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## OLR Bill Analysis

**sHB 6451 (as amended by House "A")\***

### ***AN ACT CONCERNING GAMING AGREEMENTS WITH THE MASHANTUCKET PEQUOT TRIBE AND THE MOHEGAN TRIBE OF INDIANS OF CONNECTICUT.***

#### **SUMMARY**

This bill establishes new frameworks for legalizing and regulating (1) in-person and online sports wagering, (2) online casino gaming, (3) in-person and online keno, (4) online lottery draw games other than keno, and (5) fantasy contests. These frameworks are subject to several conditions, principally that the governor must first enter into specific contractual agreements with the Mashantucket Pequot and Mohegan tribes. These agreements must then be approved by the U.S. Department of Interior (DOI) secretary and published in the Federal Register, pursuant to the federal Indian Gaming Regulatory Act (IGRA) and its implementing regulations.

The bill generally authorizes the tribes and the Connecticut Lottery Corporation (CLC) to operate these games subject to specific requirements, including limiting the authorizations to an initial 10-year period with an option for a five-year renewal.

The bill specifically allows the tribes to conduct the following wagering and gaming: on the tribes' reservations, in-person and online sports wagering as well as fantasy contests; outside the tribes' reservations, one skin for online sports wagering, one skin for online casino gaming, and fantasy contests. (Under the bill, a "skin" is a brand or cobranded name and logo on a website or mobile application for enabling certain online games.)

Under the bill, CLC is authorized to conduct in-person and online sports wagering, online keno, and online lottery draw games. It may specifically conduct in-person sports wagering at up to fifteen facilities, which may be licensed off-track betting (OTB) facilities (i.e.,

Sportech Venues, Inc.) pursuant to an operating agreement.

The bill assigns several regulatory responsibilities to the Department of Consumer Protection (DCP), including adopting specific regulations, establishing and maintaining multiple new gaming licenses, and investigating and enforcing the bill's provisions.

Additionally, the bill requires monthly payments from the tribes and CLC to the General Fund ranging from 13.75% to 20% of gross revenues from sports wagering, online casino gaming, and fantasy contests, and annual payments of \$500,000 from each tribe and \$1 million from the CLC towards certain problem gambling accounts or programs. The bill also delays the authorization for an off-reservation casino gaming facility in East Windsor for 10 years and makes technical and conforming changes.

\*House Amendment "A" strikes the underlying bill and replaces it with similar provisions that, among other things: (1) prohibit sports wagering on games involving Connecticut intercollegiate teams except for tournaments; (2) prevent sovereign immunity defenses from being raised by the tribes and their affiliates; (3) establish five license classes for people and businesses that contract with the tribes and CLC to provide the bill's gaming activities; (4) authorize DCP to issue emergency regulations; (5) require licensees to take specific actions related to responsible play; (6) limit the ability of athletes, coaches, and others to place sports wagers; and (7) require annual contributions by the tribes and CLC towards problem gambling programs.

EFFECTIVE DATE: July 1, 2021, except provisions defining terms and authorizing the governor to reach amended or new agreements with the tribes are effective upon passage.

## **DEFINITIONS, STATE-TRIBAL AGREEMENTS & SEVERABILITY**

### ***Gaming Definitions (§ 1)***

Under the bill, "sports wagering" means risking or accepting any money, credit, deposit, or other thing of value for gain contingent in whole or in part on (1) all or part of a live sporting event, including

future or propositional events during the sporting event, or (2) the individual performance statistics of an athlete or athletes in a sporting event or combination of events. “Sports wagering” does not include the fees for participating in fantasy contests or e-sports. The bill allows sports wagering to be done in-person or over the Internet through a website or mobile device.

“Sporting event” generally means any:

1. sporting or athletic event where two or more people participate, individually or on a team, and receive compensation in excess of actual expenses for their participation;
2. sporting or athletic event sponsored by a higher education institution’s intercollegiate athletic program or an association of intercollegiate athletic programs;
3. Olympic or international sports competition event; or
4. “e-sports” (i.e., electronic sports and competitive video games played as a game of skill) events.

“Sporting event” does not include horse racing, jai alai, or greyhound racing. It also does not include intercollegiate sporting, athletic, and e-sport events that involve a Connecticut intercollegiate team (i.e., a Connecticut public university or college or independent institution of higher education team, or a team for a for-profit college or university physically located in Connecticut that offers in-person classes within the state) unless (1) four or more intercollegiate teams are involved and (2) wagers on the tournament are based on the outcome of all the tournament’s games.

“Online casino gaming” means the following games conducted over the Internet: (1) slots, blackjack, craps, roulette, baccarat, poker and video poker, bingo, live dealer, other peer-to-peer games, and any variations of these games and (2) any games authorized by the Department of Consumer Protection (DCP).

“Keno” is a lottery game where a subset of numbers is drawn from

a larger field of numbers by a central computer system using an approved number generator, wheel system device, or other drawing device.

“Lottery draw game” is any game where one or more numbers, letters, or symbols are randomly drawn at predetermined times, but not more frequently than once every four minutes, from a range of numbers, letters, or symbols; and prizes are paid to players possessing winning plays as set forth in each game’s official game rules. “Lottery draw game” does not include (1) keno, (2) any game involving lottery draw tickets that are not available through a lottery sales agent, or (3) any game that simulates online casino gaming.

“Fantasy contest” is any fantasy or simulated game or contest (excluding lottery games) conducted over the Internet, including through a website or mobile device, in which:

1. players pay an entry fee;
2. the value of all prizes and awards is established and made known to players before the game or contest;
3. all winning outcomes reflect player knowledge and skill and are determined predominantly by accumulated statistical results of participants’ performance in events; and
4. the winning outcome is not based on the score, point spread, or any performance of any single team or combination of teams or solely on any single performance of a contestant or player in a single event.

Lastly, “Internet games” means (1) online casino gaming; (2) online sports wagering; (3) fantasy contests; (4) keno through the Internet, an online service, or a mobile application; and (5) the sale of lottery draw game tickets through the Internet, an online service, or a mobile application.

***State-Tribal Agreement Provisions and Requirements (§§ 1 & 2)***

The bill authorizes the governor to enter into (1) amendments to the existing Mashantucket Pequot procedures, Mohegan compact, and related memoranda of understanding (MOUs) with each tribe (see BACKGROUND) and (2) new compacts with the tribes (“State-Tribal agreements”). These agreements must contain a series of five multi-part provisions.

