



General Assembly

January Session, 2025

Raised Bill No. 1235

LCO No. 4320



Referred to Committee on GENERAL LAW

Introduced by:
(GL)

AN ACT CONCERNING THE DEPARTMENT OF CONSUMER PROTECTION'S RECOMMENDATIONS REGARDING LOTTERY AND GAMING REGULATION.

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

1 Section 1. Section 12-801 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2025*):

3 As used in section 12-563a and sections 12-800 to 12-818, inclusive,
4 and section 2 of this act, the following terms have the following
5 meanings unless the context clearly indicates another meaning:

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

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

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

11 (4) "Division" means the former Division of Special Revenue in the
12 Department of Revenue Services;

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

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

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

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

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

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

41 (11) "Lottery gaming system" means the complete integrated set of
42 hardware and software elements that communicates, records, reports,

43 captures and accounts for gaming data, including, but not limited to,
44 issuing, canceling and validating wagers, determining winners and
45 other functions necessary for the technological operation of the lottery;

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

48 (13) "Online lottery ticket sales" means the sale of lottery tickets for
49 lottery draw games through the corporation's Internet web site, an
50 online service or a mobile application, pursuant to a license issued to the
51 corporation under section 12-853;

52 (14) "Online sports wagering" has the same meaning as provided in
53 section 12-850, as amended by this act;

54 (15) "Operating revenue" means total revenue received from lottery
55 sales and sports wagering less all cancelled sales and amounts paid as
56 prizes but before payment or provision for payment of any other
57 expenses;

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

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

64 (18) "Skin" has the same meaning as provided in section 12-850, as
65 amended by this act; and

66 (19) "Ticket courier service" means a for-profit delivery service
67 operated for the purpose of (A) purchasing lottery tickets (i) for games
68 authorized pursuant to this chapter, and (ii) on behalf of individuals
69 located inside or outside of this state, and (B) delivering or transmitting
70 such lottery tickets, or electronic images thereof, to such individuals.

71 Sec. 2. (NEW) (*Effective July 1, 2025*) (a) (1) The commissioner may
72 reject an application for a lottery sales agent license, or refuse to issue or
73 renew a lottery sales agent license, for cause, including, but not limited
74 to: (A) Any conduct of a character that is inimical to the integrity of the
75 lottery; (B) any provision of false or misleading information; (C) lack of
76 financial stability; or (D) failure to complete the application.

77 (2) Upon refusal to issue or renew a lottery sales agent license
78 pursuant to subdivision (1) of this subsection, the commissioner shall
79 notify the applicant of such refusal and of the applicant's right to request
80 a hearing not later than ten days after the applicant receives notice of
81 such refusal. If the applicant requests a hearing within such ten-day
82 period, the commissioner shall notify the applicant of the grounds for
83 such refusal and conduct a hearing concerning such refusal in
84 accordance with the provisions of chapter 54 of the general statutes
85 concerning contested cases. If the commissioner's refusal is sustained
86 after such hearing, the applicant shall not apply for a lottery sales agent
87 license during the one-year period beginning on the date on which such
88 refusal was sustained.

89 (b) (1) The commissioner may suspend, revoke or place conditions on
90 a vendor, affiliate or occupational license for cause, including, but not
91 limited to: (A) Any failure to comply with the provisions of chapter 229a
92 of the general statutes, chapter 226 of the general statutes and the
93 regulations adopted pursuant to said chapters; (B) any conduct of a
94 character that is inimical to the integrity of gaming; (C) any provision of
95 false or misleading information; (D) lack of financial stability; (E)
96 manipulating or inappropriately accessing the lottery system or any
97 hardware or software associated with such system; (F) tampering with
98 the lottery; or (G) otherwise defrauding the public by compromising the
99 lottery in any manner.

100 (2) Upon suspension, revocation or placement of conditions on a
101 vendor, affiliate or occupational license pursuant to subdivision (1) of
102 this subsection, the commissioner shall notify the vendor, affiliate or

103 occupational licensee of such suspension, revocation or placement and
104 of such vendor, affiliate or occupational licensee's right to request a
105 hearing not later than ten days after such vendor, affiliate or
106 occupational licensee receives notice of such suspension, revocation or
107 placement. If the vendor, affiliate or occupational licensee requests a
108 hearing within such ten-day period, the commissioner shall notify such
109 vendor, affiliate or occupational licensee of the grounds for such
110 suspension, revocation or placement and conduct a hearing concerning
111 such suspension, revocation or placement in accordance with the
112 provisions of chapter 54 of the general statutes concerning contested
113 cases. If such suspension, revocation or placement is sustained after
114 such hearing, such vendor, affiliate or occupational licensee shall not
115 apply for the same license during the one-year period beginning on the
116 date on which such suspension, revocation or placement was sustained.

117 (3) The commissioner may summarily suspend any vendor, affiliate
118 or occupational license in accordance with the provisions of subsection
119 (c) of section 4-182 of the general statutes. The commissioner may also
120 impose a civil penalty of not more than two thousand five hundred
121 dollars for each occurrence that constitutes cause to suspend, revoke or
122 place conditions on a vendor, affiliate or occupational license under
123 subdivision (1) of this subsection.

