



General Assembly

January Session, 2019

**Raised Bill No. 7331**

LCO No. 5506



Referred to Committee on PUBLIC SAFETY AND SECURITY

Introduced by:  
(PS)

**AN ACT CONCERNING SPORTS WAGERING IN THE STATE.**

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

- 1 Section 1. (NEW) (*Effective July 1, 2019*) (a) As used in this section,  
2 unless the context otherwise requires:
- 3 (1) "Casino gaming facility" has the same meaning as provided in  
4 section 12-557b of the general statutes;
- 5 (2) "Commissioner" means the Commissioner of Consumer  
6 Protection;
- 7 (3) "Department" means the Department of Consumer Protection;
- 8 (4) "Electronic sports wagering platform" or "platform" means the  
9 combination of hardware, software and data networks used by a  
10 sports wagering operator or the Connecticut Lottery Corporation  
11 established in section 12-802 of the general statutes, as amended by  
12 this act, to manage, administer, offer or control sports wagering over  
13 the Internet, including through an Internet web site or a mobile device;

14 (5) "Mashantucket Pequot memorandum of understanding" means  
15 the memorandum of understanding entered into by and between the  
16 state and the Mashantucket Pequot Tribe on January 13, 1993, as  
17 amended from time to time;

18 (6) "Mashantucket Pequot procedures" means the Final  
19 Mashantucket Pequot Gaming Procedures prescribed by the Secretary  
20 of the United States Department of the Interior pursuant to Section  
21 2710(d)(7)(B)(vii) of Title 25 of the United States Code and published in  
22 56 Federal Register 24996 (May 31, 1991), as amended from time to  
23 time;

24 (7) "Minor" means an individual who is under twenty-one years of  
25 age;

26 (8) "Mohegan compact" means the Tribal-State Compact entered  
27 into by and between the state and the Mohegan Tribe of Indians of  
28 Connecticut on May 17, 1994, as amended from time to time;

29 (9) "Mohegan memorandum of understanding" means the  
30 memorandum of understanding entered into by and between the state  
31 and the Mohegan Tribe of Indians of Connecticut on May 17, 1994, as  
32 amended from time to time;

33 (10) "Sports bettor" means an individual who is not a minor and is  
34 physically present in the state when placing a sports wager with a  
35 sports wagering operator, the Connecticut Lottery Corporation or a  
36 lottery sales agent licensed pursuant to this section;

37 (11) "Sporting event" means (A) any sporting or athletic event at  
38 which two or more persons participate and receive compensation in  
39 excess of actual expenses for such participation in such sporting or  
40 athletic event, or (B) any sporting or athletic event sponsored by an  
41 intercollegiate athletic program of an institution of higher education.  
42 "Sporting event" does not include horse racing or any sporting or  
43 athletic event sponsored by a minor league or high school;

44 (12) "Sports governing body" means the organization that prescribes  
45 final rules and enforces codes of conduct with respect to a sporting  
46 event and participants in the sporting event;

47 (13) "Sports wagering" means risking or accepting any money,  
48 credit, deposit or other thing of value for gain contingent in whole or  
49 in part (A) by any system or method of wagering, including, but not  
50 limited to, in person or over the Internet through an Internet web site  
51 or a mobile device, and (B) based on (i) a sporting event or a portion or  
52 portions of a sporting event, or (ii) the individual performance  
53 statistics of an athlete or athletes in a sporting event or a combination  
54 of sporting events. "Sports wagering" does not include the payment of  
55 an entry fee to play fantasy contests, as defined in section 12-578aa of  
56 the general statutes, as amended by this act;

57 (14) "Sports wagering gross revenue" means the amount equal to the  
58 total amount of all wagers placed on sporting events not excluded  
59 from sports wagering that a sports wagering operator collects from all  
60 sports bettors, less the total amount of all sums paid out as winnings to  
61 sports bettors, except that the cash equivalent value of any  
62 merchandise or thing of value awarded as a prize shall not be included  
63 in the sums paid out as winnings; and

64 (15) "Sports wagering operator" or "operator" means a person or  
65 business organization operating the off-track betting system or limited  
66 liability company operating a casino gaming facility that offers sports  
67 wagering either in person to individuals at such facilities or through an  
68 electronic sports wagering platform and is licensed pursuant to this  
69 section.