First, they must permit each tribe to conduct on their tribal reservations (1) in-person sports wagering; (2) online sports wagering, so long as the wagers are placed by people physically present on the reservations; and (3) fantasy contests, so long as the entry fees are paid by participants physically present on the reservations.

Second, the agreements must provide that gaming activities authorized under the bill will not terminate the existing video facsimile moratorium and do not relieve the tribes from their obligations to contribute a percentage of their gross operating revenues from video facsimile games to the state as provided in each tribe’s MOU (see BACKGROUND). This second provision applies if state law at any time authorizes (1) each tribe to conduct the in-person and online sports wagering and fantasy contests described above; (2) each tribe to operate, outside of the tribes’ reservations, one skin for online sports wagering, one skin for online casino gaming, and fantasy contests; and (3) CLC to operate certain games. These games are generally as follows, subject to specific conditions (see below):

1. retail sports wagering at up to 15 facilities throughout the state (for the purposes of the bill, “retail sports wagering” refers to in-person sports wagering conducted in connection with CLC);
2. one skin for online sports wagering;
3. fantasy contests;
4. keno, both at retail through lottery sales agents and online through its website, online service, or mobile application; and
5. lottery ticket sales for lottery draw games through its website,

online service, or mobile application.

Third, the State-Tribal agreements must provide that they will be valid for a 10-year initial term with an option for a five-year renewal term if mutually consented to and exercised by the governor and both tribes.

Fourth, the State-Tribal agreements must also provide that the existing video facsimile moratorium and existing contribution obligations will not terminate if (1) the tribe's authority to conduct online sports wagering, online casino gaming, and fantasy contests outside of the tribe's reservation is ended due to a violation of the bill's conditions of its authority and (2) the other tribe, CLC, or both continue to conduct activities authorized under the bill.

Fifth, and lastly, the State-Tribal agreements must contain a provision (1) ending the agreements' effectiveness if any of their provisions or the bill's provisions are held invalid by a court of competent jurisdiction in a non-appealable final judgment and (2) provide, if the agreements' effectiveness is so ended, that keno may be operated pursuant to the current memoranda of agreement (MOAs) with each tribe (see below).

Under existing state law, both houses of the legislature must approve a tribal-state compact (CGS § 3-6c). However, notwithstanding that law, the bill supersedes this law to instead deem the State-Tribal agreements and renewals described above approved once the governor enters into them without any further action by the legislature.

Under the bill, the State-Tribal agreements are effective and final once approved by the DOI secretary and published in the Federal Register. But if her approval is overturned by a court of competent jurisdiction in a non-appealable final judgement, then the bill's provisions cease to be effective and keno may be operated pursuant to the MOAs with each tribe.

***MOA Amendments (§ 27)***

Under current law, CLC exclusively operates keno in Connecticut outside of the tribes' reservations pursuant to MOAs with each tribe (CGS §§ 12-806 & -806c). CLC's keno is currently played by purchasing paper tickets from lottery sales agents as both the agreements and current law prohibit playing keno through a video facsimile machine (e.g., through a computer).

The bill authorizes the Office of Policy and Management (OPM) secretary, on behalf of the state, and the Mashantucket Pequot and Mohegan tribes to amend the current MOAs to provide that they will not be effective during the period of the time that CLC is operating keno, both at retail through lottery sales agents and online through its website, online service, or mobile application, under a master wagering license issued under the bill (see below).

***General Severability Provision (§ 44)***

Under existing law, if any provision of an act or its application is held invalid, then its invalidity must not affect other provisions or applications of the act (CGS § 1-3). The bill supersedes this law and instead provides that if any of the bill's provisions are held invalid by a court of competent jurisdiction in a non-appealable final judgment, then all provisions in the bill will cease to be effective and keno may be operated pursuant to the current MOAs with each tribe (i.e., exclusively at retail through lottery sales agents).

**LICENSES AND DCP REGULATIONS**

The bill establishes master wagering licenses that DCP may issue to the Mashantucket Pequot and Mohegan tribes and the CLC. It also creates additional licenses for (1) online gaming operators, (2) sports wagering retailers, (3) online gaming service providers, and (4) key and occupational employees, as those terms are defined in the bill. Applicants for the additional licenses must apply on a form in the manner prescribed by the DCP commissioner. Once obtained, these licenses must be renewed annually. The bill requires DCP to adopt certain regulations related to these licenses and other provisions of the bill.

***Master Wagering Licenses (§§ 3 & 4)***

The bill establishes a master wagering license that, when held by the Mashantucket Pequot or Mohegan tribe or an instrumentality or affiliate wholly-owned by a tribe, permits the holder to operate, within the state and outside of the tribes' reservations, (1) one skin for online sports wagering, (2) one skin for online casino gaming, and (3) fantasy contests.

The bill authorizes the DCP commissioner to issue this license to those entities if: (1) the State-Tribal agreements are effective, (2) she determines that the bill's requirements for issuing a master wagering license to CLC have been met (see below), and (3) the governing bodies of both tribes enact specific resolutions. Each resolution must provide that (1) the tribe waives the sovereign immunity defense with respect to any action against it as a master wagering licensee and against an instrumentality or affiliate wholly-owned by the tribe acting on behalf of the tribe as a master wagering licensee to compel compliance with requirements under the bill and regulations adopted under it, as applicable; (2) if the tribe, or its instrumentality or affiliate, fails to pay any fees or taxes due to the state applicable to gaming authorized under the bill, then the tribe waives the sovereign immunity defense with respect to any state action to collect the fees or taxes; and (3) the venue for these actions or claims must be in the Hartford judicial district.

Additionally, the bill authorizes the DCP commissioner to issue, as soon as practicable after issuing the above licenses, a master wagering license to CLC to operate certain games if (1) the State-Tribal agreements are effective, (2) amendments to the MOAs are effective, and (3) she determines that the bill's requirements for issuing master wagering licenses to the tribes or their instrumentalities or affiliates have been met. The games CLC may operate are generally as follows, subject to specific conditions (see below):

1. retail sports wagering at up to 15 facilities throughout the state;
2. one skin for online sports wagering;



3. fantasy contests;
4. keno, both at retail through lottery sales agents and online through its website, online service, or mobile application; and
5. lottery ticket sales for lottery draw games through its website, online service, or mobile application.

Under the bill, each master wagering licensee may not operate their respective gaming until related DCP regulations adopted under the bill are effective (see below).

