



House of Representatives

General Assembly

File No. 271

February Session, 2024

Substitute House Bill No. 5284

House of Representatives, April 4, 2024

The Committee on Public Safety and Security reported through REP. BOYD of the 50th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT REVISING VARIOUS GAMING STATUTES.

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

1 Section 1. Section 12-801 of the 2024 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective from passage*):

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

7 (1) "Board" or "board of directors" means the board of directors of the
8 corporation;

9 (2) "Corporation" means the Connecticut Lottery Corporation as
10 created under section 12-802;

11 (3) "Department" means the Department of Consumer Protection;

12 (4) "Division" means the former Division of Special Revenue in the

13 Department of Revenue Services;

14 (5) "Fantasy contest" has the same meaning as provided in section 12-
15 850, as amended by this act;

16 (6) "Gaming laboratory" means a business entity that (A) specializes
17 in the testing of technology systems for gaming operators licensed in the
18 United States, (B) is licensed by the department as an affiliate pursuant
19 to section 12-815a, as amended by this act, and (C) is not owned or
20 controlled by the corporation;

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

25 [(6)] (8) "Lottery" means (A) the Connecticut state lottery conducted
26 prior to the transfer authorized under section 12-808 by the Division of
27 Special Revenue, (B) after such transfer, the Connecticut state lottery
28 conducted by the corporation pursuant to sections 12-563a and 12-800
29 to 12-818, inclusive, and section 12-853, (C) the state lottery referred to
30 in subsection (a) of section 53-278g, and (D) keno conducted by the
31 corporation pursuant to section 12-806c, or sections 12-851 and 12-853;

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

36 [(8)] (9) "Lottery and gaming fund" means a fund or funds established
37 by, and under the management and control of, the corporation, into
38 which all lottery, sports wagering and fantasy contest revenues of the
39 corporation are deposited from which all payments and expenses of the
40 corporation are paid and from which transfers to the General Fund or
41 the Connecticut Teachers' Retirement Fund Bonds Special Capital
42 Reserve Fund, established in section 10-183vv, are made pursuant to
43 section 12-812;

44 (10) "Lottery draw game" has the same meaning as provided in
45 section 12-850, as amended by this act;

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

51 (12) "Lottery sales agent" has the same meaning as provided in
52 section 12-850, as amended by this act;

53 ~~[(9)]~~ (13) "Online lottery ticket sales" means the sale of lottery tickets
54 for lottery draw games through the corporation's Internet web site, an
55 online service or a mobile application, pursuant to a license issued to the
56 corporation under section 12-853;

57 ~~[(10)]~~ (14) "Online sports wagering" has the same meaning as
58 provided in section 12-850, as amended by this act;

59 ~~[(11)]~~ (15) "Operating revenue" means total revenue received from
60 lottery sales and sports wagering less all cancelled sales and amounts
61 paid as prizes but before payment or provision for payment of any other
62 expenses;

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

67 ~~[(12)]~~ (17) "Retail sports wagering" has the same meaning as provided
68 in section 12-850, as amended by this act; and

69 ~~[(13)]~~ (18) "Skin" has the same meaning as provided in section 12-850,
70 as amended by this act.

71 Sec. 2. Section 12-806a of the general statutes is repealed and the
72 following is substituted in lieu thereof (*Effective from passage*):

73 (a) As used in this section, "procedure" has the same meaning as
74 ["procedure", as defined in subdivision (2) of] provided in section 1-120.

75 (b) The Department of Consumer Protection shall, for the purposes
76 of section 12-568a, subsection (c) of section 12-574, sections 12-802a, 12-
77 815a, as amended by this act, 12-853, 12-854, 12-863 to 12-865, inclusive,
78 as amended by this act, 12-867 and 12-868 and this section, regulate the
79 activities of the Connecticut Lottery Corporation to assure the integrity
80 of the state lottery, retail sports wagering, online sports wagering and
81 fantasy contests. In addition to the requirements of the provisions of
82 chapter 12 and notwithstanding the provisions of section 12-806, the
83 Connecticut Lottery Corporation shall, prior to implementing any
84 procedure designed to assure the integrity of the state lottery, retail
85 sports wagering, online sports wagering and fantasy contests, obtain the
86 written approval of the Commissioner of Consumer Protection in
87 accordance with regulations adopted under section 12-568a.

88 (c) (1) Each lottery gaming system shall be tested and certified, in a
89 manner and with a frequency deemed necessary by the department to
90 preserve gaming integrity, by a gaming laboratory. If the department
91 suspects that the integrity of the lottery gaming system may be
92 vulnerable or compromised, the department may require that the lottery
93 gaming system be recertified by a gaming laboratory and the new
94 certification submitted to the department.

95 (2) Each lottery draw game or keno shall be tested and certified, in a
96 manner and with a frequency deemed necessary by the department to
97 preserve gaming integrity, by a gaming laboratory prior to the
98 corporation offering such lottery draw game or keno, provided a lottery
99 draw game shall not require such testing and certification if such game
100 (A) is sold in at least twenty states within the United States, and (B) has
101 been tested by a nationally recognized gaming testing laboratory that is
102 licensed in at least twenty states to perform system and game analysis.

103 (3) The department may develop technical standards against which
104 gaming laboratories shall test lottery draw games and keno for
105 compliance. If the department develops such standards, the

106 department:

107 (A) Shall post such standards on the department's Internet web site;

108 (B) Shall review such standards not less than annually to ensure such
109 standards preserve the integrity of gaming;

110 (C) May modify or update such standards to respond to a legal
111 interpretation, to include additional standards or amend existing
112 standards as the commissioner deems necessary in order to preserve the
113 integrity of gaming or protect consumers from financial harm, to adjust
114 to changes in technology, relevant standards or platform design, or for
115 any other reason in order to preserve the integrity of gaming;

116 (D) Shall post any updates to such standards on the department's
117 Internet web site, and such updates shall be effective thirty days after
118 such posting unless the commissioner establishes a later effective date;
119 and

120 (E) Shall notify the corporation in writing of any update to such
121 standards prior to implementation of such update.

122 (4) A gaming laboratory engaged in testing and certifying a lottery
123 draw game or keno shall file a report with the department, which shall
124 include (A) the extent to which the lottery draw game or keno meets any
125 technical standards adopted by the commissioner, (B) whether the
126 lottery draw game or keno complies with the requirements of this
127 chapter and any regulations adopted pursuant to the provisions of this
128 chapter, and (C) any additional information needed by the department
129 to certify the lottery game or keno.

130 (5) The department shall review the lottery draw game or keno that
131 is being tested for proper functioning, and consider the test results and
132 certification submitted by the gaming laboratory. After completing the
133 evaluation of a lottery draw game or keno, the department may approve
134 the lottery draw game or keno for use in the state. The department may
135 suspend or revoke approval of a lottery draw game or keno without
136 notice if the department has good cause to believe that the continued

137 operation of such game or keno poses a threat to the security and
138 integrity of gaming in the state.

139 Sec. 3. Subsection (a) of section 12-810 of the general statutes is
140 repealed and the following is substituted in lieu thereof (*Effective from*
141 *passage*):

142 (a) The Freedom of Information Act, as defined in section 1-200, shall
143 apply to all actions, meetings and records of the corporation, except (1)
144 where otherwise limited by subsection (c) of this section as to new
145 lottery games and serial numbers of unclaimed lottery tickets, (2) with
146 respect to financial, credit and proprietary information submitted by
147 any person to the corporation in connection with any proposal to
148 provide goods, services or professional advice to the corporation as
149 provided in section 12-815, (3) with respect to any personally
150 identifying, financial, credit or wagering information associated with
151 any person's account for Internet games, as defined in section 12-850, as
152 amended by this act, and (4) where otherwise limited by subsection [(f)]
153 (g) of section 12-863, as amended by this act.

154 Sec. 4. Section 12-815a of the general statutes is repealed and the
155 following is substituted in lieu thereof (*Effective from passage*):

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

160 (b) No person or business organization awarded a primary contract
161 by the Connecticut Lottery Corporation to provide facilities,
162 components, goods or services that are necessary for and directly related
163 to the secure operation of the activities of said corporation shall do so
164 unless such person or business organization is issued a vendor license
165 by the Commissioner of Consumer Protection. For the purposes of this
166 subsection, "primary contract" means a contract to provide facilities,
167 components, goods or services to said corporation by a person or
168 business organization (1) that provides any lottery game or any online

169 wagering system related facilities, components, goods or services and
170 that receives or, in the exercise of reasonable business judgment, can be
171 expected to receive more than seventy-five thousand dollars or twenty-
172 five per cent of its gross annual sales from said corporation, or (2) that
173 has access to the facilities of said corporation and provides services in
174 such facilities without supervision by said corporation. Each applicant
175 for a vendor license shall pay a nonrefundable application fee of two
176 hundred fifty dollars.

177 (c) No person or business organization, other than a shareholder in a
178 publicly traded corporation, may be a contractor or a subcontractor for
179 the provision of facilities, components, goods or services that are
180 necessary for and directly related to the secure operation of the activities
181 of the Connecticut Lottery Corporation, or may exercise control in or
182 over a vendor licensee unless such person or business organization is
183 licensed as an affiliate licensee by the commissioner. Each applicant for
184 an affiliate license shall pay a nonrefundable application fee of two
185 hundred fifty dollars.

186 (d) (1) Each employee of a vendor or affiliate licensee who has access
187 to the facilities of the Connecticut Lottery Corporation and provides
188 services in such facilities without supervision by said corporation or
189 performs duties directly related to the activities of said corporation shall
190 obtain an occupational license.

