:

- continued its defense of an ongoing lawsuit by the Schaghticoke Tribal Nation (STN) alleging that the State breached its duties to the Schaghticoke tribe since the early 1800s;
- submitted formal written comments on important issues relating to the federal government's treatment of issues relating to the State's relationship with Indian tribes and groups claiming tribal status within the State, including the process for taking land into trust and the ability of groups that have previously been denied federal acknowledgment to re-petition;
- submitted formal written comments to the Office of Federal Acknowledgment in response to the Schaghticoke Indian Tribe's (SIT) petition for federal acknowledgment as an Indian tribe.

Intra-Agency Matters

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

- advising and representing the Governor, Secretary of the State and legislators before the Freedom of Information Commission (FOIC);

- training and advising OAG attorneys and support staff on issues related to the Freedom of Information Act and the Freedom of Information Commission;
- training and advising OAG attorneys on issues related to ethics and professional responsibility;
- assisting agencies on issues related to unclaimed property;
- reviewing and approval of state contracts related to goods and services and legal representation;
- assisting in the implementation of the *SEBAC v. Rowland* settlement;
- assisting in preparation of OAG appeals at the Connecticut Appellate Court, Connecticut Supreme Court and the Second Circuit Court of Appeals;
- assisting the Office of Policy and Management (“OPM”) in developing the legal framework for data sharing both between state agencies and between the State and private institutions, including the creation of data sharing agreement and memorandums of understanding templates.

Public Land Use and Charitable Matters

The Section’s Public Charities Unit protects the public interest in gifts, bequests and devises for charitable purposes, and, in conjunction with the Department of Consumer Protection, enforces state laws regulating charities and professional fundraisers who solicit from the public. The Charities Unit also protects the public’s interest in access to public lands. This past year in particular, the Public Charities Unit:

- continued defending the public’s interest in the preservation and access to the historic Lebanon town green in a quiet title litigation that presented complex and novel legal questions;
- consulted with land trusts, municipalities and private parties seeking to modify conservation and preservation restrictions through nonjudicial and judication actions to ensure proposed modifications are consistent with state law, donor intent and the public interest;
- continued an ongoing investigation of the use of charitable funds designated for first responders involved in the Sandy Hook shooting;
- participated in numerous court actions to ensure the public’s interest in charitable gifts were protected;
- mediated and successfully resolved, without resort to litigation, complaints about the mishandling or misuse of charitable funds;
- provided guidance to the members of the bar and the public about best practices for governance of charitable organizations to help avoid problems that often arise when a charitable organization fails to adopt and follow good governance practices;

- investigated Quinnipiac University’s announced closing of Ireland’s Great Hunger Museum to ensure of protection of charitable gifts and the selection of a proposed future holder of the art collection;
- investigated possible charities violations relating to the sale of the Deer Lake Campground by the Yankee Council of the Boys Scouts;
- defended a decedent’s \$157,461 charitable gift to the State in his estate;
- protected the public interest in ensuring charitable gifts in trusts or estates are not improperly diminished through unreasonably high attorney or administration fees by negotiating fee reductions and filing formal court objections to fee requests in probate court;
- participated in nationwide organizations to help develop and improve states’ regulations of charities by creating a nationwide paid solicitor registration system through a single multistate portal system which member states will use and share to collect solicitor data. If adopted, this single portal will facilitate solicitor’s registration and states’ ability to analyze solicitor conduct to better protect charitable donations.
- led the OAG’s adoption of and participation in TurboCourt, the Connecticut Probate Court’s new electronic filing system;
- served on the board of the National Association of State Charities Officials (“NASCO”), which is an association of state charities officials charged with preventing the misuse of charitable assets, ensuring that trustees of charitable trusts fulfill their fiduciary duties, and enabling donors to make informed choices about which charitable causes to support. A Charities attorney serves on five board committees of the NASCO Board.
- served on the Probate Court Rules of Procedure Advisory Committee for the 2022 Edition.

Energy Matters

Since 2019, the section has also included attorneys responsible for advising and representing the Public Utilities Regulatory Authority and the Connecticut Siting Council on complex issues of energy and public utility law, as well as administrative law. This Energy Unit defends the State’s interests in energy and telecommunications issues before state and federal courts, before the Federal Energy Regulatory Commission and the Federal Communications Commission, and in regional and national organizations.

This past year in particular, the Energy Unit:

- defended against challenges to the Council’s approval of renewable energy facilities (both solar and wind) and telecommunication facilities;
- defended a challenge to the siting of a natural gas-fired power plant;
- defended a challenge to the siting of a cell tower which improved service to rural areas of the state; a challenge to the siting of a solar facility;

- defended challenges to the authority of the Public Utilities Regulatory Authority to order consumer relief from utility companies' mishandling of storm-related power restoration;
- defended challenges to orders eliminating overcompensation to peaking generating facilities and other orders suspending an electric supplier's license.
- contested and reduced the return on equity awarded to a natural gas-fired generator before the Federal Energy Regulatory Commission.
- participated in rulemaking proceedings undertaken to modify how that agency calculates return on equity.

INTERNSHIP & VOLUNTEER PROGRAMS

The OAG internship program is coordinated by Deputy Director of Constituent Services Peter Brown. In 2022, the office was able to return to an in-person work arrangement, which led to a more interactive experience for interns. The 2022 Summer session placed 40 diverse and talented interns within the various sections of the office with the two largest groups working with the Public Safety and Child Protection Sections. Although many interns are law students, the office utilized several undergraduate and high school students as well. The Office saw a significant increase in high school applicants due to a new capstone graduation requirement for high school seniors. We are working to develop a program specifically to assist students with meeting this requirement which will be available next summer. During the current session, interns took part in 7 Lunch & Learn discussions to enhance their experience. These programs are led by OAG staff and provide the interns with an extensive overview of various legal topics. The highlight of the summer was an election law overview led by the Special Litigation Section which was followed up with a two-day Superior Court visit to watch the Special Litigation attorneys defend the State's interest in an election law case.

The Office also took part in on-campus and virtual intern interview events hosted by regional law schools including UConn, Quinnipiac, Yale, and NYU. The events gave OAG staff the chance to meet directly with interested students from varying backgrounds and interests. The goal is to expand our attendance at these events which will hopefully lead to an increase in exposure of our program. We also hope to participate in additional student events including the Lawyers Collaborative for Diversity and Kids Speak during the year. Recently, the Consumer Assistance Section has been in discussion with UConn Law School to host a permanent field placement position with the section. The goal is to increase participation in our consumer mediation efforts which may lead to a student mediation program like other neighboring states.