***Online Gaming Operator License (§§ 1 & 8)***

Under the bill, an “online gaming operator” is a person or business entity that operates an electronic wagering platform and contracts directly with a master wagering licensee to provide (1) one or more Internet games or (2) retail sports wagering. An “electronic wagering platform” is the hardware, software, and data networks used to manage, administer, offer, or control Internet games or retail sports wagering.

The bill requires all online gaming operators to obtain a license in order to provide services. The initial license application fee is \$250,000 and the annual renewal fee is \$150,000.

***Sports Wagering Retailer License (§§ 1 & 7)***

Under the bill, a “sports wagering retailer” is a person or business entity that contracts with CLC to facilitate retail sports wagering operated by CLC through an electronic wagering platform.

The bill requires all sports wagering retailers to obtain a license in order to provide services. The initial license application fee is \$20,000 and the annual renewal fee is \$20,000.

Under the bill, CLC is not required to obtain a sports wagering retailer license if it obtains a master wagering license.

***Online Gaming Service Provider License (§§ 1 & 6)***

Under the bill, an “online gaming service provider” is a person or

business entity, other than an online gaming operator, that provides goods or services to, or otherwise transacts business related to, Internet games or retail sports wagering with a master wagering licensee or a licensed online gaming operator, online gaming service provider, or sports wagering retailer.

The bill requires certain online gaming service providers to obtain a license in order to provide goods or services or to otherwise transact business if DCP regulations require them to do so (see below). The initial license application fee is \$2,000, and the annual renewal fee is \$2,000.

**Key Employee License (§§ 1 & 10)**

Under the bill, a “key employee” is an individual with the following position or an equivalent title associated with a master wagering licensee or a licensed online gaming service provider, online gaming operator, or sports wagering retailer:

1. president or chief officer, who is the licensee’s top-ranking individual and is responsible for all staff and the overall direction of business operations;
2. financial manager, who is the individual who reports to the president or chief officer and is generally responsible for overseeing the licensee’s financial operations, including revenue generation, distributions, tax compliance, and budget implementation; or
3. compliance manager, who is the individual that reports to the president or chief officer and is generally responsible for ensuring the licensee complies with all laws, regulations, and requirements related to the licensee’s operation.

“Key employee” also includes an individual who (1) exercises control over technical systems; (2) has an ownership interest (i.e., holding 5% or more of the total ownership or interest rights in the licensee individually and in the aggregate with the individual’s spouse, parent, and child, though tribal membership in and of itself does not constitute

ownership for these purposes); or (3) exercises sufficient control in, or over, a licensee as to require licensure in the DCP commissioner's judgment.

The bill requires, by July 1, 2022, and annually thereafter, each master wagering licensee or licensed online gaming operator, online gaming service provider, or sports wagering retailer to provide to DCP a written list of key employees representing the licensee.

The bill requires key employees to obtain a license from DCP. It also requires the DCP commissioner to establish criteria, through regulations required under the bill, to exercise discretion to exempt a key employee from licensure requirements if the commissioner determines the key employee is not required to be licensed to protect the integrity of gaming.

As part of a key employee license application, the bill authorizes the DCP commissioner to require applicants to:

1. submit to a state and national criminal history records check conducted through the State Police in accordance with state law, which may include a financial history check if requested by the DCP commissioner, to determine the applicant's character and fitness for the license;
2. provide information related to other business affiliations; and
3. provide, or allow DCP to obtain, other information in order to determine the applicant's fitness to hold the license.

Alternatively, for initial license applicants, the bill authorizes the DCP commissioner to accept (1) a third-party's local and national criminal background check that includes a multistate and multijurisdictional criminal record locator or other similar commercial nation-wide database with validation and (2) other background screening as the commissioner may require. The bill requires that a third-party's criminal background check be conducted by a third-party consumer reporting agency or background screening company that is in

compliance with the federal Fair Credit Reporting Act and accredited by the Professional Background Screening Association.

The initial license application fee is \$200, and the annual renewal fee is \$200; however, the initial fee is waived for any key employee who holds an active occupational gaming license issued by DCP.

***Occupational Employee License (§§ 1 & 9)***

Under the bill, an “occupational employee” is an employee of a master wagering licensee or a licensed online gaming service provider, online gaming operator, or sports wagering retailer.

The bill requires certain occupational employees, other than key employees, to obtain an occupational employee license before starting their employment based on their prospective job duties. Specifically, they must obtain the license if they will be directly or substantially involved in operating Internet games or retail sports wagering in a manner impacting the integrity of the gaming or wagering, data security, patron interaction, game or equipment testing, or any other aspect of a licensee’s gaming activity that impacts the integrity of gaming. The bill further deems an occupational employee to be so directly or substantially involved if he or she:

1. is capable of affecting a wager’s outcome through deployment of code to production for any critical component of an electronic wagering platform,
2. can deploy code to production and directly supervises individuals who have the capability of affecting the outcome of Internet games through deployment of code to production for other than read-only access or the equivalent access to any critical component of an electronic wagering platform, or
3. directly manages gaming operations or directly supervises an individual who directly manages gaming operations.

Under the bill, a “critical component” is an electronic wagering platform component that records, stores, processes, shares, transmits,

or receives sensitive information (e.g., validation numbers and personal identification numbers) or that stores the results or the current state of a participant's wager for an Internet game.

The initial license application fee is \$50, and the annual renewal fee is \$50; however, the bills waives the initial fee for any occupational employee who holds an active occupational gaming license issued by DCP.

***Licensees Document Maintenance and Production (§ 12)***

The bill requires licensees and those keeping documents on their behalf to maintain documents related to the operations of gaming authorized under the bill in an auditable format for the current taxable year and the five preceding taxable years. The bill prohibits using a foreign language, codes, or symbols in keeping these documents.

The bill also requires people and businesses that receive a request for documents from DCP to (1) immediately make them available for inspection and copying by the DCP commissioner and (2) produce copies to the commissioner or her authorized representative within two business days. Requested documents must be provided in electronic format unless it is not commercially practical.

Under the bill, these requirements do not apply to any gaming conducted on the tribes' reservations.

***Licensees Suspensions, Fines, and Other Penalties (§ 13)***

The bill authorizes the DCP commissioner, when there is sufficient cause found, to (1) suspend or revoke a license; (2) issue fines of up to \$25,000 per violation; (3) accept offers in compromise or refuse to grant or renew a license; (4) place a license holder on probation; (5) place conditions on a license; or (6) take other actions permitted by law.