191 (2) Each officer, director, partner, trustee or owner of a business
192 organization licensed as a vendor or affiliate licensee and any
193 shareholder, executive, agent or other person connected with any
194 vendor or affiliate licensee who, in the judgment of the commissioner,
195 will exercise control in or over any such licensee shall obtain an
196 occupational license.

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

199 (e) The commissioner shall issue occupational licenses in the
200 following classes: (1) Class I for persons specified in subdivision (1) of

201 subsection (d) of this section; (2) Class II for persons specified in
202 subdivision (2) of subsection (d) of this section; (3) Class III for persons
203 specified in subdivision (3) of subsection (d) of this section who, in the
204 judgment of the commissioner, will not exercise authority over or direct
205 the management and policies of the Connecticut Lottery Corporation;
206 and (4) Class IV for persons specified in subdivision (3) of subsection (d)
207 of this section who, in the judgment of the commissioner, will exercise
208 authority over or direct the management and policies of the Connecticut
209 Lottery Corporation. Each applicant for a Class I or III occupational
210 license shall pay a nonrefundable application fee of twenty dollars. Each
211 applicant for a Class II or IV occupational license shall pay a
212 nonrefundable application fee of one hundred dollars. The
213 nonrefundable application fee shall accompany the application for each
214 such occupational license.

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

218 ~~[(f)]~~ (g) In determining whether to grant a vendor, affiliate, lottery
219 sales agent or occupational license to any such person or business
220 organization, the commissioner may require an applicant to provide
221 information as to such [applicant's] applicant and person in charge
222 related to: (1) Financial standing and credit; (2) moral character; (3)
223 criminal record, if any; (4) previous employment; (5) corporate,
224 partnership or association affiliations; (6) ownership of personal assets;
225 and (7) such other information as the commissioner deems pertinent to
226 the issuance of such license, provided the submission of such other
227 information will assure the integrity of the state lottery. The
228 commissioner shall require each applicant for a vendor, affiliate, lottery
229 sales agent or occupational license, provided if an applicant for a lottery
230 sales agent is a business organization the commissioner shall require
231 such entity's person in charge to submit to state and national criminal
232 history records checks and may require each such applicant, or person
233 in charge, to submit to an international criminal history records check
234 before such license is issued. The state and national criminal history

235 records checks required pursuant to this subsection shall be conducted
236 in accordance with section 29-17a. The commissioner shall issue a
237 vendor, affiliate, lottery sales agent or occupational license, as the case
238 may be, to each applicant who satisfies the requirements of this
239 subsection and who is deemed qualified by the commissioner. The
240 commissioner may reject for good cause an application for a vendor,
241 affiliate, lottery sales agent or occupational license.

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

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

261 (2) The department may issue a provisional authorization to an
262 applicant for an occupational license in advance of issuance or denial of
263 such license for a period not to exceed six months. Provisional
264 authorization shall permit such applicant to perform the functions and
265 require the applicant to comply with the requirements of the
266 occupational license applied for as set forth in the provisions of this
267 chapter and regulations adopted pursuant to this chapter. Provisional

268 authorization shall not constitute approval for an occupational license.
269 During the period of time that any provisional authorization is in effect,
270 the applicant granted such authorization shall be subject to and comply
271 with all applicable statutes and regulations. Any provisional
272 authorization issued by the department shall expire immediately upon
273 the earlier of: (A) The date of issuance of written notice from the
274 department that the occupational license has been approved or denied,
275 or (B) six months after the date the provisional authorization was issued.

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

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

285 (j) When an incident occurs, or is reasonably suspected to have
286 occurred, that causes a disruption in the operation, security, accuracy,
287 integrity or availability of the lottery gaming system, the vendor
288 licensed to provide such lottery gaming system shall, immediately upon
289 discovery of such incident, but not later than twenty-four hours after
290 discovery of such incident, provide the department with a written
291 incident report including the details of the incident and the vendor's
292 proposed corrections. Not later than five business days after notifying
293 the department of an incident, the vendor licensee shall provide the
294 department with a written incident report that (1) details the incident,
295 including the root cause of the incident, and (2) outlines the vendor's
296 plan to make corrections, mitigate the effects of the incident and prevent
297 incidents of a similar nature from occurring in the future. If the vendor
298 licensee is unable to determine the root cause and correct the incident
299 within the initial five business days, the licensee shall continue to
300 update the department every five business days with written incident

301 reports until the root cause is determined and the incident is corrected.
302 The department may require the vendor licensee to submit the lottery
303 gaming system to a gaming laboratory for recertification.

304 [(h)] (k) (1) The commissioner may suspend or revoke for good cause
305 a vendor, affiliate, lottery sales agent or occupational license after a
306 hearing held before the commissioner in accordance with chapter 54.
307 The commissioner may order summary suspension of any such license
308 in accordance with subsection (c) of section 4-182.

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

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

317 [(i)] (l) The commissioner may require that the books and records of
318 any vendor or affiliate licensee be maintained in any manner which the
319 commissioner may deem best, and that any financial or other statements
320 based on such books and records be prepared in accordance with
321 generally accepted accounting principles in such form as the
322 commissioner shall prescribe. The commissioner or a designee may
323 visit, investigate and place expert accountants and such other persons
324 as deemed necessary in the offices or places of business of any such
325 licensee for the purpose of satisfying himself or herself that such licensee
326 is in compliance with the regulations of the department.

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

333 [(k)] (n) The Commissioner of Consumer Protection may adopt such
334 regulations, in accordance with chapter 54, as are necessary to
335 implement the provisions of this section.

336 Sec. 5. Section 12-850 of the 2024 supplement to the general statutes
337 is repealed and the following is substituted in lieu thereof (*Effective from*
338 *passage*):

339 For the purposes of this section, [and] sections 12-851 to 12-871,
340 inclusive, and sections 8 and 9 of this act:

341 (1) "Business entity" means any partnership, limited liability
342 company, society, association, joint stock company, corporation, estate,
343 receiver, trustee, assignee, referee or any other legal entity and any other
344 person acting in a fiduciary or representative capacity, whether
345 appointed by a court or otherwise, and any combination thereof;

346 (2) "Commissioner" means the Commissioner of Consumer
347 Protection or the commissioner's designee;

348 (3) "Connecticut intercollegiate team" means any team associated
349 with an intercollegiate program of a university or college of the state
350 system of public higher education, as described in section 10a-1, an
351 independent institution of higher education, as defined in section 10a-
352 173, or a for-profit college or university physically located in the state
353 that offers in-person classes within the state;

354 (4) "Consumables" means nondurable items, including, but not
355 limited to, dice, playing cards and roulette balls used in live online
356 casino gaming;

357 (5) "Department" means the Department of Consumer Protection;

358 (6) "Electronic wagering platform" means the combination of
359 hardware, software and data networks used to manage, administer,
360 offer or control Internet games or retail sports wagering at a facility in
361 this state;

362 (7) "E-bingo machine" means an electronic device categorized as a
363 class II machine under the federal Indian Gaming Regulatory Act, P.L.
364 100-497, 25 USC 2701 et seq. used to play bingo that is confined to a
365 game cabinet and is substantially similar in appearance and play to a
366 class III slot machine. "E-bingo machine" does not include any other
367 electronic device, aid, instrument, tool or other technological aid used
368 in the play of any in-person class II bingo game;

369 (8) "Entry fee" means the amount of cash or cash equivalent that is
370 required to be paid by an individual to a master wagering licensee in
371 order for such individual to participate in a fantasy contest;

372 (9) "E-sports" means electronic sports and competitive video games
373 played as a game of skill;

374 (10) "Fantasy contest" means any fantasy or simulated game or
375 contest with an entry fee, conducted over the Internet, including
376 through an Internet web site or a mobile device, in which: (A) The value
377 of all prizes and awards offered to a winning fantasy contest player is
378 established and made known to the players in advance of the game or
379 contest; (B) all winning outcomes reflect the knowledge and skill of the
380 players and are determined predominantly by accumulated statistical
381 results of the performance of participants in events; and (C) no winning
382 outcome is based on the score, point spread or any performance of any
383 single team or combination of teams or solely on any single performance
384 of a contestant or player in any single event. "Fantasy contest" does not
385 include lottery games;

386 (11) "Gaming entity licensee" means a master wagering licensee, a
387 licensed online gaming operator, a licensed online gaming service
388 provider or a licensed sports wagering retailer;

389 [(11)] (12) "Handling consumables" means physical contact with, or
390 supervisory oversight over the acceptance, inventory, storage or
391 destruction of, consumables, as well as being responsible for card
392 inspection, counting and shuffling;

393 [(12)] (13) "Internet games" means (A) online casino gaming; (B)
394 online sports wagering; (C) fantasy contests; (D) keno through the
395 Internet, an online service or a mobile application; and (E) the sale of
396 tickets for lottery draw games through the Internet, an online service or
397 a mobile application;

398 [(13)] (14) "Keno" has the same meaning as provided in section 12-
399 801, as amended by this act;

400 [(14)] (15) "Key employee" means an individual with the following
401 position or an equivalent title associated with a master wagering
402 licensee or a licensed online gaming service provider, online gaming
403 operator or sports wagering retailer: (A) President or chief officer, who
404 is the top ranking individual of the licensee and is responsible for all
405 staff and the overall direction of business operations; (B) financial
406 manager, who is the individual who reports to the president or chief
407 officer who is generally responsible for oversight of the financial
408 operations of the licensee, including, but not limited to, revenue
409 generation, distributions, tax compliance and budget implementation;
410 (C) compliance manager, who is the individual that reports to the
411 president or chief officer and who is generally responsible for ensuring
412 the licensee complies with all laws, regulations and requirements
413 related to the operation of the licensee; (D) chief information officer,
414 who is the individual generally responsible for establishing policies or
415 procedures on, or making management decisions related to,
416 information systems; or (E) chief data security officer, who is the
417 individual generally responsible for establishing policies or procedures
418 on, or making management decisions related to, technical systems. "Key
419 employee" includes an individual (i) who is responsible for establishing
420 the policies or procedures on, or making management decisions related
421 to, wagering structures or outcomes for a licensee; or (ii) who has an
422 ownership interest [, provided the interest held by such individual and
423 such individual's spouse, parent and child, in the aggregate,] that is five
424 per cent or more of the total ownership or interest rights in the licensee.
425 Tribal membership in and of itself shall not constitute ownership for
426 purposes of this subdivision;

