
OLR Bill Analysis

sSB 1463

AN ACT CONCERNING DISCLOSURES, PAYMENTS AND REVENUE TRANSFERS BY THE CONNECTICUT LOTTERY CORPORATION.

SUMMARY

This bill establishes a process to divert Connecticut Lottery Corporation (CLC) revenue from online lottery ticket sales and gross gaming revenue from online sports wagering that would otherwise be deposited in the General Fund and instead deposit it in the Early Childhood and Education Fund. By law, amounts in this fund must be used solely to support the state's early childhood and child care needs.

The bill also increases the minimum average commission the CLC must pay to a lottery sales agent from 4% to 5.5% of the agent's lottery sales. By law, the CLC can set the amount of agent commissions above the minimum.

The bill prohibits the CLC from publishing the name or address of a person who redeems a winning lottery ticket, claims or is paid a winning sports wager, or is paid a fantasy contest prize without the person's prior written consent. It also expands requirements for receiving written consent to publish a winner's photograph and exempts winners' names and addresses from disclosure under the Freedom of Information Act (FOIA).

Additionally, current law requires that the Finance, Revenue and Bonding and Public Safety and Security committees receive a fiscal note from the CLC about a new lottery game. The bill requires that the General Law Committee receive these notes instead of the Public Safety and Security Committee.

Finally, the bill makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2025, except the provisions on disclosing winners' names, addresses, and photographs are effective October 1, 2025.

§§ 1-6 — ONLINE LOTTERY TICKET SALE AND SPORTS WAGERING REVENUE

Currently, CLC revenue from online lottery ticket sales and sports wagering is placed in the CLC's lottery and gaming fund along with other CLC revenue from the lottery. On a weekly basis, the CLC estimates and certifies to the treasurer the amount in the fund that is not needed for (1) prizes and winnings, (2) operating and other expenses, (3) required payments to the General Fund for online and retail sports wagering (see below) and fantasy contests, and (4) approved reserves. The CLC must transfer the certified amount to the General Fund after the treasurer provides notice of receiving the certification (certain conditions require a transfer to the Connecticut Teacher's Retirement Fund Bonds Special Capital Reserve Fund).

Online Lottery Ticket Sale Revenue (§§ 1-4)

The bill diverts the CLC's online lottery ticket sale revenue from this process and places it in a new Online Lottery Ticket Sales Fund. It establishes a process similar to the one described above regarding weekly estimates and certifications but requires, beginning with FY 26, the certified amount to be transferred to the Early Childhood and Education Fund.

The bill makes technical and conforming changes to the CLC's powers and processes.

Sports Wagering Revenue (§§ 5 & 6)

Currently, the CLC must pay 13.75% of its gross gaming revenue from online and retail sports wagering to the General Fund and remaining amounts are treated the same way as other CLC revenue.

The bill retains this requirement for gross gaming revenue from retail sports wagering but requires, beginning July 1, 2025, that all CLC gross gaming revenue from online sports wagering be deposited in the Early

Childhood and Education Fund. The CLC must make payments on the 15th of each month.

By law, gross gaming revenue is the total the CLC receives for online or retail sports wagering minus the amounts paid as winnings and any federal excise taxes (with specific provisions governing coupons, credits, and items that are included in a payout).

§§ 7-9 — DISCLOSING WINNERS' NAMES, ADDRESSES, AND PHOTOS

The bill prohibits the CLC from publishing the name or address of a person who redeems a winning lottery ticket, claims or is paid a winning sports wager, or is paid a fantasy contest prize without the person's prior written consent. Current law permits the CLC to provide this information but requires the CLC, on request, to remove a person's name from the list of winners on its website. The bill instead requires the CLC to receive the person's consent before publication.

Additionally, under current law, the CLC cannot put a picture of a lottery winner on its website without prior written consent. The bill expands this consent requirement to all of the winners described above and prohibits the CLC from publishing a winner's photo anywhere without prior written consent.

The bill also exempts these winners' names and addresses from disclosure under FOIA and eliminates the CLC's authority to share a winner's relevant records. Generally, other CLC records are subject to disclosure under FOIA except for information about lottery games before they are publicly announced, serial numbers of unclaimed lottery tickets, certain proprietary and financial information provided by those who seek to render services to the CLC, and personal information related to a person's account for internet gaming.

BACKGROUND

Related Bill

HB 5003 (File 198), favorably reported by the Children Committee, among other things, transfers up to \$100 million of unappropriated

surplus to the Early Childhood Care and Education Fund at the close of both FYs 25 and 26 and broadens the use of fund deposits to four specific early childhood and education programs.

COMMITTEE ACTION

General Law Committee

Joint Favorable

Yea 21 Nay 0 (03/21/2025)