Under the bill, sufficient cause includes:

1. furnishing false or fraudulent information in any license application or failing to comply with representations made in any application;

2. a civil judgment against, or criminal conviction of, a licensee or key employee of an applicant or licensee;
3. discipline by, or a pending disciplinary action or an unresolved complaint against, an owner, key employee, or applicant regarding any professional license or registration of any federal, state, or local government;
4. denial, suspension, or revocation of a license or registration, or the denial of a renewal of the same, by any federal, state, or local government or a foreign jurisdiction;
5. false, misleading, or deceptive representations to the public or DCP;
6. involvement in a fraudulent or deceitful practice or transaction;
7. performance of negligent work that involves a substantial monetary loss or a significant lack of sound judgment;
8. permitting another person to use the licensee's license;
9. failure to properly license occupational employees or to notify DCP of a change in key employees or owners;
10. an adverse administrative decision or delinquency assessment against the licensee from the Department of Revenue Services;
11. failure to cooperate or give information to DCP, local law enforcement authorities, or any other enforcement agency upon any matter related to the licensee's credential or gaming operations; or
12. failure to comply with the bill's provisions, corresponding regulations, or any other provision of the general statutes that impacts the integrity of gaming in this state, including failure of an online gaming operator who contracts with CLC to abide by the conditions for operating a skin for online sports wagering.

The bill requires the DCP commissioner, when refusing to issue or

renew a license, to notify the applicant of the denial and the applicant's right to request a hearing within 10 days after the date of receiving the denial notice. If the applicant requests a hearing within that period, the commissioner must give notice of the grounds for her refusal and conduct a hearing on the refusal in accordance with the Uniform Administrative Procedure Act (UAPA) concerning contested cases. If the commissioner's license denial is sustained after a hearing, the bill prohibits the applicant from applying for a new license until at least one year after the denial was sustained.

Additionally, the bill prohibits anyone whose license has been revoked from applying for another license issued under the bill for a period of at least one year after the date of the revocation.

Under the bill, the DCP commissioner is not prevented from suspending or revoking a license or registration or imposing other permitted penalties if a holder voluntarily surrenders or fails to renew the license or registration.

***License Expirations (§§ 3 & 4)***

The bill requires a master wagering license held by a tribe or a tribe's instrumentality or affiliate to expire (1) upon the expiration of the State-Tribal agreements' initial or renewal period, (2) if a tribe operates E-bingo machines at a casino on the tribe's reservation at any time during the 10-year initial term of the agreements, or (3) if the holder ceases to be a tribe or an instrumentality or affiliate of a tribe. Under the bill, "E-bingo machine" means an electronic device categorized as a class II machine under IGRA used to play bingo that is confined to a game cabinet and is substantially similar in appearance and play to a class III slot machine. It does not include any other electronic device, aid, instrument, tool, or other technological aid used to play any in-person class II bingo game.

The bill also requires a master wagering license held by CLC to expire upon the expiration of the State-Tribal agreements' initial or renewal period.

In both circumstances, upon the expiration of a master wagering license, the bill requires all other licenses associated with it, including licenses for an online gaming operator, online service provider, or sports wagering retailer and all corresponding key and occupational employee licenses, to expire without the need for any further action by DCP.

***DCP Regulations (§§ 6, 16 & 45)***

The bill requires the DCP commissioner to adopt regulations, to the extent not prohibited by federal law or any IGRA-related agreement, to implement the bill's gaming provisions. The regulations must address:

1. the operation of and participation in Internet games and retail sports wagering;
2. licensing requirements, including criteria for determining when licensure as (A) an online gaming service provider is required and (B) a key employee is not necessary in order to protect the integrity of gaming;
3. the designation of additional games that may be permitted as online casino gaming;
4. voluntary self-exclusion programs for Internet games and retail sports wagering;
5. technical standards, security features, and testing applicable to gaming operations and systems, including electronic wagering platforms;
6. game procedure approval;
7. complaint resolution processes;
8. enforcement actions;
9. age and location verification program standards;



10. revenue auditing and reporting standards, which must include a requirement that all payments be accompanied by a detailed supporting report on a form approved by the DCP commissioner;
11. compliance reporting and disclosure requirements;
12. marketing and advertising standards; and
13. any other provisions the commissioner deems necessary to protect the public interest and gaming integrity.

For regulations establishing criteria for when licensure as an online gaming service provider is required, the bill requires they be based, in part, on whether a provider supplies:

1. goods or services related to accepting wagers for Internet games or retail sports wagering, including, services to determine the location and identity of customers such as geolocation and “know your customer” services, payment processing, and data provision; or
2. other goods or services that DCP determines are used in, or are incidental to, Internet games or retail sports wagering, in a manner requiring licensing in order to contribute to the public confidence and trust in the credibility and integrity of the gaming industry in the state.

The bill allows the DCP commissioner to adopt these regulations as emergency regulations. By law, an agency may adopt an emergency regulation either without prior notice and hearing or with an abbreviated notice and hearing process if the agency makes a specific finding (e.g., due to an imminent peril to the public health, safety, or welfare) and states in writing its reasons for that finding and the governor approves the finding in writing (CGS § 4-168(g)). Notwithstanding that law, the bill allows for the adoption of these regulations as emergency regulations without the commissioner making the finding so long as the governor approves the need for

them to be adopted as such.

Under existing law, an emergency regulation is effective for up to 180 days from the date it is approved and posted online, with limited exceptions. Regulations, including emergency regulations, are generally effective when the secretary of the state posts them on the eRegulations system (CGS § 4-168).

The bill also eliminates the requirement that DCP adopt regulations to regulate wagering on sporting events to the extent permitted by state and federal law (CGS § 12-565a). To date, DCP has not adopted such regulations.

### **SPECIFIC REQUIREMENTS FOR EACH GAME TYPE**

#### ***Online Casino Gaming by the Tribes (§ 3)***

The bill authorizes each tribe or a tribe's instrumentality or affiliate that holds a master wagering license to enter into an agreement with a licensed online gaming operator to provide skin services for online casino gaming.

#### ***Online Sports Wagering by the Tribes and CLC (§§ 3 & 4)***

The bill authorizes each tribe or a tribe's instrumentality or affiliate that holds a master wagering license to enter into an agreement with a licensed online gaming operator to provide skin services for online sports wagering.