427 [(15)] (16) "Live game employee" means an employee of a master
428 wagering licensee or a licensed online gaming operator or online
429 gaming service provider that is operating live online casino gaming who
430 is (A) responsible for handling consumables in a live online casino
431 authorized under this chapter, (B) responsible for presenting live online
432 casino gaming in a live online casino authorized under this chapter, or
433 (C) a direct manager of an individual who is a live game employee
434 under subparagraph (A) or (B) of this subdivision;

435 [(16)] (17) "Lottery draw game" means any game in which one or
436 more numbers, letters or symbols are randomly drawn at
437 predetermined times, but not more frequently than once every four
438 minutes, from a range of numbers, letters or symbols, and prizes are
439 paid to players possessing winning plays, as set forth in each game's
440 official game rules. "Lottery draw game" does not include keno, any
441 game for which lottery draw tickets are not available through a lottery
442 sales agent or any game that simulates online casino gaming;

443 (18) "Lottery sales agent" means a person that contracts with the
444 Connecticut Lottery Corporation to sell lottery tickets or offer keno at a
445 retail facility in the state and not over the Internet, and is licensed in
446 accordance with chapters 226 and 229a;

447 [(17)] (19) "Mashantucket Pequot memorandum of understanding"
448 means the memorandum of understanding entered into by and between
449 the state and the Mashantucket Pequot Tribe on January 13, 1993, as
450 amended from time to time;

451 [(18)] (20) "Mashantucket Pequot procedures" means the Final
452 Mashantucket Pequot Gaming Procedures prescribed by the Secretary
453 of the United States Department of the Interior pursuant to 25 USC
454 2710(d)(7)(B)(vii) and published in 56 Federal Register 24996 (May 31,
455 1991), as amended from time to time;

456 [(19)] (21) "Master wagering licensee" means (A) the Mashantucket
457 Pequot Tribe, or an instrumentality of or an affiliate wholly-owned by
458 said tribe, if licensed to operate online sports wagering, online casino

459 gaming and fantasy contests pursuant to section 12-852; (B) the
460 Mohegan Tribe of Indians of Connecticut, or an instrumentality of or an
461 affiliate wholly-owned by said tribe, if licensed to operate online sports
462 wagering, online casino gaming and fantasy contests pursuant to
463 section 12-852; or (C) the Connecticut Lottery Corporation, if licensed
464 pursuant to section 12-853 to operate retail sports wagering, online
465 sports wagering, fantasy contests and keno and to sell tickets for lottery
466 draw games through the Internet, an online service or a mobile
467 application;

468 [(20)] (22) "Mohegan compact" means the Tribal-State Compact
469 entered into by and between the state and the Mohegan Tribe of Indians
470 of Connecticut on May 17, 1994, as amended from time to time;

471 [(21)] (23) "Mohegan memorandum of understanding" means the
472 memorandum of understanding entered into by and between the state
473 and the Mohegan Tribe of Indians of Connecticut on May 17, 1994, as
474 amended from time to time;

475 [(22)] (24) "Occupational employee" means an employee of a master
476 wagering licensee or a licensed online gaming operator, online gaming
477 service provider or sports wagering retailer;

478 [(23)] (25) "Off-track betting system licensee" means the person or
479 business organization licensed to operate the off-track betting system
480 pursuant to chapter 226;

481 [(24)] (26) "Online casino gaming" means (A) slots, blackjack, craps,
482 roulette, baccarat, poker and video poker, bingo, live dealer and other
483 peer-to-peer games and any variations of such games, and (B) any
484 games authorized by the department, conducted over the Internet,
485 including through an Internet web site or a mobile device, through an
486 electronic wagering platform that does not require a bettor to be
487 physically present at a facility;

488 [(25)] (27) "Online gaming operator" means a person or business
489 entity that operates an electronic wagering platform and contracts

490 directly with a master wagering licensee to offer (A) one or more
491 Internet games on behalf of such licensee, or (B) retail sports wagering
492 on behalf of such licensee at a facility in this state;

493 [(26)] (28) "Online gaming service provider" means a person or
494 business entity, other than an online gaming operator, that provides
495 goods or services to, or otherwise transacts business related to Internet
496 games or retail sports wagering with, a master wagering licensee or a
497 licensed online gaming operator, online gaming service provider or
498 sports wagering retailer;

499 [(27)] (29) "Online sports wagering" means sports wagering
500 conducted over the Internet, including through an Internet web site or
501 a mobile device, through an electronic wagering platform that does not
502 require a sports bettor to be physically present at a facility that conducts
503 retail sports wagering;

504 [(28)] (30) "Retail sports wagering" means in-person sports wagering
505 requiring a sports bettor to be physically present at one of the up to
506 fifteen facility locations of the Connecticut Lottery Corporation or a
507 licensed sports wagering retailer in this state;

508 [(29)] (31) "Skin" means the branded or cobranded name and logo on
509 the interface of an Internet web site or a mobile application that bettors
510 use to access an electronic wagering platform for Internet games;

511 [(30)] (32) "Sporting event" means any (A) sporting or athletic event
512 at which two or more persons participate, individually or on a team, and
513 may be eligible to receive compensation in excess of actual expenses for
514 such participation in such sporting or athletic event; (B) sporting or
515 athletic event sponsored by an intercollegiate athletic program of an
516 institution of higher education or an association of such programs; [,
517 except for those in which one of the participants is a Connecticut
518 intercollegiate team and the event is not in connection with a permitted
519 intercollegiate tournament;] (C) Olympic or international sports
520 competition event; or (D) e-sports event. [, except for those in which one
521 of the participants is a Connecticut intercollegiate team and the event is

522 not in connection with a permitted intercollegiate tournament. As used
523 in this subdivision, "permitted intercollegiate tournament" means an
524 intercollegiate e-sports, sporting or athletic event involving four or more
525 intercollegiate teams that involves one or more Connecticut
526 intercollegiate teams and the wager on the tournament is based on the
527 outcome of all games within the tournament.] "Sporting event" does not
528 include horse racing, jai alai or greyhound racing;

529 [(31)] (33) "Sports governing body" means the organization that
530 prescribes final rules and enforces codes of conduct with respect to a
531 sporting event and participants in the sporting event;

532 [(32)] (34) "Sports wagering" means risking or accepting any money,
533 credit, deposit or other thing of value for gain contingent in whole or in
534 part, (A) by any system or method of wagering, including, but not
535 limited to, in person or through an electronic wagering platform, and
536 (B) based on (i) a live sporting event or a portion or portions of a live
537 sporting event, including future or propositional events during such an
538 event, or (ii) the individual performance statistics of an athlete or
539 athletes in a sporting event or a combination of sporting events,
540 provided a propositional wager shall not be placed on the performance
541 or individual performance statistics of an athlete of a Connecticut
542 intercollegiate team in a sporting event or a combination of sporting
543 events. "Sports wagering" does not include the payment of an entry fee
544 to play a fantasy contest or a fee to participate in e-sports; and

545 [(33)] (35) "Sports wagering retailer" means a person or business
546 entity that contracts with the Connecticut Lottery Corporation to
547 facilitate retail sports wagering operated by said corporation through an
548 electronic wagering platform at up to fifteen facilities in this state.

549 Sec. 6. Subsection (c) of section 12-859 of the 2024 supplement to the
550 general statutes is repealed and the following is substituted in lieu
551 thereof (*Effective from passage*):

552 (c) [(1)] A key employee shall apply for a license on a form and in a
553 manner prescribed by the commissioner. Such form shall require the

554 applicant to: [(A)] (1) Submit to a fingerprint-based state and national
555 criminal history records check conducted in accordance with section 29-
556 17a, which may include a financial history check if requested by the
557 commissioner, to determine the character and fitness of the applicant for
558 the license, [(B)] (2) provide information related to other business
559 affiliations, and [(C)] (3) provide or allow the department to obtain such
560 other information as the department determines is consistent with the
561 requirements of this section in order to determine the fitness of the
562 applicant to hold a license.

563 [(2) In place of the criminal history records check described in
564 subparagraph (A) of subdivision (1) of this subsection, the
565 commissioner may accept from an applicant for an initial key employee
566 license the submission of a third-party local and national criminal
567 background check that includes a multistate and multijurisdictional
568 criminal record locator or other similar commercial nation-wide
569 database with validation, and other such background screening as the
570 commissioner may require. Any such third-party criminal background
571 check shall be conducted by a third-party consumer reporting agency or
572 background screening company that is in compliance with the federal
573 Fair Credit Reporting Act and accredited by the Professional
574 Background Screening Association.]

575 Sec. 7. Subsection (b) of section 12-859a of the 2024 supplement to the
576 general statutes is repealed and the following is substituted in lieu
577 thereof (*Effective from passage*):

578 (b) [(1)] A live game employee shall apply for a live game employee
579 license on a form and in a manner prescribed by the commissioner. Such
580 form shall require the applicant to: [(A)] (1) Submit to a fingerprint-
581 based state and national criminal history records check conducted in
582 accordance with section 29-17a, which may include a financial history
583 check if requested by the commissioner, to determine the character and
584 fitness of the applicant for the license, [(B)] (2) provide information
585 related to other business affiliations, and [(C)] (3) provide, or allow the
586 department to obtain, such other information as the department

587 determines is consistent with the requirements of this section in order
588 to determine the fitness of the applicant to hold a license.