70 (b) The provisions of this section shall not be effective unless the  
71 following conditions have been met:

72 (1) On and after the effective date of this section, the Governor  
73 enters into new tribal-state compacts with the Mashantucket Pequot  
74 Tribe and the Mohegan Tribe of Indians of Connecticut pursuant to the  
75 federal Indian Gaming Regulatory Act, P.L. 100-497, 25 USC 2710(d)(3)

76 concerning the authorization of sports wagering. Any such tribal-state  
77 compact shall: (A) Allow each tribe to offer sports wagering on Indian  
78 lands, (B) provide that the authorization of sports wagering in this  
79 state does not relieve each tribe from the tribe's obligation to contribute  
80 a percentage of the gross operating revenues of video facsimile games  
81 to the state as provided in the Mashantucket Pequot memorandum of  
82 understanding and the Mohegan memorandum of understanding, as  
83 the case may be, and (C) provide that the authorization of sports  
84 wagering in this state does not terminate the moratoria on the  
85 operation of video facsimile games by the tribes pursuant to section  
86 15(a) of the Mashantucket Pequot procedures and section 15(a) of the  
87 Mohegan compact.

88 (2) The new tribal-state compacts are approved or deemed  
89 approved by the Secretary of the United States Department of the  
90 Interior pursuant to the federal Indian Gaming Regulatory Act, P.L.  
91 100-497, 25 USC 2701 et seq., and its implementing regulations. If such  
92 approval is overturned by a court in a final judgment, which is not  
93 appealable, the authorization for sports wagering provided under this  
94 section shall cease to be effective.

95 (3) The new tribal-state compacts are approved by the General  
96 Assembly pursuant to section 3-6c of the general statutes.

97 (c) (1) On and after the date this section becomes effective pursuant  
98 to subsection (b) of this section, the Commissioner of Consumer  
99 Protection may issue a license to operate sports wagering, a sports  
100 wagering vendor license or a sports wagering lottery sales agent  
101 license, as applicable, in accordance with this section.

102 (2) No person or business organization operating the off-track  
103 betting system, limited liability company operating a casino gaming  
104 facility or the Connecticut Lottery Corporation may offer sports  
105 wagering unless such person, business organization, limited liability  
106 company or corporation has obtained a license to operate sports  
107 wagering issued by the commissioner pursuant to this section.

108 (3) No person or business organization may develop an electronic  
109 sports wagering platform on behalf of a sports wagering operator or  
110 the Connecticut Lottery Corporation unless such person or business  
111 organization holds a sports wagering vendor license issued by the  
112 commissioner pursuant to this section.

113 (4) No lottery sales agent may offer sports wagering at such agent's  
114 place of business unless such agent holds a sports wagering lottery  
115 sales agent license issued by the commissioner pursuant to this section.

116 (d) (1) Each applicant for a license pursuant to this section shall  
117 submit a completed application on forms prescribed by the  
118 commissioner. Such application may require the applicant to submit  
119 any information the commissioner deems pertinent to the issuance of  
120 such license. Each applicant, except the Connecticut Lottery  
121 Corporation, shall submit to state and national criminal history records  
122 checks, conducted in accordance with section 29-17a of the general  
123 statutes, before such license is issued.

124 (2) Each applicant for a license to operate sports wagering shall  
125 submit with its application a nonrefundable application fee of one  
126 hundred thousand dollars. Except as provided in subsection (e) of this  
127 section, each such license shall expire biennially on the anniversary  
128 date of the issuance of such license unless renewed in accordance with  
129 this section. The nonrefundable application fee for such renewal shall  
130 be one hundred thousand dollars. Upon the issuance or renewal of a  
131 license, the licensee shall pay a licensing fee of five hundred thousand  
132 dollars to the commissioner. The Connecticut Lottery Corporation  
133 shall be exempt from the application fee, renewal application fee and  
134 licensing fee for a license to operate sports wagering.

135 (3) Each applicant for a sports wagering vendor license shall submit  
136 with its application a nonrefundable application fee of one hundred  
137 thousand dollars. Except as provided in subsection (e) of this section,  
138 each such license shall expire biennially on the anniversary date of the  
139 issuance of such license unless renewed in accordance with this

140 section. The nonrefundable application fee for such renewal shall be  
141 one hundred thousand dollars. Upon the issuance or renewal of a  
142 license, the licensee shall pay a licensing fee of three hundred thousand  
143 dollars to the commissioner.

144 (4) Except as provided in subsection (e) of this section, each sports  
145 wagering lottery agent license shall be renewed biennially. Upon the  
146 issuance or renewal of such license, the licensee shall pay a licensing  
147 fee of two hundred fifty dollars to the commissioner.

148 (5) Applications for renewal of any such license shall be on such  
149 form as prescribed by the commissioner.

150 (e) (1) The commissioner shall, as soon as practicable after the  
151 receipt of a completed license or renewal application, grant or deny the  
152 license or renewal application. Any holder of a license issued pursuant  
153 to this section who submits an application to renew such license prior  
154 to the expiration of such license may continue to perform the activities  
155 authorized by such license until the commissioner approves or denies  
156 such renewal application.