The bill authorizes CLC, under its master wagering license, to enter into an agreement with a licensed online gaming operator to provide skin services for online sports wagering so long as:

1. the skin is not branded along with an entity or brand that operates a physical casino in any jurisdiction;
2. the skin does not directly market or promote a physical casino that operates in any jurisdiction, including through awarding players' points, free play, promotions, or other marketing activities;

3. CLC may contract with an entity that operates in a physical casino in any jurisdiction; and
4. if CLC contracts with an entity that is owned by a casino operator, the entity may not use any patron information collected as a result of CLC's agreement with an online gaming operator for purposes of marketing or any other purposes related to acquiring patrons.

***Retail Sports Wagering by CLC (§§ 4, 5 & 37)***

The bill authorizes CLC, under its master wagering license, to operate retail sports wagering at up to 15 facilities located throughout the state, so long as none of the facilities are located within 25 miles of either tribe's reservation. The bill specifically requires CLC to have facilities in Bridgeport and Hartford by developing new facilities or entering into an agreement with a licensed sports wagering retailer for facilities in Bridgeport and Hartford. It otherwise authorizes CLC to enter into one or more agreements to facilitate retail sports wagering with licensed sports wagering retailers, including the OTB licensee. Retail sports wagering conducted under these agreements must be done in accordance with the bill's requirements. Lastly, the bill requires these agreements to expire upon the expiration of the State-Tribal agreements' initial or renewal period.

***Keno by CLC (§§ 4 & 28)***

The bill authorizes CLC, under its master wagering license, to operate keno, both at retail through lottery sales agents and online through its website, online service, or mobile application. The bill conditions this authorization on requirements that (1) drawings are limited to no more than once every three minutes and (2) Connecticut makes payments to each tribe of 12.5% of the gross gaming revenue from keno.

For the purposes of the payments under the bill, "gross gaming revenue from keno" means the total of all sums CLC receives from operating keno both through lottery sales agents and through CLC's website, online service, or mobile application, less the total of all sums

paid as winnings to patrons and any federal excise tax applicable to such sums received. For purposes of calculating winnings, the bill excludes merchandise or other things of value included in a jackpot or payout. Currently, under the MOAs, the state must distribute to each tribe 12.5% of the “gross operating revenues” (i.e., total sum wagered, less amounts paid out as prizes) from CLC’s current operation of keno.

***Online Lottery by CLC (§§ 4 & 29)***

The bill authorizes CLC, under its master wagering license, to sell lottery tickets for lottery draw games through CLC’s website, online service, or mobile application so long as:

1. the lottery draw games occur regularly and not more frequently than once every four minutes;
2. CLC submits to the DCP commissioner official game rules for each lottery draw game that CLC seeks to offer online and the DCP commissioner, or an independent third-party selected by her, approves, in writing, the official rules for a game before tickets are sold (the bill requires that CLC pay all costs associated with obtaining an approval from an independent third-party); and
3. the results of lottery draw game drawings are displayed on CLC’s website, online service, or mobile application, if the lottery draw game drawings do not take place on CLC’s website, online service, or mobile application.

After starting its online lottery sales, the bill requires CLC to conduct a public awareness campaign to educate the public on responsible gambling and inform them of available programs that prevent, treat, and rehabilitate compulsive gamblers in Connecticut. Additionally, CLC may implement initiatives to promote purchasing lottery tickets through lottery sales agents and for online lottery draw games.

The bill also authorizes CLC to advertise lottery games on its website, online service, or mobile application. However, it prohibits

CLC from offering any interactive lottery game, including for promotional purposes.

***Fantasy Contests by the Tribes and CLC (§§ 3, 4, 28, 29 & 45)***

Current law establishes a framework for legalizing and regulating fantasy contests under which prospective fantasy contest operators register with DCP. However, to date, the necessary conditions for that framework to go into effect have not been satisfied. The bill eliminates these provisions and instead authorizes master wagering licensees (i.e., each tribe, or a tribe's instrumentality or affiliate, and CLC) to operate fantasy contests as described above and makes conforming changes.

***Off-Reservation Casino Gaming Facility (§§ 25 & 26)***

Current law authorizes the operation of an off-reservation casino gaming facility in East Windsor, Connecticut by MMCT Venture, LLC, which is a company jointly owned and operated by the Mashantucket Pequot and Mohegan tribes. The bill delays this authorization through the 10-year initial term of the bill's State-Tribal agreements. Additionally, the bill suspends, through the 10-year initial term of the bill's State-Tribal agreements, a provision requiring MMCT to provide a \$30 million, interest-free advance to the state by June 30, 2019. To date, MMCT has not submitted the advance.

**PROVISIONS AFFECTING MULTIPLE GAME TYPES**

***Tribal Employees Enforcement Defenses (§ 11)***

The bill prohibits certain key and occupational employees from raising the defense of sovereign immunity with respect to actions brought against them in their employee capacities to enforce applicable provisions of the bill and regulations adopted under it. This prohibition specifically applies to key and occupational employees of (1) a tribe or its instrumentality or affiliate that holds a master wagering license, (2) an online gaming operator or online gaming service provider that is an Indian tribe or an instrumentality of or affiliate wholly-owned by an Indian tribe.

***State Investigative and Injunctive Powers (§ 12)***

The bill authorizes the DCP commissioner to conduct investigations

and hold hearings on any matter relating to gaming authorized under the bill. She may also issue subpoenas, administer oaths, compel testimony, order the production of books, records, and documents, and, if a person refuses to appear, testify, or produce any book, record, or document, apply to Superior Court for order to aid in her enforcement. The bill also authorizes the Attorney General, at the DCP commissioner's request, to apply for temporary and permanent injunctions to prevent anyone from violating the bill's provisions. The bill expressly provides that these authorizations do not apply to any gaming conducted on the tribes' reservations under IGRA.

***Age Monitoring and Location Restrictions (§ 14)***

Under the bill, only people who are at least 21 years old and physically present in the state may place wagers through online sports wagering, retail sports wagering, and online casino gaming operations that are conducted outside of the tribes' reservations. In the case of retail sports wagering, a person must specifically be physically present at a retail sports wagering facility. For fantasy contests, the bill limits participation to people who are at least 18 years old.

Relatedly, the bill requires electronic wagering platforms used for online and retail sports wagering, online casino gaming, online keno, online lottery draw games, or fantasy contests to:

1. verify that gaming account holders meet age and physical presence requirements when participating (see below);
2. provide a mechanism to prevent the unauthorized use of an account; and
3. maintain the security of wagering, participation, or purchasing data and other confidential information.