589 [(2) In place of the criminal history records check described in
590 subparagraph (A) of subdivision (1) of this subsection, the
591 commissioner may accept from a live game employee applicant the
592 submission of a third-party local and national criminal background
593 check that includes a multistate and multijurisdictional criminal record
594 locator or other similar commercial nation-wide database with
595 validation, and other such background screening as the commissioner
596 may require. Any such third-party criminal background check shall be
597 conducted by a third-party consumer reporting agency or background
598 screening company that is in compliance with the federal Fair Credit
599 Reporting Act and accredited by the Professional Background Screening
600 Association.]

601 Sec. 8. (NEW) (*Effective from passage*) In place of the criminal history
602 records check required of an applicant for a key employee license under
603 subsection (c) of section 12-859 of the general statutes, as amended by
604 this act, an applicant for a live game employee license under subsection
605 (b) of section 12-859a of the general statutes, as amended by this act, an
606 applicant for a lottery sales agent license, or person in charge of such
607 agent, under subsection (g) of section 12-815a, as amended by this act,
608 the commissioner may accept from such applicant the submission of a
609 third-party local and national criminal background check that includes
610 a multistate and multijurisdictional criminal record locator or other
611 similar commercial nation-wide database with validation, and other
612 such background screening as the commissioner may require. Any such
613 third-party criminal background check shall be conducted by a third-
614 party consumer reporting agency or background screening company
615 that is in compliance with the federal Fair Credit Reporting Act and
616 accredited by the Professional Background Screening Association.

617 Sec. 9. (NEW) (*Effective from passage*) (a) Upon petition of the holder
618 of a master wagering, online gaming operator, online gaming service
619 provider or sports wagering retailer licensee, the commissioner may

620 authorize an applicant for a key employee license under section 12-859
621 of the general statutes, as amended by this act, or a live game employee
622 license under subsection (b) of section 12-859a of the general statutes, as
623 amended by this act, to provisionally perform the work permitted under
624 the license applied for, if:

625 (1) The applicant has filed a completed key employee or live game
626 employee license application, as applicable, in the form and manner
627 required by the department, and

628 (2) The master wagering, online gaming operator, online gaming
629 service provider or sports wagering retailer licensee attests that the
630 provisional authorization is necessary to continue the efficient operation
631 of Internet games or retail sports wagering, and is based on
632 circumstances that are extraordinary and not designed to circumvent
633 the otherwise applicable licensing procedures.

634 (b) The department may issue a provisional authorization to an
635 applicant for a key employee or live game employee license in advance
636 of issuance or denial of such key employee or live game employee
637 license, as applicable, for a period not to exceed six months. Provisional
638 authorization shall permit such applicant to perform the functions and
639 require the applicant to comply with the requirements of the license
640 applied for as set forth in the provisions of this chapter and regulations
641 adopted pursuant to this chapter. Provisional authorization shall not
642 constitute approval for a key employee or live game employee license.
643 During the period of time that any provisional authorization is in effect,
644 the applicant granted such authorization shall be subject to and comply
645 with all applicable statutes and regulations. Any provisional
646 authorization issued by the department shall expire immediately upon
647 the earlier of: (1) The date of issuance of written notice from the
648 commissioner that the key employee or live game employee license, as
649 applicable, has been approved or denied, or (2) six months after the date
650 the provisional authorization was issued.

651 (c) An individual whose key employee or live game employee license
652 application is denied after a period of provisional authorization shall

653 not reapply for such a license for a period of one year from the date of
654 the denial.

655 (d) An individual whose provisional authorization expires pursuant
656 to subdivision (2) of subsection (b) of this section may apply for an
657 additional provisional authorization. The commissioner may issue such
658 additional provisional authorization upon a determination that the
659 conditions of subdivision (2) of subsection (a) of this section exist.

660 Sec. 10. Section 12-863 of the general statutes is repealed and the
661 following is substituted in lieu thereof (*Effective from passage*):

662 (a) (1) An individual may only place a sports wager through retail
663 sports wagering or online sports wagering outside of the reservations of
664 the Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of
665 Connecticut or place a wager through online casino gaming conducted
666 outside of such reservations, if the wagering is authorized pursuant to
667 sections 12-852 to 12-854, inclusive, and the individual (A) has attained
668 the age of twenty-one, and (B) is physically present in the state when
669 placing the wager, and, in the case of retail sports wagering, is
670 physically present at a retail sports wagering facility in this state.

671 (2) An individual may only participate in a fantasy contest outside of
672 the reservations of the Mashantucket Pequot Tribe and the Mohegan
673 Tribe of Indians of Connecticut if the contest is authorized pursuant to
674 section 12-852 or 12-853, and the individual has attained the age of
675 eighteen.

676 (b) Any electronic wagering platform used to (1) conduct online
677 sports wagering or online casino gaming, (2) conduct keno through the
678 Internet web site, an online service or a mobile application of the
679 Connecticut Lottery Corporation, (3) conduct retail sports wagering, (4)
680 sell lottery draw game tickets through the Internet web site, online
681 service or mobile application of the Connecticut Lottery Corporation, or
682 (5) conduct fantasy contests, shall be developed to:

683 (A) Verify that an individual (i) with an account for online sports

684 wagering, online casino gaming or retail sports wagering is twenty-one
685 years of age or older and is physically present in the state when placing
686 a wager or, in the case of retail sports wagering, is physically present at
687 a retail sports wagering facility, (ii) with an account to participate in
688 keno or to purchase lottery draw game tickets is eighteen years of age
689 or older and is physically present in the state when participating or
690 purchasing such tickets, or (iii) with an account for fantasy contests is
691 eighteen years of age or older;

692 (B) Provide a mechanism to prevent the unauthorized use of a
693 wagering account; and

694 (C) Maintain the security of wagering, participation or purchasing
695 data and other confidential information.

696 (c) A master wagering licensee and a licensed online gaming
697 operator, online gaming service provider and sports wagering retailer
698 shall each, where applicable based on the services provided:

699 (1) Prohibit an individual from establishing more than one account
700 on each electronic wagering platform operated by the licensee;

701 (2) Limit a person to the use of only one debit card or only one credit
702 card for an account, and place a monetary limit on the use of a credit
703 card over a period of time, provided single-use stored value instruments
704 purchased by cash or debit card only, including, but not limited to, a gift
705 card or a lottery terminal printed value voucher, may be used pursuant
706 to subdivision (3) of subsection (d) of section 12-853;

707 (3) Allow a person to limit the amount of money that may be
708 deposited into an account, and spent per day through an account;

709 (4) Provide that any money in an online account belongs solely to the
710 owner of the account and may be withdrawn by the owner;

711 (5) Establish a voluntary self-exclusion process to allow a person to
712 (A) exclude himself or herself from establishing an account, (B) exclude
713 himself or herself from placing wagers through an account, or (C) limit

- 714 the amount such person may spend using such an account;
- 715 (6) Provide responsible gambling and problem gambling information
716 to participants; and
- 717 (7) Conspicuously display on each applicable Internet web site or
718 mobile application:
- 719 (A) A link to a description of the provisions of this subsection;
- 720 (B) A link to responsible gambling information;
- 721 (C) A toll-free telephone number an individual may use to obtain
722 information about problem gambling;
- 723 (D) A link to information about the voluntary self-exclusion process
724 described in subdivision (5) of this subsection;
- 725 (E) A clear display or periodic pop-up message of the amount of time
726 an individual has spent on the operator's Internet web site or mobile
727 application;
- 728 (F) A means to initiate a break in play to discourage excessive play;
729 and
- 730 (G) A clear display of the amount of money available to the
731 individual in his or her account.
- 732 (d) At least every five years, each master wagering licensee shall be
733 subject to an independent review of operations conducted pursuant to
734 such license for responsible play, as assessed by industry standards and
735 performed by a third party approved by the department, which review
736 shall be paid for by the licensee.
- 737 (e) [No advertisement of online casino gaming, online sports
738 wagering or retail sports wagering may] Advertising, marketing and
739 other promotional materials published, aired, displayed or
740 disseminated by or on behalf of any gaming entity licensee shall:

741 (1) [Depict] Not depict an individual who is, or appears to be, under
742 twenty-one years of age, unless such individual is a professional athlete
743 or a collegiate athlete who, if permitted by applicable law, is able to
744 profit from the use of his or her name and likeness; [or]

745 (2) Not be aimed exclusively or primarily at individuals under
746 twenty-one years of age, or at individuals under eighteen years of age if
747 pertaining exclusively to keno, online lottery ticket sales or fantasy
748 contests, or any combination thereof;

749 (3) Not directly advertise, target or promote Internet games or retail
750 sports wagering to specific individuals, rather than a general audience,
751 who are excluded pursuant to a self-exclusion process as described in
752 subdivision (5) of subsection (c) of this section, through methods,
753 including, but not limited to, electronic mail, telephone calls, text
754 messages, direct messaging applications, mail and social media;

755 (4) State that individuals shall be eighteen or twenty-one years of age
756 or older, as applicable, to participate in the type of gaming advertised,
757 marketed or promoted;

758 (5) Not contain images, symbols, celebrity or entertainer
759 endorsements or language designed to appeal specifically to those
760 under twenty-one years of age, or, if pertaining exclusively to keno,
761 online lottery ticket sales or fantasy contests, or any combination
762 thereof, to those under eighteen years of age;

763 (6) Not contain inaccurate or misleading information that would
764 reasonably be expected to confuse and mislead patrons in order to
765 induce them to engage in gaming;

766 (7) Not be published, aired, displayed or disseminated to a media
767 outlet or on social media, that appeal primarily to individuals under
768 twenty-one years or age, or, if pertaining exclusively to keno, online
769 lottery ticket sales or fantasy contests, or any combination thereof, to
770 those under eighteen years of age;

771 (8) Not be placed before any audience where the majority of the

772 viewers or participants is presumed to be under twenty-one years of
773 age, or, if pertaining exclusively to keno, online lottery ticket sales or
774 fantasy contests, or any combination thereof, to those under eighteen
775 years of age;

776 (9) Not imply greater chances of winning compared to other
777 licensees;

778 (10) Not imply greater chances of winning based on wagering in
779 greater quantity or amount, except for a lottery draw game that was
780 approved prior to January 1, 2024, is available for patron wagering as of
781 the effective date of this section, includes features approved by the
782 department that increase the chances of winning and is not exclusively
783 sold by lottery sales agents;

784 (11) Not contain claims or representations that gaming will guarantee
785 an individual's social, financial or personal success;

786 (12) Not use any type, size, location, lighting, illustration, graphic,
787 depiction or color resulting in the obscuring of any material fact; and

788 (13) If a direct or targeted advertisement or promotion sent to an
789 individual, including, but not limited to, electronic mail or text message,
790 include a clear and conspicuous Internet link that allows the recipient to
791 unsubscribe by clicking on one link.