157 (2) Failure by any person or business organization, limited liability  
158 company or corporation that holds a license pursuant to this section or  
159 any off-track betting facility to comply with the requirements of this  
160 section and any regulations adopted pursuant to this section shall  
161 constitute grounds for the commissioner to investigate such licensee or  
162 facility and after a hearing held in accordance with the provisions of  
163 chapter 54 of the general statutes, suspend or revoke such license for  
164 good cause or suspend operations at such facility and impose a civil  
165 penalty of not more than two hundred fifty thousand dollars. Any  
166 licensee whose license is suspended or revoked or who is fined, any  
167 facility whose sports wagering operations are suspended or that is  
168 fined, or any applicant aggrieved by the action of the commissioner  
169 concerning an application for a license or renewal application, may  
170 appeal in accordance with the provisions of said chapter.

171 (f) (1) If licensed under subsection (e) of this section, a sports

172 wagering operator or the Connecticut Lottery Corporation may offer  
173 sports wagering through an electronic sports wagering platform to  
174 individuals physically located in this state when placing a sports  
175 wager. Such operator or corporation may establish its own platform or  
176 may contract with a third party for the development of a platform on  
177 behalf of the operator or corporation, provided such third party holds  
178 a sports wagering vendor license issued by the commissioner pursuant  
179 to this section.

180 (2) At a minimum, each electronic sports wagering platform shall be  
181 developed to: (A) Verify that an individual with a sports wagering  
182 account is twenty-one years of age or older and is located in the state;  
183 (B) establish a voluntary self-exclusion process to allow an individual  
184 to exclude himself or herself from placing sports wagers; (C) establish  
185 a voluntary process to allow an individual to limit the amount of  
186 money such individual may use to place sports wagers; (D) provide a  
187 mechanism to prevent an individual who (i) participates in the self-  
188 exclusion process from placing sports wagers, or (ii) limits the amount  
189 of money such individual may use to place sports wagers from  
190 exceeding such limits; (E) permit an individual to permanently close  
191 his or her sports wagering account at any time and for any reason; (F)  
192 prominently display introductory procedures for sports bettors on the  
193 main page of the platform that explain sports wagering; (G) offer an  
194 individual access to his or her sports wagering account history and  
195 details; (H) provide that any money in a sports wagering account  
196 belongs solely to the owner of the account and may be withdrawn by  
197 the owner at any time; (I) provide a mechanism to prevent the  
198 unauthorized use of sports wagering accounts and maintain the  
199 security of wagering data, sport bettor's data and other confidential  
200 information; (J) post a conspicuous link to responsible gambling  
201 information, as specified by the commissioner, on all sports wagering  
202 account web pages; and (K) transmit real-time information regarding  
203 sports wagers placed on sporting events.

204 (3) Prior to placing wagers on an electronic sports wagering  
205 platform, a sports bettor shall establish a sports wagering account in

206 person at the casino gaming facility, off-track betting facility, central  
207 office of the Connecticut Lottery Corporation or any high tier claim  
208 center so designated by the corporation, as the case may be, and  
209 present at least two forms of identification at the time of establishing  
210 the sports wagering account.

211 (g) Each sports wagering operator, the Connecticut Lottery  
212 Corporation and a lottery sales agent offering sports wagering shall:

213 (1) Verify that a sports bettor is at least twenty-one years of age;

214 (2) Allow any individual to exclude himself or herself from placing  
215 sports wagers or limit the amount of money such individual may use  
216 to place sports wagers with an operator, corporation or lottery sales  
217 agent, and the operator, corporation or lottery sales agent that has been  
218 notified by such individual of such exclusion or limit shall take  
219 reasonable steps to prevent such individual from placing sports  
220 wagers or exceeding such limit, as the case may be;

221 (3) Enter into an agreement with a provider of sporting event data  
222 that meets or exceeds the minimum qualifications as set forth in  
223 regulations adopted by the commissioner pursuant to subsection (p) of  
224 this section;

225 (4) Report any suspicion of abnormal betting activity to the  
226 commissioner for immediate investigation by the commissioner;

227 (5) Maintain the security of wagering data, customer data and other  
228 confidential information to prevent unauthorized access to and  
229 dissemination of such data and information; and

230 (6) Share records in real time, at the account level and in  
231 pseudonymous form to the department with respect to sports wagers  
232 placed with such operator, corporation or lottery sales agent.

233 (h) (1) No individual who is a licensed sports wagering operator or  
234 sports wagering vendor, an officer, director, owner or employee of a  
235 sports wagering operator or sports wagering vendor, and no family



236 member of such individual who resides in the same household as such  
237 individual, shall place any wager with a sports wagering operator, the  
238 Connecticut Lottery Corporation or any lottery sales agent.

239 (2) No athlete, coach, referee, team owner, employee of a sports  
240 governing body, employee of a sports governing body's member  
241 teams, or personnel of any bargaining unit of a sports governing  
242 body's athletes or referees, shall place any wager on any sporting event  
243 overseen by such governing body. In determining which individuals  
244 are prohibited from placing a wager under this subdivision, a sports  
245 wagering operator and the Connecticut Lottery Corporation shall use  
246 publicly available information and any lists provided by the relevant  
247 sports governing body to the Department of Consumer Protection.