In the case of online sports wagering and online casino gaming, the platforms must verify that account holders are at least 21 years old and physically present in the state when placing a wager. For retail sports wagering, the platforms must verify that account holders are at least 21 years old and physically present at a retail sports wagering facility. For

keno and lottery draw game, the platforms must verify that account holders are at least 18 years old and physically present in the state when participating or purchasing tickets. For fantasy contests, the platforms must verify that account holders are at least 18 years old.

***Athletes, Coaches, and Other Restricted Sports Wagering Participants (§§ 1 & 15)***

The bill also establishes several restrictions on who may place a sports wager and the circumstances for doing so. Specifically, the bill prohibits:

1. athletes, coaches, and referees who take part in a sporting event and e-sport participants from placing a wager on any sporting event they participate in; and
2. owners with a direct or indirect legal or beneficial ownership interest of at least 5% of a sport governing body's member team from placing a wager on any sporting event in which the member team participates (tribal membership in and of itself does not constitute ownership for these purposes).

Under the bill, a sports governing body is an organization that prescribes final rules and enforces codes of conduct with respect to a sporting event and its participants. The bill also prohibits the following people from placing a wager on any sporting event overseen by a sports governing body:

1. athletes, coaches, and referees who take part in a sporting event of the sports governing body;
2. the sports governing body's employees holding positions of authority or influence over sporting event participants;
3. employees of the sport governing body's member teams holding positions of authority or influence over sporting event participants; and
4. bargaining unit personnel of the sports governing body's athletes or referees.

Regarding these prohibitions, the bill requires master wagering licensees and licensed online gaming operators, online gaming service providers, and sports wagering retailers to use reasonably available public information and to exercise reasonable efforts to obtain information from DCP or the relevant sports governing body regarding the owners and employees described above.

The bill further prohibits anyone from placing a sports wager on another's behalf and to wager on the account of, or for, another person. It also prohibits master wagering licensees and licensed online gaming operators, online gaming service provider, and sports wagering retailers from accepting wagers from a person on the account of, or for, another person.

The bill also prohibits certain people associated with master wagering licensees and licensed online gaming operators, online gaming service providers, and sports wagering retailers from placing any wager on a sporting event with the respective licensee. The prohibition applies to licensee officers, directors, owners, and key and occupational employees, and their family members who reside in the same household. The bill provides that tribal membership in and of itself does not constitute ownership for these purposes.

The bill prohibits master wagering licensees and licensed online gaming operators, online gaming service provider, and sports wagering retailers from knowingly paying any winnings to a person who places a wager in violation of the above sports wagering restrictions.

The bill authorizes sports governing bodies to request that the DCP commissioner restrict, limit, or exclude wagering on a sporting event by providing notice in a form and manner she prescribes. The commissioner may take any action she deems necessary to ensure the integrity of wagering on the event.

***Consumer Protection Requirements (§ 14)***

The bill requires master wagering licensees and licensed online



gaming operators, online gaming service providers, and sports wagering retailers to, where applicable based on the service provided:

1. prohibit individuals from establishing more than one account on each electronic wagering platform operated by the licensee;
2. limit people to the use of only one debit card or only one credit card for an account and place a monetary limit on credit card use over a time period;
3. allow people to limit the amount of money that may be deposited into an account and spent per day through an account;
4. provide that any money in an online account belongs solely to the account's owner and may be withdrawn by the owner;
5. establish a voluntary self-exclusion process to allow people to (a) exclude themselves from establishing an account, (b) exclude themselves from placing wagers through an account, or (c) limit the amount they may spend using such an account; and
6. provide responsible gambling and problem gambling information to participants.

The bill also requires these entities to conspicuously display on each applicable website or mobile application the following:

1. a link to a description of the above requirements in the bill,
2. a link to responsible gambling information,
3. the toll-free telephone number an individual may use to obtain information about problem gambling,
4. a link to information about the voluntary self-exclusion process described above,
5. a clear display or periodic pop-up message of the amount of time an individual has spent on the operator's website or mobile

application,

6. a means to initiate a break in play to discourage excessive play, and
7. a clear display of the amount of money available to people in their accounts.

***Responsible Play Review (§ 14)***

The bill requires each master wagering licensee to, at least every five years, pay for and be subject to an independent review of the operations under its license regarding responsible play, as assessed by industry standards. This review must be performed by a third-party approved by DCP.

***Advertisement Restrictions (§ 14)***

The bill prohibits advertisements of online and retail sports wagering and online casino gaming from (1) depicting someone under 21 years old unless he or she is a professional or collegiate athlete who, if permitted by law, is able to profit from the use of his or her name, or (2) being aimed exclusively or primarily at people under 21 years old.

***General Fund Payments & Transfers; Taxes (§§ 17-19 & 33-34)***

Under the bill, each tribe or a tribe's instrumentality or affiliate that holds a master wagering license must pay to the General Fund 18% of its gross gaming revenue from online casino gaming outside the tribe's reservation during the first five years of operation and then 20% during the sixth and any succeeding year of operation. Licensees must start making payments by the 15th day of the month after the month the licensee begins operating online casino gaming and then by the 15th of each month afterwards.

Additionally, each tribe or a tribe's instrumentality or affiliate that holds a master wagering license must pay to the General Fund 13.75% of its (1) gross gaming revenue from its online sports wagering and (2) gross receipts from its fantasy contests, each of which are operated outside the tribe's reservation. As a master wagering licensee, CLC must also pay the same percentage based on its retail and online sports

wagering gross gaming revenue and fantasy contest gross receipts. In all instances, these licensees must start making their payments by the 15th day of the month after the month the licensee begins operations and then by the 15th of each month afterwards.

Under the bill, gross gaming revenue for both online casino gaming and sports wagering is the total of all sums received, less the total of all sums paid as winnings to patrons and any federal excise tax applicable to such sums received. For purposes of calculating winnings, the bill excludes merchandise or other things of value included in a jackpot or payout. It also generally excludes from the calculation of gross gaming revenue coupons or credits issued to and played by patrons under a promotional program, as long as the aggregate amount does not exceed the following limits:

1. 25% of gross gaming revenue for any month during the first year the activity operates,
2. 20% of gross gaming revenue for any month during the second year the activity operates, or
3. 15% of gross gaming revenue for any month during the third or succeeding year the activity operates.

If coupons or credits exceed these limits, the bill requires the excess amount of coupons or credits used in the calendar month to be included in the calculation of gross gaming revenue. For the purpose of determining the year of operation, the bill requires it be measured from the date that the first master wagering license is issued to a tribe or a tribe's instrumentality or affiliate or the date that DCP adopts the above regulations, whichever is later.