792 (f) No master wagering licensee, online gaming operator licensee or
793 sports wagering retailer licensee may enter into an agreement with a
794 third party to conduct advertising or marketing on behalf of, or to the
795 benefit of, such licensee that provides that compensation is dependent
796 on, or related to, the volume of individuals who become patrons, the
797 volume or amount of wagers placed or the outcome of wagers. A master
798 wagering licensee or online gaming operator licensee may compensate
799 a third party for advertising services based on the click through of an
800 individual to an online gaming operator licensee's Internet web site,
801 provided such compensation is not based on an individual creating an
802 account or placing a wager.

803 [(f)] (g) The name and any personally identifying information of a
804 person who is participating or who has participated in the voluntary
805 self-exclusion process established pursuant to subdivision (5) of
806 subsection (c) of this section or established by the Department of
807 Consumer Protection in regulations adopted pursuant to subdivision (4)
808 of section 12-865 shall not be deemed public records, as defined in
809 section 1-200, and shall not be available to the public under the
810 provisions of the Freedom of Information Act, as defined in section 1-
811 200, except:

812 (1) The Department of Consumer Protection or Connecticut Lottery
813 Corporation may disclose the name and personally identifying
814 information of such person to a master wagering licensee, licensed
815 online gaming operator, licensed online gaming service provider or
816 licensed sports wagering retailer as necessary to achieve the purposes
817 of the voluntary self-exclusion process established pursuant to
818 subdivision (5) of subsection (c) of this section or established by the
819 Department of Consumer Protection in regulations adopted pursuant to
820 subdivision (4) of section 12-865; and

821 (2) The Connecticut Lottery Corporation may disclose the name and
822 any relevant records of such person, other than records regarding such
823 person's participation in the voluntary self-exclusion process, if such
824 person claims a winning lottery ticket or if such person claims or is paid
825 a winning wager from online sports wagering or retail sports wagering
826 or is paid a prize from a fantasy contest.

827 Sec. 11. Section 12-864 of the general statutes is repealed and the
828 following is substituted in lieu thereof (*Effective October 1, 2024*):

829 (a) (1) No athlete, coach or referee who takes part in a sporting event
830 and no individual participating in e-sports shall place any sports wager
831 on any sporting event in which such athlete, coach, referee or individual
832 is participating.

833 (2) No athlete, coach or referee who takes part in a sporting event of
834 a sports governing body; employee of a sports governing body holding

835 a position of authority or influence sufficient to exert influence over
836 participants in a sporting event; employee of a member team of a sports
837 governing body holding a position of authority or influence sufficient to
838 exert influence over participants in a sporting event; or personnel of any
839 bargaining unit of a sports governing body's athletes or referees, shall
840 place any wager on any sporting event overseen by such governing
841 body.

842 (3) No owner with a direct or indirect legal or beneficial ownership
843 interest of five per cent or more of a member team of a sports governing
844 body shall place any wager on a sporting event in which such member
845 team participates. Tribal membership in and of itself shall not constitute
846 ownership for purposes of this section.

847 (b) In determining which individuals are prohibited from placing a
848 wager under subsection (a) of this section, a master wagering licensee
849 or a licensed online gaming operator, sports wagering retailer or online
850 gaming service provider shall use reasonably available public
851 information and exercise reasonable efforts to obtain information from
852 the department or the relevant sports governing body regarding (1)
853 owners with a direct or indirect legal or beneficial ownership interest of
854 five per cent or more of a member team of a sports governing body; and
855 (2) employees holding a position of authority or influence sufficient to
856 exert influence over participants in sporting events.

857 (c) An individual shall only place a [sports] wager on such
858 individual's behalf and shall not wager on the account of, or for, any
859 other person. No master wagering licensee or a licensed online gaming
860 operator, sports wagering retailer or online gaming service provider
861 shall accept a wager from a person on the account of, or for, any other
862 person.

863 (d) An officer, director, owner, key employee, live game employee or
864 occupational employee of a master wagering licensee or a licensed
865 online gaming operator, sports wagering retailer or online gaming
866 service provider or a family member who resides in the same household
867 as such officer, director, owner, key employee or occupational

868 employee, shall not place any wager [on a sporting event] with such
869 master wagering licensee or its licensed sports wagering retailer or
870 online gaming operator. Tribal membership in and of itself shall not
871 constitute ownership for purposes of this section.

872 (e) A master wagering licensee or a licensed online gaming operator,
873 sports wagering retailer or online gaming service provider shall not
874 knowingly pay any winnings to a person who places a wager in
875 violation of this section.

876 (f) A sports governing body may request that the commissioner
877 restrict, limit or exclude wagering on a sporting event or events by
878 providing notice in such form and manner as the commissioner
879 prescribes. The commissioner may take such action as the commissioner
880 deems necessary to ensure the integrity of wagering on such sporting
881 event or events.

882 Sec. 12. Subsection (f) of section 12-574 of the general statutes is
883 repealed and the following is substituted in lieu thereof (*Effective from*
884 *passage*):

885 (f) (1) No person may participate in this state in any activity permitted
886 under this chapter as an employee of an association, concessionaire,
887 vendor, totalizator or affiliate licensee unless such person is licensed as
888 an occupational licensee by the commissioner under subdivision (2) of
889 subsection (a) of section 12-578, as amended by this act. Whether located
890 in or out of this state, no officer, director, partner, trustee or owner of a
891 business organization which obtains a license in accordance with this
892 section may continue in such capacity unless such officer, director,
893 partner, trustee or owner is licensed as an occupational licensee by the
894 commissioner as an owner under subdivision (2) of subsection (a) of
895 section 12-578, as amended by this act. An occupational license shall also
896 be obtained by any shareholder, key executive, agent or other person
897 connected with any association, concessionaire, vendor, totalizator or
898 affiliate licensee, who in the judgment of the commissioner will exercise
899 control in or over any such licensee. Such person shall apply for a license
900 not later than thirty days after the commissioner requests [him] such

901 person, in writing, to do so as a pari-mutuel employee under
902 subdivision (2) of subsection (a) of section 12-578, as amended by this
903 act. The commissioner shall complete his investigation of an applicant
904 for an occupational license and notify such applicant of his decision to
905 approve or deny the application within one year after its receipt, or, if
906 the commissioner determines good cause exists for extending such
907 period of investigation and gives the applicant a reasonable opportunity
908 for a hearing, by the date prescribed by the commissioner.

909 (2) Upon petition by the holder of an association, vendor, totalizator
910 or affiliate license, the commissioner may authorize an applicant for an
911 occupational license under subdivision (2) of subsection (a) of section
912 12-578, as amended by this act, to provisionally perform the work
913 permitted under the occupational license applied for, if:

914 (A) The applicant has filed a completed application for such
915 occupational license in the form and manner required by the
916 commissioner, and

917 (B) Such association, vendor, totalizator or affiliate licensee attests
918 that the provisional authorization is necessary to continue the efficient
919 operation of pari-mutuel wagering, and is based on circumstances that
920 are extraordinary and not designed to circumvent the otherwise
921 applicable licensing procedures.

922 (3) The commissioner may issue a provisional authorization to an
923 applicant for an occupational license under subdivision (2) of subsection
924 (a) of section 12-578, as amended by this act, in advance of issuance or
925 denial of such occupational license for such applicant for a period not to
926 exceed six months. Provisional authorization shall permit such
927 applicant to perform the functions and require the applicant to comply
928 with the requirements of the occupational license applied for as set forth
929 in the provisions of this chapter and regulations adopted pursuant to
930 this chapter. Provisional authorization shall not constitute approval for
931 an occupational license under subdivision (2) of subsection (a) of section
932 12-578, as amended by this act. During the period of time that any
933 provisional authorization is in effect, the applicant granted such

934 authorization shall be subject to and comply with all applicable statutes
935 and regulations. Any provisional authorization issued by the
936 commissioner shall expire immediately upon the earlier of: (A) The date
937 of issuance of written notice from the commissioner that the
938 occupational license has been approved or denied, or (B) six months
939 after the date the provisional authorization was issued.

940 (4) An individual whose occupational license application is denied
941 after a period of provisional authorization shall not reapply for an
942 occupational license under subdivision (2) of subsection (a) of section
943 12-578, as amended by this act, for a period of one year from the date of
944 the denial.

945 (5) An individual whose provisional authorization expires pursuant
946 to subparagraph (B) of subdivision (3) of this subsection, may apply for
947 an additional provisional authorization. The commissioner may issue
948 such additional provisional authorization upon a determination that the
949 conditions of subparagraph (B) of subdivision (2) of this subsection
950 exist.