248 (3) No individual with access to nonpublic, confidential information  
249 that could affect the outcome of a sporting event shall place any wager  
250 on such sporting event with any sports wagering operator, the  
251 Connecticut Lottery Corporation or any lottery sales agent.

252 (4) No individual shall place any sports wager pursuant to this  
253 section as an agent or a proxy for another individual.

254 (5) Each sports wagering operator, the Connecticut Lottery  
255 Corporation and each licensed sports wagering lottery sales agent shall  
256 take reasonable steps to prevent the conduct prohibited under  
257 subdivisions (1) to (4), inclusive, of this subsection and shall  
258 immediately notify the commissioner if such operator, corporation or  
259 agent believes such conduct has occurred.

260 (6) A sports wagering operator, the Connecticut Lottery  
261 Corporation, a lottery sales agent and a sports wagering vendor  
262 licensee shall not disclose or sell any sports bettor's information.  
263 Records that directly or indirectly identify a sports bettor shall be kept  
264 confidential and shall not be disclosed.

265 (7) No prizes shall be paid to any individual who is restricted from  
266 placing sports wagers pursuant to this subsection. Any such prize shall

267 be deposited into the sports wagering account established in section 2  
268 of this act.

269 (i) A tax is imposed on sports wagering gross revenue earned by a  
270 sports wagering operator at the rate of nine and eighty-nine-  
271 hundredths per cent. The Commissioner of Revenue Services shall  
272 assess and collect such tax as the commissioner may prescribe by  
273 regulations adopted in accordance with the provisions of chapter 54 of  
274 the general statutes. Such tax shall be due and payable each Tuesday of  
275 the week. If any such tax is not paid when due, the commissioner shall  
276 impose a delinquency assessment upon the sports wagering operator  
277 in the amount of ten per cent of such tax or ten dollars, whichever  
278 amount is greater, plus interest at the rate of one and one-half per cent  
279 of the unpaid principal of such tax for each month or fraction of a  
280 month from the date such tax is due to the date of payment. Subject to  
281 the provisions of section 12-3a of the general statutes, the  
282 commissioner may waive all or part of the penalties provided under  
283 this subsection when it is proven to the commissioner's satisfaction  
284 that the failure to pay such tax within the time required was due to  
285 reasonable cause and was not intentional or due to neglect. Failure to  
286 pay any such delinquent tax upon demand may be considered by the  
287 Commissioner of Consumer Protection as cause for revocation of a  
288 license to operate sports wagering.

289 (j) The amount of unclaimed moneys, as determined by the  
290 Commissioner of Consumer Protection, held by a sports wagering  
291 operator on account of outstanding and uncashed winning sports  
292 wagering tickets, shall be due and payable to the commissioner at the  
293 expiration of six months after the date of the sporting event during  
294 which such tickets were issued. If any such unclaimed moneys are not  
295 paid when due, the commissioner shall impose a delinquency  
296 assessment upon the sports wagering operator in the amount of ten  
297 per cent of such money or ten dollars, whichever amount is greater,  
298 plus interest at the rate of one and one-half per cent of the unpaid  
299 principal of such moneys for each month or fraction of a month from  
300 the date such moneys are due to the date of payment. Subject to the

301 provisions of section 12-3a of the general statutes, the commissioner  
302 may waive all or part of the penalties provided under this subsection  
303 when it is proven to the commissioner's satisfaction that the failure to  
304 pay such moneys within the time required was due to reasonable  
305 cause and was not intentional or due to neglect.

306 (k) The commissioner or the commissioner's designee may  
307 authorize deputies to enter upon the premises of a sports wagering  
308 operator, the Connecticut Lottery Corporation or a lottery sales agent's  
309 place of business for the purposes of inspecting books and records,  
310 supervising and examining cashiers, ticket sellers and other persons  
311 handling money on behalf of such operator, corporation or agent.

312 (l) A sports governing body may request that the commissioner  
313 restrict, limit or exclude wagering on a sporting event or events by  
314 providing notice in such form and manner as the commissioner  
315 prescribes.

316 (m) (1) Each sports wagering operator, the Connecticut Lottery  
317 Corporation and any lottery sales agent that offers sports wagering  
318 shall immediately report to the commissioner any information relating  
319 to (A) criminal or disciplinary proceedings commenced against such  
320 operator, corporation or agent or an employee of such operator,  
321 corporation or agent in connection with its operations, (B) abnormal  
322 betting activity or patterns that may indicate a concern with the  
323 integrity of a sporting event, (C) any potential breach of the relevant  
324 sports governing body's internal rules or codes of conduct pertaining  
325 to sports wagering, (D) any other conduct that corrupts the betting  
326 outcome of a sporting event for purposes of financial gain, including  
327 match-fixing, and (E) suspicious or illegal wagering activities,  
328 including the use of funds derived from illegal activity to place a  
329 wager, the placing of a wager to conceal funds derived from illegal  
330 activity, the use of an agent or a proxy to place a wager or the use of  
331 false identification to place a wager.