Under the bill, gross receipts for fantasy contests is the total of all entry fees collected, less the total amount paid out as prizes to participants multiplied by the location percentage, which is the percentage rounded to the nearest tenth of a percent of the total entry fees collected from participants located in Connecticut divided by the total of entry fees collected from all participants.

Under current law, CLC must deposit the proceeds of its ticket sales into a lottery fund from which, among other things, prizes are paid. CLC must transfer to the General Fund on a weekly basis any balance of the lottery fund that exceeded the corporation's needs for paying lottery prizes and meeting operating expenses and reserves, with an exception for payments to instead be directed to the Connecticut Teachers' Retirement Fund Bonds Special Capital Reserve Fund in certain circumstances. The bill renames CLC's lottery fund as the lottery and gaming fund and directs the proceeds from online and retail sports wagering and fantasy contests into it from which winnings must be paid and the above payments to the General Fund based on their grosses be made.

The bill also specifies that CLC's operation of gaming authorized under the bill is considered performing an essential government function, and this operation must be free from any taxes as is the case under current law for existing games.

***DCP Regulatory Assessments (§§ 6, 8-10, 20 & 29)***

The bill requires the DCP commissioner to estimate and assess the reasonable and necessary costs the department will incur each fiscal year to regulate the operation of online sports wagering and online casino gaming conducted outside of the tribes' reservations by each tribe or a tribe's instrumentality or affiliate that holds a master wagering license. She must do this, after consulting with each licensee, at the start of any fiscal year in which a game is conducted and by September 30 of each fiscal year afterwards. The bill requires that these estimated costs not exceed the estimate of expenditure requirements that the commissioner must transmit as part of biennial budget requests.

Each licensee must submit payment by the date the DCP commissioner specifies, so long as it is at least 30 days after the assessment date and no payment will be due prior to the commencement of the licensee's online sports wagering and online casino gaming operations. The bill requires the commissioner to remit all funds received to the state treasurer, who in turn must deposit them

into a fund established by the bill (the “State Sports Wagering and Online Gaming Regulatory Fund”). This fund must contain any moneys required or permitted to be deposited in it, including licensing fees collected by DCP for online gaming service providers, online gaming operators, and key and occupational employees that are affiliated with the licensee, and must be held by the treasurer separate and apart from all other moneys, funds, and accounts. Any balance remaining in the fund at the end of any fiscal year must be carried forward for the next fiscal year. The treasurer must expend money in the fund to pay the costs incurred by DCP to regulate the licensees’ online sports wagering and online casino gaming.

The bill requires the comptroller to annually, by September 30, calculate the actual reasonable and necessary costs incurred DCP to regulate the licensees’ online sports wagering and online casino gaming during the prior fiscal year. The treasurer must set aside amounts received through DCP’s assessment in excess of those actual costs, which must be considered a surplus.

Under the bill, assessments for any fiscal year must be reduced pro rata by any surplus amount or increased pro rata by any deficit amount from the prior fiscal year’s amount. Additionally, the assessments must be reduced by the amount of licensing fees paid to DCP during the prior fiscal year for licenses for online gaming service providers, online gaming operators, and key and occupational employees that are affiliated with the licensee.

If a licensee is aggrieved by an assessment, it may request a hearing before the DCP commissioner within 30 days of the assessment. The commissioner must hold a hearing, in accordance with the UAPA, within 30 days after receiving the request and her decision may be appealed to Superior Court in accordance with the UAPA.

Relatedly, by law, OPM must annually assess CLC an amount that is enough to compensate DCP for its reasonable and necessary costs for regulating specific CLC activities (CGS § 12-806b). The bill adds to those activities the operation of the lottery, keno, retail sports

wagering, online sports wagering, and fantasy contests.

***Tribe Minimum Contributions (§ 21)***

Under the state's existing MOUs with the tribes, they must pay the state a minimum contribution each fiscal year to maintain their exclusive rights to operate video facsimile machines and other casino games (see BACKGROUND). The bill requires that online sports wagering and online casino gaming revenue payments from operations outside of the tribes' reservations during the first five years of operation be counted toward the minimum contribution.

After that five-year period, (1) the tribes' minimum contribution obligations must continue as provided in the MOUs, subject to any agreements between the state and a tribe regarding the source of payments that may be used to satisfy the obligation and (2) the state must meet and confer in good faith with each tribe concerning which payments made to the state by each tribe should count toward each tribe's obligation.

***Contributions to Problem Gambling Programs (§§ 22, 35 & 43)***

The bill requires each tribe or a tribe's instrumentality or affiliate that holds a master wagering license to contribute, in each fiscal year it holds the license, \$500,000 to support problem gambling programs in Connecticut. The licensees' may specifically make payments to (1) the chronic gamblers treatment rehabilitation account or (2) nonprofit entities with problem gambling support programs. Under the bill, contributions must be reduced pro rata in any fiscal year that the licensee did not the license for the entire fiscal year. The bill requires each licensee to submit to DCP, on an annual basis and as a condition of continued licensure, information on the recipients of its contribution.

Additionally, the bill generally increases, from \$2.3 to \$3.3 million, the amount that CLC must transfer each fiscal year to the chronic gamblers treatment rehabilitation account from revenue it receives from its gaming. Under existing law, \$2.3 million must be from lottery ticket sales revenue, and, under the bill, \$1 million must be from

revenue from retail and online sports wagering and fantasy contests. However, CLC may reduce the \$1 million transfer amount pro rata in any fiscal year that it does not operate that gaming for the entirety of the fiscal year.

***Credit Cards (§§ 38 & 39)***

The bill specifically allows the use of credit cards for online casino gaming, online and retail sports wagering, fantasy contests, online keno, and online lottery draw games. It does this by exempting participation in those games from the laws voiding and recovering certain wagering contracts.

***Gambling Ban Exemptions (§§ 40-42)***

The bill exempts from the state's illegal gambling law online casino gaming, online and retail sports wagering, and fantasy contests, along with the devices or equipment used to participate in those, if done or used in accordance with the bill's requirements. Under the bill, criminal laws on illegal gambling do not apply to advertising, operating, or participating in online casino gaming, online sports wagering, and retail sports wagering that is conducted outside of the tribes' reservations.

A violation of the gambling laws is generally a class B misdemeanor, punishable by up to six months imprisonment, a fine of up to \$1,000, or both (CGS § 53-278b). Additionally, anyone who, among other things, knowingly owns, possesses, or rents a gambling device is guilty of a class A misdemeanor, punishable by up to one-year imprisonment, a fine of up to \$2,000, or both (CGS § 53-278c).