951 Sec. 13. Section 12-578 of the general statutes is repealed and the
952 following is substituted in lieu thereof (*Effective from passage*):

953 (a) The commissioner shall adopt regulations, in accordance with the
954 provisions of chapter 54, governing registration and the issuance and
955 annual renewal of licenses and payment of annual nonrefundable
956 application fees for the same in accordance with the following schedule:

957 (1) Registration: (A) Stable name, one hundred dollars; (B)
958 partnership name, one hundred dollars; (C) colors, twenty dollars; (D)
959 kennel name, one hundred dollars.

960 (2) [Licenses:] Occupational licenses: (A) Owner, one hundred
961 dollars; (B) trainer, one hundred dollars; (C) assistant trainer, one
962 hundred dollars; (D) jockey, forty dollars; (E) jockey agent, for each
963 jockey, one hundred dollars; (F) stable employees, including exercise
964 boy, groom, stable foreman, hot walker, outrider, twenty dollars; (G)

965 veterinarian, one hundred dollars; (H) jockey apprentice, forty dollars;
966 (I) driver, one hundred dollars; (J) valet, twenty dollars; (K) blacksmith,
967 twenty dollars; (L) plater, twenty dollars; (M) [concessionaire, for each
968 concession, two hundred fifty dollars; (N) concessionaire affiliate, for
969 each concession of the concessionaire, two hundred fifty dollars; (O)]
970 concession employees, twenty dollars; [(P)] ~~(N)~~ jai alai players, one
971 hundred dollars; [(Q)] ~~(O)~~ officials and supervisors, one hundred
972 dollars; [(R)] ~~(P)~~ pari-mutuel employees, forty dollars; [(S)] ~~(Q)~~ other
973 personnel engaged in activities regulated under this chapter, twenty
974 dollars; [(T) vendor, for each contract, two hundred fifty dollars; (U)
975 totalizator, for each contract, two hundred fifty dollars; (V) vendor and
976 totalizator affiliates, for each contract of the vendor or totalizator, two
977 hundred fifty dollars; (W)] or (R) gaming employee, forty dollars. [(X)
978 nongaming vendor, two hundred fifty dollars; (Y) gaming services, five
979 hundred dollars; and (Z) gaming affiliate, two hundred fifty dollars. For
980 the purposes of this subdivision, "concessionaire affiliate" means a
981 business organization, other than a shareholder in a publicly traded
982 corporation, that may exercise control in or over a concessionaire; and
983 "concessionaire" means any individual or business organization granted
984 the right to operate an activity at a dog race track or off-track betting
985 facility for the purpose of making a profit that receives or, in the exercise
986 of reasonable business judgment, can be expected to receive more than
987 twenty-five thousand dollars or twenty-five per cent of its gross annual
988 receipts from such activity at such track or facility.]

989 (3) Business entity licenses: (A) Concessionaire, for each concession,
990 two hundred fifty dollars; (B) concessionaire affiliate, for each
991 concession of the concessionaire, two hundred fifty dollars; (C) vendor,
992 for each contract, two hundred fifty dollars; (D) totalizator, for each
993 contract, two hundred fifty dollars; (E) vendor and totalizator affiliates,
994 for each contract of the vendor or totalizator, two hundred fifty dollars;
995 (F) nongaming vendor, two hundred fifty dollars; (G) gaming services,
996 five hundred dollars; and (H) gaming affiliate, two hundred fifty
997 dollars. For the purposes of this subdivision, "concessionaire" means
998 any individual or business organization granted the right to operate an
999 activity at a dog race track or off-track betting facility for the purpose of

1000 making a profit that receives or, in the exercise of reasonable business
1001 judgment, can be expected to receive more than twenty-five thousand
1002 dollars or twenty-five per cent of its gross annual receipts from such
1003 activity at such track or facility, and "concessionaire affiliate" means a
1004 business organization, other than a shareholder in a publicly traded
1005 corporation, that may exercise control in or over a concessionaire.

1006 (b) The commissioner shall require each applicant for a license under
1007 subdivision (2) or (3) of subsection (a) of this section to submit to state
1008 and national criminal history records checks before such license is
1009 issued. The criminal history records checks required pursuant to this
1010 subsection shall be conducted in accordance with section 29-17a.

1011 Sec. 14. Section 29-18c of the 2024 supplement to the general statutes
1012 is repealed and the following is substituted in lieu thereof (*Effective from*
1013 *passage*):

1014 The Commissioner of Emergency Services and Public Protection may
1015 appoint not more than four persons employed as investigators in the
1016 security unit of the Department of Consumer Protection, upon the
1017 nomination of the Commissioner of Consumer Protection, to act as
1018 special police officers in said unit. Such appointees shall serve at the
1019 pleasure of the Commissioner of Emergency Services and Public
1020 Protection. During such tenure, they shall have all the powers conferred
1021 on state police officers while investigating or making arrests for any
1022 offense arising from the operation of any off-track betting system, retail
1023 sports wagering, as defined in section 12-850, as amended by this act,
1024 Internet games, as defined in section 12-850, as amended by this act, or
1025 the conduct of any lottery game. Such special police officers shall be
1026 certified under the provisions of sections 7-294a to 7-294e, inclusive.

1027 Sec. 15. Subsection (a) of section 7-177 of the 2024 supplement to the
1028 general statutes is repealed and the following is substituted in lieu
1029 thereof (*Effective October 1, 2024*):

1030 (a) All prizes given at any bazaar or raffle shall be merchandise,
1031 tangible personal property or a ticket, coupon, gift card or gift

1032 certificate, entitling the winner to merchandise, tangible personal
 1033 property, services, transportation on a common carrier by land, water
 1034 or air and to any tour facilities provided in connection therewith, or to
 1035 participation in a lottery conducted under chapter 226. Such ticket,
 1036 coupon, gift card or gift certificate shall not be refundable. No cash
 1037 prizes or prizes consisting of alcoholic liquor shall be given, except as
 1038 provided in subsection (b) of this section and section 7-177a, and no
 1039 prize shall be redeemed or redeemable for cash, except tickets for a
 1040 lottery conducted under chapter 226 or gift certificates awarded in
 1041 accordance with subsection (e) of section 7-185a. No animal shall be
 1042 given as a prize. For the purposes of this section, coins whose trading
 1043 value exceeds their face value and coins not commonly in circulation
 1044 shall not be deemed a cash prize.

1045 Sec. 16. Section 53-250 of the general statutes is repealed and the
 1046 following is substituted in lieu thereof (*Effective October 1, 2024*):

1047 Any person who uses any animal, including a fish, reptile or bird for
 1048 the purpose of soliciting any alms, collection, contribution, subscription,
 1049 donation or payment of money, or uses any animal, including a fish,
 1050 reptile or bird as a prize or award in the operation of any game or device,
 1051 or exhibits any wild animal in connection with any business for the
 1052 purpose of attracting trade upon any street, highway or public park or
 1053 at any fair, exhibition or place of amusement, recreation or
 1054 entertainment, or owns, keeps or has in [his] such person's custody any
 1055 animal, including a fish, reptile or bird for any such purpose, shall be
 1056 guilty of a class D misdemeanor, but no provision of this section shall
 1057 be construed so as to apply (1) to the exhibition of any animal, including
 1058 a fish, reptile or bird by (A) any educational institution; or (B) in a
 1059 zoological garden or in connection with any theatrical exhibition or
 1060 circus, or (2) to the use of any animal in a cow-chip raffle.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	12-801
Sec. 2	<i>from passage</i>	12-806a

Sec. 3	<i>from passage</i>	12-810(a)
Sec. 4	<i>from passage</i>	12-815a
Sec. 5	<i>from passage</i>	12-850
Sec. 6	<i>from passage</i>	12-859(c)
Sec. 7	<i>from passage</i>	12-859a(b)
Sec. 8	<i>from passage</i>	New section
Sec. 9	<i>from passage</i>	New section
Sec. 10	<i>from passage</i>	12-863
Sec. 11	<i>October 1, 2024</i>	12-864
Sec. 12	<i>from passage</i>	12-574(f)
Sec. 13	<i>from passage</i>	12-578
Sec. 14	<i>from passage</i>	29-18c
Sec. 15	<i>October 1, 2024</i>	7-177(a)
Sec. 16	<i>October 1, 2024</i>	53-250

PS *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Connecticut Lottery Corporation	Lottery Enterprise Fund - Cost	1-3 million	1-3 million
Resources of the General Fund	GF - Revenue Gain	200,000 to 1 million	200,000 to 1 million
Resources of the General Fund	GF - Potential Revenue Loss	20,000	20,000
Emergency Services and Public Protection, Dept.	Applicant Fingerprint Card Submission Account - Potential Revenue Loss	Up to 4,000	Up to 4,000
Judicial Dept. (Probation)	GF - Potential Cost	Minimal	Minimal
Resources of the General Fund	GF - Potential Revenue Gain	Minimal	Minimal

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 25 \$	FY 26 \$
Municipal Police Departments	Potential Revenue Loss	See Below	See Below

Explanation

The bill makes various changes to the gaming statutes resulting in the costs and revenue gains described below.

Section 2 requires lottery gaming systems, lottery draw games, and keno to be tested and certified by a gaming laboratory in a manner and

frequency determined by the Department of Consumer Protection (DCP) resulting in a cost to the Connecticut Lottery Corporation (CLC). The total cost is dependent on the testing standards and frequency which will be developed by DCP and is estimated to cost the CLC \$1 to \$3 million per year.