332 (2) Such operator, corporation or agent shall also immediately

333 report to the relevant sports governing body any information relating  
334 to conduct described under subparagraphs (B) to (D), inclusive, of  
335 subdivision (1) of this subsection.

336 (n) If the commissioner finds, after a hearing conducted pursuant to  
337 chapter 54 of the general statutes, that any individual or entity  
338 knowingly violates any provision of this section or any regulation  
339 adopted pursuant to subsection (o) of this section, the commissioner  
340 shall assess such individual or entity a civil penalty of not more than  
341 fifty thousand dollars for each violation, not to exceed two hundred  
342 fifty thousand dollars for multiple violations arising out of the same  
343 transaction or occurrence.

344 (o) The commissioner shall adopt regulations, in accordance with  
345 the provisions of chapter 54 of the general statutes, to implement the  
346 provisions of this section. Such regulations shall include provisions to  
347 protect the public interest in the integrity of sports wagering and  
348 reduce the dangers of unsuitable, unfair or illegal practices, methods  
349 and activities in the conduct of sports wagering. Such regulations shall  
350 include, but need not be limited to, provisions regarding: (1) The types  
351 of sporting events upon which sports wagers may be placed or  
352 accepted; (2) the minimum amount of cash reserves to be maintained  
353 by sports wagering operators; (3) the acceptance of wagers on a series  
354 of sports events; (4) the maximum wagers which may be accepted by  
355 an operator or the Connecticut Lottery Corporation from any one  
356 sports bettor on any one sports event; (5) the type of wagering tickets  
357 which shall be used; (6) the method of issuing tickets; (7) minimum  
358 accounting standards for a sports wagering operator or the  
359 corporation; (8) the types of records which shall be maintained by a  
360 sports wagering operator or the corporation and available for  
361 inspection upon the request of the commissioner; (9) requirements for  
362 information and reports from a sports wagering operator and the  
363 corporation to enable effective auditing of sports wagering operations;  
364 (10) requirements for establishing and funding a sports wagering  
365 account; (11) minimum qualifications for a provider of sporting events  
366 data; and (12) requirements for any advertisement for sports betting to

367 ensure such advertisement (A) does not target minors, problem  
368 gamblers or other vulnerable individuals, (B) includes information  
369 about gambling addiction or Internet web site links to resources  
370 related to gambling addiction, and (C) is not false, misleading or  
371 deceptive to a reasonable consumer.

372 (p) Any amounts received by the commissioner pursuant to this  
373 section shall be deposited in the sports wagering account established  
374 in section 2 of this act.

375 (q) The commissioner may establish receivables for the expenses to  
376 be incurred by the department prior to moneys being deposited in the  
377 sports wagering account established in section 2 of this act in  
378 accordance with this section. Such receivables shall not exceed nine  
379 hundred thousand dollars.

380 Sec. 2. (NEW) (*Effective July 1, 2019*) There is established an account  
381 to be known as the "sports wagering account" which shall be a  
382 separate, nonlapsing account within the General Fund. The account  
383 shall contain any moneys required by law to be deposited in the  
384 account. Moneys in the account shall be expended by the  
385 Commissioner of Consumer Protection for the purposes of  
386 compensating the Department of Consumer Protection for the  
387 reasonable and necessary costs incurred by the department for the  
388 regulatory and licensing activities specified in section 1 of this act. On  
389 and after the first full fiscal year that the commissioner finds money  
390 has been deposited in the sports wagering account, the commissioner  
391 shall contribute one-half of one per cent of the moneys deposited in the  
392 account during the previous fiscal year to the five Regional Behavioral  
393 Health Action Organizations designated by the Commissioner of  
394 Mental Health and Addiction Services. At the end of each fiscal year,  
395 the commissioner shall transfer any money in excess of such  
396 reasonable and necessary costs and such contribution to the General  
397 Fund.

398 Sec. 3. Section 12-577 of the general statutes is repealed and the

399 following is substituted in lieu thereof (*Effective July 1, 2019*):

400 The commissioner shall annually cause to be made by some  
401 competent person or persons in the department a thorough audit of  
402 the books and records of each association licensee under this chapter,  
403 [and] each casino gaming facility and each licensed sports wagering  
404 operator, as defined in section 1 of this act, and the commissioner may,  
405 from time to time, cause to be made by some competent person in the  
406 department a thorough audit of the books and records of any other  
407 person or business organization licensed under this chapter. All such  
408 audit records shall be kept on file in the commissioner's office at all  
409 times. Each licensee and casino gaming facility shall permit access to  
410 its books and records for the purpose of having such audit made, and  
411 shall produce, upon written order of the commissioner, any documents  
412 and information required for such purpose.