**OTHER PROVISIONS AFFECTING CLC AND DCP**

***DCP Oversight of CLC (§ 30)***

The bill extends DCP's authority to regulate CLC's activities to include online and retail sports wagering and fantasy contests. Additionally, CLC must, before implementing a procedure designed to assure the integrity of online and retail sports wagering and fantasy contests, obtain the DCP commissioner's written approval, as is the case under existing law for state lottery-related procedures. By law, a

“procedure” is generally a statement by a quasi-public agency of general applicability, without regard to its designation, that implements, interprets, or prescribes law or policy, or describes the organization or procedure of the agency (CGS § 1-120).

***Freedom of Information Act (FOIA) and CLC (§ 31)***

Under the bill, the personally identifying, financial, credit, or wagering information associated with any person’s account for Internet games are not public records and are exempted from disclosure under FOIA. The same applies to the name and any personally identifying information of a person who participates or participated in CLC’s voluntary self-exclusion process created under the bill, with one exception. The CLC president may disclose the name and any participation records of a person who (1) claims a winning lottery ticket from using the online lottery established under the bill, (2) claims or is paid a winning wager from online or retail sports wagering, or (3) is paid a prize from a fantasy contest.

By law, FOIA applies to CLC with certain exceptions. This means, among other things, that most of CLC’s records are considered public and subject to disclosure, with limited exceptions (e.g., unclaimed lottery ticket serial numbers).

***Prohibitions on Gaming by DCP and CLC Personnel (§§ 32 & 36)***

The bill extends a prohibition on CLC directors, officers, and employees directly or indirectly participating in, or sharing in the winnings from, existing CLC games to the ones authorized under the bill.

Existing law prohibits the DCP commissioner, unit heads, and employees from directly or indirectly, individually or as a member of a partnership or as a corporate shareholder, having any interest in dealing in any lottery, racing, fronton, or betting enterprise or casino gaming facility or in the ownership or leasing of any property or premises used by or for any lottery, racing, fronton, or betting enterprise or casino gaming facility. The bill specifies that an interest does not include ownership of investment securities in a publicly held



corporation that is traded on a national exchange or over-the-counter market so long as the investment securities held by a person and his or her spouse, parent, and child, in the aggregate, does not exceed 0.5% of the total number of shares issued by that corporation.

Additionally, as is currently the case for making wagers on other forms of gambling (e.g., state lottery and OTB), the bill prohibits the DCP commissioner and unit heads from placing a sports wager or participating in online casino gaming. By law, a “unit head” is any managerial employee with direct oversight of a legalized gambling activity. Under existing law, the commissioner may adopt regulations prohibiting DCP employees from engaging, directly or indirectly, in any legalized gambling activity in which employees are involved because of their employment.

## **BACKGROUND**

### ***Tribal-State Procedures and Compact***

Under IGRA, the Mashantucket Pequot and Mohegan tribes currently operate the Foxwoods and Mohegan Sun casinos, respectively, on their reservations. Gambling at the Foxwoods Casino is conducted under federal procedures, which are a legal substitute for an IGRA-negotiated gaming compact. Gambling at the Mohegan Sun Casino is conducted under a legally negotiated IGRA tribal-state compact. Both the compact and procedures are like federal regulations. As such, they supersede state law.

### ***Video Facsimiles***

Under both the procedures and compact, “video facsimile” is any mechanical, electrical, or other device, contrivance, or machine, which, upon insertion of a coin, currency, token or similar object therein, or upon payment of any consideration whatsoever, is available to play or operate. The play or operation is a facsimile of a game of chance, which may deliver or entitle the person playing or operating the machine to receive cash or tokens to be exchanged for cash or to receive any merchandise or thing of value, whether the payoff is made automatically from the machine or in any other manner whatsoever. A common example of a video facsimile is a slot machine.

### ***Moratorium on Video Facsimiles***

The Mashantucket Pequot procedures and the Mohegan compact authorize the tribes to operate video facsimile machines only pursuant to (1) an agreement between the tribe and state (e.g., MOU); (2) a court order; or (3) a change in state law that allows the operation of video facsimile machines by any person, organization, or entity. Currently, both tribes can operate video facsimile machines because of the MOU each has with the state.

### ***Tribal-State MOUs***

The Mashantucket Pequot and Mohegan tribes have separate, binding MOUs with the state that give them the exclusive right to operate video facsimile machines and other casino games in exchange for a monthly contribution of, generally, 25% of their gross video facsimile machine revenue to the state. Under the terms of the current MOUs, if the state enacts a law to permit any other person to operate video facsimile machines or other casino games, the tribes would no longer need to pay the state any of their video facsimile revenue.

### ***Tribal-State MOUs Minimum Contribution***

Under both existing MOUs, the minimum contribution each tribe must contribute each fiscal year is the lesser of (1) 30% of gross operating revenues from video facsimiles during the fiscal year or (2) the greater of 25% of gross operating revenues from video facsimiles during the fiscal year or \$80 million.

### ***Related Bills***

sSB 146, reported favorably by the Public Safety and Security Committee, expands (1) grants to municipalities from the Mashantucket Pequot and Mohegan Fund and (2) funding for the state's debt-free community college program. These expansions are contingent on the legalization of and revenue generated from, respectively, (1) sports wagering and online casino gaming outside of Indian lands and (2) online lottery draw games.

sSB 570, reported favorably by the Public Safety and Security Committee, contains many of the same provisions in this bill, sHB

6451, and sSB 146 but also (1) authorizes a request for proposals to establish a casino gaming facility in Bridgeport and (2) prevents the tribes from using a third-party vendor to operate their skins for online sports wagering and casino gaming unless the legislature approves the contract.

sHB 6512, reported favorably by the Public Safety and Security Committee, regulates sports wagering contingent upon it becoming legal in the state. The bill includes restrictions on participants and requirements for sports wagering operators.

sHB 6443, reported favorably by the Finance, Revenue and Bonding Committee, requires CLC to establish a program to sell lottery tickets for lottery draw games through its website, an online service, or mobile application.

HB 6038, favorably reported by the Public Safety and Security Committee and passed by the House, prohibits CLC from publishing a lottery winner's photograph on its website and requires CLC to remove a lottery winner's name from its website by request.

### **COMMITTEE ACTION**

Public Safety and Security Committee

Joint Favorable Substitute

Yea 22 Nay 2 (03/24/2021)

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 34 Nay 6 (05/20/2021)