Section 4 requires contractors that supply certain services related to the secure operation of CLC's activities to be licensed as an affiliate licensee by DCP resulting in a potential revenue gain to the state to the extent additional licenses are applied for. There is an application fee of \$250 for an affiliate license.

Section 5, which expands sports betting with regard to intercollegiate sports, results in a revenue gain of between \$200,000 and \$1 million annually beginning in FY 25. This estimate assumes a net increase in gross gaming revenue of between 1% and 5% as a result of the expansion.

Section 8 potentially reduces the number of lottery sales agent license applicants required to submit to fingerprint-based state criminal history records checks, resulting in a potential revenue loss to the General Fund of up to approximately \$20,000¹ and a potential revenue loss to the Applicant Fingerprint Card Submission Account in the Department of Emergency Services and Public Protection (DESPP) and municipal police departments of up to a total of \$4,000² beginning in FY 25.

Sections 15 and 16 prohibit a fish from being used for solicitation or as a gaming prize, which results in a potential cost to the Judicial Department for probation and a potential revenue gain from fines. On average, the marginal cost for supervision in the community is less than

¹DESPP conducts state criminal history records checks for a fee of \$75, and the revenue that is collected from this fee is deposited into the General Fund. In FY 23, DCP received 276 applications for the lottery sales agent license.

²DESPP conducts fingerprinting for a fee of \$15 fee per person paid to the non-lapsing Applicant Fingerprint Card Submission Account. Funds in this account are used for IT support and maintenance for the fingerprinting systems. Municipal police departments may also conduct required fingerprinting and generally charge a fee of \$10 to \$15.

\$800³ each year for adults and \$1,000 each year for juveniles. As of 2014, there have been no charges for this violation and no fine revenue. Few, if any, violations are expected going forward.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to testing costs, license applications, increase in sports betting, number of background checks, and violations.

³Probation marginal cost is based on services provided by private providers and only includes costs that increase with each additional participant. This does not include a cost for additional supervision by a probation officer unless a new offense is anticipated to result in enough additional offenders to require additional probation officers.

OLR Bill Analysis**sHB 5284****AN ACT REVISING VARIOUS GAMING STATUTES.**

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§§ 1 & 2 — LOTTERY TESTING AND CERTIFICATION

Requires the lottery system and games to be tested and certified by an independent third party

This bill requires each lottery gaming system to be tested and certified by a gaming laboratory, in a way and as frequently as the Department of Consumer Protection (DCP) deems necessary to preserve gaming integrity. Under the bill, a “gaming laboratory” is a business entity that (1) specializes in testing technology systems for U.S. licensed gaming operators, (2) is licensed by DCP as an affiliate, and (3) is not owned or controlled by the Connecticut Lottery Corporation (CLC).

Similarly, the bill requires lottery draw games and keno to be tested and certified by a gaming laboratory generally before CLC offers either of them, in a way and as frequently as DCP deems necessary to preserve gaming integrity. However, this testing and certification is not required for lottery draw games that (1) are sold in at least 20 U.S. states and (2) have been tested by a nationally recognized gaming testing laboratory that is licensed in at least 20 states to perform system and game analysis. The bill relatedly allows DCP to develop technical standards against which gaming laboratories must test lottery draw games and keno for compliance. It also imposes reporting requirements on gaming laboratories.

If DCP suspects that the integrity of the lottery gaming system may be vulnerable or compromised, the bill allows the department to require the lottery gaming system to be recertified by a gaming laboratory and the new certification submitted to DCP. The bill similarly allows the department to suspend or revoke approval of a lottery draw game or keno without notice if DCP has good cause to believe that the continued

operation of the game or keno poses a threat to the security and integrity of gaming in the state

Lastly, the bill makes other minor, technical, and conforming changes.

EFFECTIVE DATE: Upon passage

Application

Under the bill, a “lottery gaming system” is the complete integrated set of hardware and software elements that communicates, records, reports, captures, and accounts for gaming data, including issuing, canceling, and validating wagers, determining winners, and other functions necessary for the technological operation of the lottery.

By law and under the bill, “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.

A “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. It 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.

DCP Technical Standards

If DCP develops technical standards for gaming laboratories to test lottery draw games and keno, then the bill requires the department to post them on DCP’s website and review them at least annually to ensure they preserve the integrity of gaming.

DCP may modify or update the standards to respond to a legal interpretation, include additional standards, or amend existing

standards as the DCP commissioner deems necessary in order to protect consumers from financial harm, to adjust to changes in technology, relevant standards, or platform design, or for any other reason in order to preserve the integrity of gaming. The bill requires the department to post its standards updates on DCP's website and makes them effective 30 days after this posting unless the commissioner establishes a later effective date. The bill also requires DCP to notify CLC in writing about any update to the standards before it is implemented.

Gaming Laboratory Reporting

The bill requires gaming laboratories engaged in testing and certifying a lottery draw game or keno to file a report with DCP that must include (1) the extent to which the lottery draw game or keno meets any technical standards adopted by the DCP commissioner, (2) whether the lottery draw game or keno complies with the requirements of the state's lottery laws, and (3) any additional information needed by DCP to certify the lottery game or keno.

DCP Review of Test Results

Under the bill, DCP must review the lottery draw game or keno that is being tested for proper functioning and consider the gaming laboratory's test results and certification. After completing this review, the department may approve the lottery draw game or keno for use in the state.

§§ 1 & 4-8 — LOTTERY SALES AGENTS

Specifies that lottery sales agents do not sell lottery tickets or offer keno over the Internet; extends existing provisions for other lottery related licensees to them; requires the "person in charge" of the agent to provide certain information to DCP and submit to a criminal history records check

This bill makes several statutory changes on lottery sales agents that supersede DCP regulations on them. Under existing law, unchanged by the bill, DCP must adopt regulations on, among other things, regulating lottery sales agents, including qualifications for licensure and license suspension and revocation (CGS § 12-568a). In practice, the department has adopted these regulations (see Conn. Agencies Regs., § 12-56a-1 et seq.).

The bill statutorily prohibits any person or business organization from being a lottery sales agent without a DCP license. It formally defines “lottery sales agent” as a person licensed under the state’s lottery and gaming laws that contracts with CLC to sell lottery tickets or offer keno at a retail facility in Connecticut and not over the Internet.

The bill extends existing provisions for other lottery related licensees to lottery sales agents. Under this law currently, the DCP commissioner must issue vendor, affiliate, and occupational licenses according to the other provisions of this law. The bill also requires him to issue lottery sales agent licenses in this way. Relatedly, just as the commissioner may suspend or revoke for good cause a vendor, affiliate, or occupational license after a hearing, or order a summary suspension of either, the bill allows him to do so for lottery sales agent licenses.

The bill also extends (1) an existing alternative criminal history records check process for key employee and live game employee license applicants to lottery sales agent license applicants and (2) existing statutory provisions for other lottery related licensees so that they apply to lottery sales agents.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: Upon passage

Lottery Sales Agent License Applications

Under existing law, the DCP commissioner may require applicants for other lottery related licenses to provide specific information about themselves. The bill extends this authorization to apply to lottery sales agent license applicants and the “person in charge” of them (i.e., the person designated by a lottery sales agent licensee, or the applicant for the license, who is responsible for managing the agent’s compliance with the state lottery and game laws).

Effectively, the DCP commissioner may require a lottery sales agent license applicant and the related person in charge to provide information on their:

1. financial standing and credit;
2. moral character;
3. criminal record, if any;
4. previous employment;
5. corporate, partnership, or association affiliations; and
6. ownership of personal assets, as well as other information the commissioner deems pertinent to issuing the license if doing so will assure the integrity of the state lottery.

By law, the DCP commissioner must require other license applicants to submit to state and national criminal history records checks and may require them to submit to an international criminal history records check before the license is issued. The bill applies these provisions to lottery sales agent applicants and to the applicant's person in charge when the applicant is a business organization.

As is the case under existing law for other license applicants, the bill requires the DCP commissioner to issue a lottery sales agent license to each applicant who satisfies the above application requirements and who he deems as qualified, and authorizes the commissioner to reject lottery sales agent license applications for good cause.

§§ 1, 4 & 5 — LOTTERY AFFILIATE AND VENDOR LICENSES

Specifies that certain CLC contractors must get an affiliate license as affiliates and requires vendor licensees to report lottery system incidents directly to DCP

The bill specifies that any person or business organization, other than a shareholder in a publicly traded corporation, that acts as a contractor for providing facilities, components, goods, or services that are necessary for and directly related to the secure operation of CLC's activities, or who exercises control in or over a vendor licensee, must be licensed as an affiliate licensee by the DCP commissioner. Current law only expressly applies this requirement to those acting as subcontractors.

The bill requires vendors licensed to provide a lottery gaming system to report certain incidents to DCP. Specifically, incidents that occur, or are reasonably suspected to have occurred, that cause a disruption in the operation, security, accuracy, integrity, or availability of the lottery gaming system.

The vendor must generally give a written incident report to DCP immediately upon discovering the incident, but they may do so up to 24 hours after the discovery. The report must include the incident details and the vendor's proposed corrections. Within five business days after notifying the department, the vendor must give, presumably, a second written incident report that (1) details the incident, including the root cause of it, and (2) outlines the vendor's plan to make corrections, mitigate the effects of the incident, and prevent incidents of a similar nature from happening in the future. If the vendor is unable to determine the root cause and correct the incident within the initial five business days, the vendor must continue to update the department every five business days with written incident reports until the root cause is determined and the incident is corrected. DCP may require the vendor to submit the lottery gaming system to a gaming laboratory for recertification.

Additionally, the bill makes technical and conforming changes.