413 Sec. 4. Subsection (b) of section 12-811 of the general statutes is  
414 repealed and the following is substituted in lieu thereof (*Effective July*  
415 *1, 2019*):

416 (b) No director, officer or employee of the corporation shall, directly  
417 or indirectly, participate in, or share in the winnings from, (1) a game  
418 conducted pursuant to sections 12-563a and 12-800 to 12-818, inclusive,  
419 or (2) sports wagering, if the corporation conducts sports wagering  
420 pursuant to section 1 of this act.

421 Sec. 5. Subsection (c) of section 12-812 of the general statutes is  
422 repealed and the following is substituted in lieu thereof (*Effective July*  
423 *1, 2019*):

424 (c) On a weekly basis, the president shall estimate, and certify to the  
425 State Treasurer, that portion of the balance in the lottery fund which  
426 exceeds the current needs of the corporation for the payment of prizes,  
427 the payment of current operating expenses and funding of approved  
428 reserves of the corporation, [ The] and that portion of the balance that  
429 is attributable to the proceeds of sports wagering, as defined in section  
430 1 of this act. Upon notification of receipt of such certification by the

431 Treasurer, the corporation shall transfer the amount so certified from  
432 the lottery fund of the corporation to the General Fund, [upon  
433 notification of receipt of such certification by the Treasurer] except that  
434 the corporation shall transfer the amount attributable to the proceeds  
435 of sports wagering to the sports wagering account established in  
436 section 2 of this act.

437 Sec. 6. Subdivision (2) of section 53-278a of the general statutes is  
438 repealed and the following is substituted in lieu thereof (*Effective July*  
439 *1, 2019*):

440 (2) "Gambling" means risking any money, credit, deposit or other  
441 thing of value for gain contingent in whole or in part upon lot, chance  
442 or the operation of a gambling device, including the playing of a casino  
443 gambling game such as blackjack, poker, craps, roulette or a slot  
444 machine, but does not include: Legal contests of skill, speed, strength  
445 or endurance in which awards are made only to entrants or the owners  
446 of entries; legal business transactions which are valid under the law of  
447 contracts; activity legal under the provisions of sections 7-169 to 7-186,  
448 inclusive; any lottery or contest conducted by or under the authority of  
449 any state of the United States, Commonwealth of Puerto Rico or any  
450 possession or territory of the United States; and other acts or  
451 transactions expressly authorized by law on or after October 1, 1973.  
452 Fantasy contests, as defined in section 12-578aa, as amended by this  
453 act, shall not be considered gambling, provided the conditions set forth  
454 in subsection (b) of section 12-578aa, as amended by this act, have been  
455 met and the operator of such contests is registered pursuant to  
456 subdivision (1) of subsection (d) of section 12-578aa. Sports wagering,  
457 as defined in section 1 of this act, shall not be considered gambling if  
458 the conditions set forth in subsection (b) of section 1 of this act have  
459 been met and the sports wagering is conducted by a sports wagering  
460 operator licensed under section 1 of this act, the Connecticut Lottery  
461 Corporation or a lottery sales agent licensed under section 1 of this act;

462 Sec. 7. Subdivision (4) of section 53-278a of the general statutes is  
463 repealed and the following is substituted in lieu thereof (*Effective July*

464 1, 2019):

465 (4) "Gambling device" means any device or mechanism by the  
466 operation of which a right to money, credits, deposits or other things  
467 of value may be created, as the result of the operation of an element of  
468 chance; any device or mechanism which, when operated for a  
469 consideration, does not return the same value or thing of value for the  
470 same consideration upon each operation thereof; any device,  
471 mechanism, furniture or fixture designed primarily for use in  
472 connection with professional gambling; and any subassembly or  
473 essential part designed or intended for use in connection with any  
474 such device, mechanism, furniture, fixture, construction or installation,  
475 provided an immediate and unrecorded right of replay mechanically  
476 conferred on players of pinball machines and similar amusement  
477 devices shall be presumed to be without value. "Gambling device"  
478 does not include a crane game machine or device or a redemption  
479 machine. A device or equipment used to play fantasy contests, as  
480 defined in section 12-578aa, as amended by this act, shall not be  
481 considered a gambling device, provided the conditions set forth in  
482 subsection (b) of section 12-578aa, as amended by this act, have been  
483 met. A device or equipment used to participate in sports wagering, as  
484 defined in subsection (a) of section 1 of this act, shall not be considered  
485 a gambling device if the conditions set forth in subsection (b) of section  
486 1 of this act have been met;

487 Sec. 8. Section 12-561 of the general statutes is repealed and the  
488 following is substituted in lieu thereof (*Effective July 1, 2019*):