EFFECTIVE DATE: Upon passage

§§ 3, 5 & 10 — CASINO GAMING AND SPORTS WAGERING ADVERTISING

Imposes additional advertising restrictions and requirements on gaming entity licensees, including prohibiting certain licensees from entering into agreements with a third party to conduct advertising or marketing where compensation is based on certain outcomes (e.g., how many people become patrons or amount wagered)

The bill imposes additional restrictions on online and retail sports wagering and online casino gaming advertisements; specifically, the advertising, marketing, and other promotional materials published, aired, displayed, or disseminated by or on behalf of any gaming entity licensee. The bill defines "gaming entity licensee" as a master wagering licensee, a licensed online gaming operator, a licensed online gaming

service provider, or a licensed sports wagering retailer (see BACKGROUND).

The bill also prohibits master wagering licensees, online gaming operator licensees, and sports wagering retailer licensees from entering into agreements with a third party to conduct advertising or marketing for or to benefit the licensee where compensation depends on the number of people who become patrons, the volume or amount of wagers placed, or the wager outcomes. However, master wagering licensees and online gaming operator licensees may compensate a third party for advertising services based on the click through of an individual to an online gaming operator licensee's website so long as the compensation is not based on an individual creating an account or placing a wager.

Additionally, the bill makes technical and conforming changes.

EFFECTIVE DATE: Upon passage

Changes to Current Advertising Restrictions

Current law prohibits advertisements of online and retail sports wagering and online casino gaming from (1) depicting someone younger than age 21 unless he or she is a professional or collegiate athlete who, if permitted by law, can profit from the use of his or her name or (2) being aimed exclusively or primarily at people younger than age 21. The bill specifies that advertising must not depict someone who is, or appears to be, under age 21 and further prohibits aiming it exclusively or primarily at people younger than age 18 if the advertising exclusively pertains to keno, online lottery ticket sales, or fantasy contests, or any combination of the three.

New Advertising Restrictions

The bill requires gaming entity licensees to state that individuals must be at least age 18 or 21, as applicable to participate in the type of gaming advertised, marketed, or promoted. It also prohibits the advertising, marketing, and other promotional materials by these licensees from:

1. directly advertising, targeting, or promoting Internet games or retail sports wagering to specific individuals, rather than a general audience, who have excluded themselves through the state's self-exclusion process through methods including email, telephone calls, text messages, direct messaging applications, mail, and social media;
2. having images, symbols, celebrity or entertainer endorsements, or language designed to appeal specifically to those under age 21, or, if pertaining exclusively to keno, online lottery ticket sales, or fantasy contests, or any combination of the three, to those under 18 years old;
3. having inaccurate or misleading information that would reasonably be expected to confuse and mislead patrons to induce them to engage in gaming;
4. appealing primarily to individuals under age 21 or, if pertaining exclusively to keno, online lottery ticket sales, or fantasy contests, or any combination of the three, to those under age 18 on a media outlet or social media;
5. being placed before any audience where the majority of the viewers or participants is presumed to be under age 21, or, if pertaining exclusively to keno, online lottery ticket sales, or fantasy contests, or any combination of the three, to those under age 18;
6. implying greater chances of winning compared to other licensees;
7. implying greater chances of winning based on wagering in greater quantity or amount, except for a lottery draw game that was approved before January 1, 2024, that is available for patron wagering when the bill passes and includes features approved by DCP that increase the chances of winning and is not exclusively sold by lottery sales agents;

8. having claims or representations that gaming will guarantee an individual's social, financial, or personal success; and
9. using any type, size, location, lighting, illustration, graphic, depiction, or color resulting in the obscuring of any material fact.

The bill also requires that direct or targeted advertisements or promotions sent to individuals (e.g., emails or text messages) include a clear and conspicuous Internet link that allows the recipient to unsubscribe by clicking on one link.

§§ 4, 9 & 12 — PROVISIONAL LICENSE AUTHORIZATION

Authorizes the DCP commissioner to give provisional authorizations to occupational, key employee, live game employee, and pari-mutuel occupational license applicants.

The bill allows DCP to authorize applicants for an occupational, key employee, live game employee, or pari-mutuel occupational license to provisionally perform the work permitted under a respective license if:

1. petitioned by specific entities, specifically by CLC or a CLC vendor or affiliate for occupational license applicants, by a master wagering, online gaming operator, online gaming service provider, or sports wagering retailer licensee for key employee and live game employee license applicants, and by a pari-mutuel business licensee (i.e., association, vendor, totalizator (i.e., provides equipment for pari-mutuel wagering) or affiliate licensee) for pari-mutuel occupational license applicants;
2. the applicant has filed a completed license application in the form and manner required by DCP, and
3. the petitioner attests that the provisional authorization is necessary to continue the efficient operations of specified gaming (i.e., the lottery for occupational license applicants, Internet games or retail sports wagering for key employee and live game employee license applicants, and pari-mutuel wagering for pari-mutuel occupational license applicants) and is based on circumstances that are extraordinary and not designed to

circumvent the otherwise applicable licensing procedures.

Under the bill, a provisional authorization may be issued for up to six months before a license is issued or denied. The authorization must permit the applicant to perform the functions, and require the applicant to comply with the requirements, of the respective license as set forth in the state's gaming laws. It must also not constitute approval for a license.

During the period of time that any provisional authorization is in effect, the applicant must be subject to and comply with all applicable statutes and regulations. Any provisional authorization issued by DCP must generally expire immediately upon the earlier of: (1) the date a written notice is issued from DCP that the license has been approved or denied, or (2) six months after the date the provisional authorization was issued. However, the bill allows individuals whose provisional authorizations expire at six months without a license approval or denial to apply for an additional provisional authorization, which DCP may issue if the conditions for granting an initial authorization exist.

The bill prohibits individuals who receive provisional authorizations and whose license applications are denied from reapplying for a license for one year from the date of the denial.

EFFECTIVE DATE: Upon passage

§ 5 — WAGERS ON CONNECTICUT COLLEGE SPORTS

Allows sports wagering on Connecticut college sports but prohibits proposition wagers on individual athletes

The bill expands legal wagering on Connecticut college sports by allowing wagers on individual games involving Connecticut colleges (i.e., a Connecticut public university or college or independent higher education institution team, or a for-profit college or university team physically located in Connecticut that offers in-person classes within the state). It does so by expanding what is considered a "sporting event" by eliminating exclusions under current law that generally limit legal wagers on Connecticut colleges to only when they are involved in a

tournament of four or more teams.

However, the bill limits this allowance by changing the definition of “sports wagering” to exclude propositional wagers on the performance or individual performance statistics of an athlete of a Connecticut college team in a sporting event or a combination of sporting events.

§ 5 — KEY EMPLOYEES

Makes changes to who is considered a key employee for gaming licensure purposes

The bill changes the statutory definition “key employee” that is used for gaming licensure purposes. Under current law, a key employee is, among other things, someone who has an ownership interest in a master wagering licensee or a licensed online gaming service provider, online gaming operator, or sports wagering retailer; specifically, 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. The bill eliminates the language about aggregate interest.

EFFECTIVE DATE: Upon passage

§ 11 — WAGERING RESTRICTIONS

Broadens certain prohibitions on sports wagering to apply to any type of wagering and applies one of them to live game employees

The bill broadens two prohibitions on sports wagering to apply to any type of wagering. By law, master wagering licensees and licensed online gaming operator, sports wagering retailer, and online gaming service providers are prohibited from accepting wagers from a person on the account of, or for, another person. Current law relatedly prohibits anyone from placing a sports wager on another’s behalf, including wagering on the account of another person. The bill deletes “sports” from this second prohibition, effectively broadening its application to any type of wager.

Current law 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 bill

removes the sporting event limitation from this prohibition so that it applies to any wager. By law, this prohibition applies to licensee officers, directors, owners, and key and occupational employees, and their family members who reside in the same household. Under existing law, tribal membership, in and of itself, is not ownership for these purposes. The bill extends this prohibition so that it also applies to live game employees.

EFFECTIVE DATE: October 1, 2024

§ 13 — PARI-MUTUEL LICENSES

Separates existing pari-mutuel licenses into occupational and business entity licenses for individuals and business entity licenses for businesses.

The bill separates existing pari-mutuel licenses into two categories: occupational licenses for individuals and business entity licenses for businesses. The bill maintains the existing fee amounts and background check requirements for both categories.

EFFECTIVE DATE: Upon passage

§ 14 — DCP SPECIAL POLICE OFFICERS AND INTERNET GAMING

Expands the jurisdiction of certain DCP special police officers to investigate and make arrests for any offense arising from Internet gaming

The bill expands the jurisdiction of certain DCP investigators appointed by the emergency services and public protection commissioner to act as special police officers. It specifically allows them to investigate and make arrests for any offense arising from Internet gaming operations, in addition to their existing authority over retail sports wagering, off-track betting systems, and lottery games.

EFFECTIVE DATE: Upon passage

§§ 15 & 16 — ANIMAL PRIZES PROHIBITED

Specifies that (1) for prize prohibition purposes, an animal includes a fish or reptile and (2) bazaars and raffles may not use animals as prizes

Existing law prohibits anyone from using any animal as a prize or award for a game, among other things. The bill specifies that (1) for prize purposes, an animal includes a fish or reptile and (2) bazaars and raffles

may not use animals as prizes. As under existing law, a violation of using an animal as a prize is a class D misdemeanor (punishable by up to 30 days imprisonment, up to a \$250 fine, or both).

EFFECTIVE DATE: October 1, 2024

BACKGROUND

Definitions

By law and under the bill, a “master wagering licensee” is generally the Mashantucket Pequot or Mohegan tribes or the CLC.

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 “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.

“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 DCP.

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

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 at up to 15 facilities in the state.

“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 DCP.

“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 mostly 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.

COMMITTEE ACTION

Public Safety and Security Committee

Joint Favorable Substitute

Yea 21 Nay 4 (03/19/2024)