489 No commissioner or unit head or employee of the department shall  
490 directly or indirectly, individually or as a member of a partnership or  
491 as a shareholder of a corporation, have any interest whatsoever in  
492 dealing in any lottery, racing, fronton, betting enterprise or casino  
493 gaming facility or in the ownership or leasing of any property or  
494 premises used by or for any lottery, racing, fronton, betting enterprise  
495 or casino gaming facility. No commissioner or unit head shall, directly  
496 or indirectly, wager at any off-track betting facility, race track or



497 fronton authorized under this chapter, purchase lottery tickets issued  
498 under this chapter, [or] play, directly or indirectly, any authorized  
499 game conducted at a casino gaming facility or place a sports wager  
500 with a sports wagering operator licensed under section 1 of this act,  
501 the Connecticut Lottery Corporation or a lottery sales agent licensed  
502 under section 1 of this act. The commissioner may adopt regulations in  
503 accordance with the provisions of chapter 54 to prohibit any employee  
504 of the department from engaging, directly or indirectly, in any form of  
505 legalized gambling activity in which such employee is involved  
506 because of his or her employment with the department. For purposes  
507 of this section, "unit head" means a managerial employee with direct  
508 oversight of a legalized gambling activity.

509 Sec. 9. Section 12-810 of the general statutes is repealed and the  
510 following is substituted in lieu thereof (*Effective July 1, 2019*):

511 (a) The Freedom of Information Act, as defined in section 1-200,  
512 shall apply to all actions, meetings and records of the corporation,  
513 except (1) where otherwise limited by subsection (c) of this section as  
514 to new lottery games and serial numbers of unclaimed lottery tickets,  
515 [and] (2) with respect to financial, credit and proprietary information  
516 submitted by any person to the corporation in connection with any  
517 proposal to provide goods, services or professional advice to the  
518 corporation as provided in section 12-815, and (3) as provided in  
519 subsection (d) of this section.

520 (b) The records of proceedings as provided in subsection (a) of  
521 section 12-805 shall be subject to disclosure pursuant to the provisions  
522 of subsection (a) of section 1-210.

523 (c) Any new lottery game and the procedures for such game, until  
524 the game is publicly announced by the corporation, and any serial  
525 number of an unclaimed lottery ticket shall not be deemed public  
526 records, as defined in section 1-200, and shall not be available to the  
527 public under the provisions of section 1-210. The president shall  
528 submit a fiscal note prepared by the corporation with respect to the

529 procedures for a new lottery game to the joint standing committees of  
530 the General Assembly having cognizance of matters relating to finance,  
531 revenue, bonding and public safety after approval of such game by the  
532 board.

533 (d) The name and any personally identifying information of a  
534 person who is participating in or has participated in the corporation's  
535 sports wagering voluntary self-exclusion process established in  
536 subdivision (2) of subsection (f) of section 1 of this act or subdivision  
537 (2) of subsection (g) of section 1 of this act shall not be deemed public  
538 records, as defined in section 1-200, and shall not be available to the  
539 public under the provisions of section 1-210. The president may  
540 disclose the name and any records of such person if such person claims  
541 a winning from placing a sports wager.

542 Sec. 10. Subdivision (1) of subsection (a) of section 12-578f of the  
543 general statutes is repealed and the following is substituted in lieu  
544 thereof (*Effective July 1, 2019*):

545 (1) "Authorized games" means any game of chance, including, but  
546 not limited to, blackjack, poker, dice, money-wheels, roulette, baccarat,  
547 chuck-a-luck, pan game, over and under, horse race game, acey-deucey,  
548 beat the dealer, bouncing ball, video facsimile game and any other  
549 game of chance authorized by the Commissioner of Consumer  
550 Protection. "Authorized games" does not include sports wagering, as  
551 defined in subsection (a) of section 1 of this act;

552 Sec. 11. Subsection (b) of section 12-578aa of the general statutes is  
553 repealed and the following is substituted in lieu thereof (*Effective July*  
554 *1, 2019*):

555 (b) The provisions of this section shall not be effective unless the  
556 following conditions have been met:

557 (1) The Governor enters into [amendments to the Mashantucket  
558 Pequot procedures and to the Mashantucket Pequot memorandum of  
559 understanding with the Mashantucket Pequot Tribe and amendments

560 to the Mohegan compact and to the Mohegan memorandum of  
561 understanding with the Mohegan Tribe of Indians of Connecticut  
562 concerning the authorization of fantasy contests in the state] tribal-  
563 state compacts with the Mashantucket Pequot Tribe and the Mohegan  
564 Tribe of Indians of Connecticut pursuant to the federal Indian Gaming  
565 Regulatory Act, P.L. 100-497, 25 USC 2710(d)(3) concerning the  
566 authorization of fantasy contests. Any such tribal-state compact shall:  
567 (A) Allow each tribe to offer fantasy contests on Indian lands, (B)  
568 provide that the authorization of fantasy contests in this state does not  
569 relieve each tribe from the tribe's obligation to contribute a percentage  
570 of the gross operating revenues of video facsimile games to the state as  
571 provided in the Mashantucket Pequot memorandum of understanding  
572 and the Mohegan memorandum of understanding, as the case may be,  
573 and (C) provide that the authorization of fantasy contests in this state  
574 does not terminate the moratoria on the operation of video facsimile  
575 games by the tribes pursuant to section 15(a) of the Mashantucket  
576 Pequot procedures and section 15(a) of the Mohegan compact.

577 [(2) The amendments to the Mashantucket Pequot procedures and  
578 the Mohegan compact shall include a provision that the authorization  
579 of fantasy contests in the state does not terminate the moratorium  
580 against the operation of video facsimile games by the Mashantucket  
581 Pequot Tribe and Mohegan Tribe of Indians of Connecticut on each  
582 tribe's reservation.

583 (3) The amendments to each tribe's memorandum of understanding  
584 shall include a provision that the authorization of fantasy contests in  
585 the state does not relieve each tribe from each tribe's obligation to  
586 contribute a percentage of the gross operating revenues of video  
587 facsimile games to the state as provided in each tribe's memorandum  
588 of understanding.]

589 [(4)] (2) The [amendments to the Mashantucket Pequot procedures,  
590 the Mashantucket Pequot memorandum of understanding, the  
591 Mohegan compact and the Mohegan memorandum of understanding]  
592 tribal-state compacts entered into under subdivision (1) of this

593 subsection are approved or deemed approved by the Secretary of the  
594 United States Department of the Interior pursuant to the federal Indian  
595 Gaming Regulatory Act, P.L. 100-497, 25 USC 2701 et seq., and its  
596 implementing regulations. If such approval is overturned by a court in  
597 a final judgment, which is not appealable, the authorization for fantasy  
598 contests provided under this section shall cease to be effective.

599 [(5)] (3) The [amendments to the Mashantucket Pequot procedures  
600 and to the Mohegan compact] tribal-state compacts entered into under  
601 subdivision (1) of this subsection are approved by the General  
602 Assembly pursuant to section 3-6c.

603 [(6) The amendments to the Mashantucket Pequot memorandum of  
604 understanding and to the Mohegan memorandum of understanding  
605 are approved by the General Assembly pursuant to the process  
606 described in section 3-6c.]

607 Sec. 12. (NEW) (*Effective July 1, 2019*) (a) The Commissioner of  
608 Economic and Community Development shall seek partnerships with  
609 professional sports leagues and governing bodies to promote sports  
610 activities and economic development in this state. The commissioner  
611 shall contact representatives of Major League Baseball, the Professional  
612 Golfers' Association, the Ladies Professional Golf Association, the  
613 National Basketball Association, the National Hockey League, the  
614 National Football League, Major League Soccer, the National Women's  
615 Soccer League and any other professional sports league or governing  
616 body the commissioner identifies. The commissioner may consult with  
617 members of the General Assembly, business leaders, municipal leaders  
618 and other interested stakeholders in developing partnerships with  
619 professional sports leagues or governing bodies. The commissioner  
620 shall set a goal of scheduling at least three major league professional  
621 sports events in the state each year, at locations that reflect the  
622 geographic and demographic diversity of the state.

623 (b) Not later than July 1, 2020, and annually thereafter, the  
624 commissioner shall submit a report, in accordance with the provisions

625 of section 11-4a of the general statutes, to the joint standing committee  
 626 of the General Assembly having cognizance of matters relating to  
 627 public safety and security and commerce concerning the  
 628 commissioner's activities during the preceding year in developing  
 629 partnerships with professional sports leagues and governing bodies  
 630 and scheduling events in the state.

631 Sec. 13. Section 12-565a of the general statutes is repealed. (*Effective*  
 632 *July 1, 2019*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2019</i>	New section
Sec. 2	<i>July 1, 2019</i>	New section
Sec. 3	<i>July 1, 2019</i>	12-577
Sec. 4	<i>July 1, 2019</i>	12-811(b)
Sec. 5	<i>July 1, 2019</i>	12-812(c)
Sec. 6	<i>July 1, 2019</i>	53-278a(2)
Sec. 7	<i>July 1, 2019</i>	53-278a(4)
Sec. 8	<i>July 1, 2019</i>	12-561
Sec. 9	<i>July 1, 2019</i>	12-810
Sec. 10	<i>July 1, 2019</i>	12-578f(a)(1)
Sec. 11	<i>July 1, 2019</i>	12-578aa(b)
Sec. 12	<i>July 1, 2019</i>	New section
Sec. 13	<i>July 1, 2019</i>	Repealer section

**Statement of Purpose:**

To authorize sports wagering in the state if certain conditions are met and to require the Commissioner of Economic and Community Development to seek partnerships with professional sports leagues and governing bodies.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*