124 (c) (1) In the event the department finds any unauthorized gambling
125 device, illegitimate lottery ticket, professional gambling or illegal
126 bookmaking equipment at the location of a licensed lottery sales agent,
127 the commissioner shall: (A) Notify the lottery sales agent, in writing,
128 that (i) the lottery sales agent license the commissioner issued to such
129 licensee is summarily suspended, (ii) such lottery sales agent shall be
130 subject to a fine in an amount not to exceed ten thousand dollars per
131 violation of this subdivision, and (iii) such lottery sales agent may
132 submit to the commissioner a written request for a hearing not later than
133 fifteen days after the applicant receives an order issued by the
134 commissioner pursuant to subparagraph (B) of this subdivision; and (B)
135 upon providing written notice to the licensed lottery sales agent

136 pursuant to subparagraph (A) of this subdivision, issue to such lottery
137 sales agent a written order (i) summarily suspending the lottery sales
138 agent license the commissioner issued to such licensee, and (ii) imposing
139 a fine on such lottery sales agent in an amount not to exceed ten
140 thousand dollars per violation of this subdivision.

141 (2) If a suspended lottery sales agent submits to the commissioner a
142 written request for a hearing in accordance with the provisions of
143 subparagraph (A)(iii) of subdivision (1) of this subsection, the
144 commissioner shall conduct a hearing concerning the summary
145 suspension and fine imposed on the suspended lottery sales agent in
146 accordance with the provisions of chapter 54 of the general statutes
147 concerning contested cases. If a suspended lottery sales agent does not
148 request a hearing within such fifteen-day period, the order issued
149 pursuant to subparagraph (B) of subdivision (1) of this subsection shall
150 be deemed a final decision subject to appeal pursuant to section 4-183 of
151 the general statutes.

152 (3) An order issued pursuant to subparagraph (B) of subdivision (1)
153 of this subsection shall remain in effect until the summary suspension is
154 lifted and all fines imposed pursuant to this subsection have been paid.
155 The summary suspension may be lifted by a written order issued by the
156 commissioner or upon a final decision rendered after a hearing
157 conducted pursuant to subdivision (2) of this subsection.

158 Sec. 3. Subsection (d) of section 12-813 of the general statutes is
159 repealed and the following is substituted in lieu thereof (*Effective July 1,*
160 *2025*):

161 (d) (1) (A) No ticket shall be sold at a price greater than that fixed by
162 the president, subject to the direction of the board and no sale shall be
163 made other than by a licensed lottery sales agent or his designated
164 employee, or by such other lawful means, including online lottery ticket
165 sales.

166 (B) No person shall sell a lottery ticket to a minor and no minor shall

167 purchase a lottery ticket.

168 (C) No person shall offer a lottery ticket for resale.

169 (D) No person shall operate a ticket courier service in this state.

170 (2) No provision of subdivision (1) of this subsection shall be
171 construed to prohibit a minor from receiving a lottery ticket as a gift.

172 (3) Any person who violates the provisions of subdivision (1) of this
173 subsection shall be guilty of a class A misdemeanor. [A minor may
174 receive a lottery ticket as a gift.]

175 Sec. 4. Subsections (g) to (l), inclusive, of section 12-815a of the general
176 statutes are repealed and the following is substituted in lieu thereof
177 (*Effective July 1, 2025*):

178 (g) In determining whether to grant a vendor, affiliate, lottery sales
179 agent or occupational license to any such person or business
180 organization, the commissioner may require an applicant to provide
181 information as to such applicant and person in charge related to: (1)
182 Financial standing and credit; (2) moral character; (3) criminal record, if
183 any; (4) previous employment; (5) corporate, partnership or association
184 affiliations; (6) ownership of personal assets; and (7) such other
185 information as the commissioner deems pertinent to the issuance of
186 such license, provided the submission of such other information will
187 assure the integrity of the state lottery. The commissioner shall require
188 each applicant for a vendor, affiliate, lottery sales agent or occupational
189 license, provided if an applicant for a lottery sales agent is a business
190 organization the commissioner shall require such entity's person in
191 charge to submit to state and national criminal history records checks
192 and may require each such applicant, or person in charge, to submit to
193 an international criminal history records check before such license is
194 issued. The state and national criminal history records checks required
195 pursuant to this subsection shall be conducted in accordance with
196 section 29-17a. The commissioner shall issue a vendor, affiliate, lottery

197 sales agent or occupational license, as the case may be, to each applicant
198 who satisfies the requirements of this subsection and who is deemed
199 qualified by the commissioner. [The commissioner may reject for good
200 cause an application for a vendor, affiliate, lottery sales agent or
201 occupational license.]

202 (h) Each vendor, affiliate or Class I or II occupational license shall be
203 effective for not more than one year from the date of issuance. Each
204 Class III or IV occupational license shall remain in effect throughout the
205 term of employment of any such employee holding such a license. The
206 commissioner may require each employee issued a Class IV
207 occupational license to submit information as to such employee's
208 financial standing and credit annually. Initial application for and
209 renewal of any such license shall be in such form and manner as the
210 commissioner shall prescribe.

211 (i) (1) Upon petition of the corporation, a vendor licensee or an
212 affiliate licensee, the department may authorize an applicant for an
213 occupational license to provisionally perform the work permitted under
214 the license applied for, if: (A) The applicant has filed a completed
215 occupational license application in the form and manner required by the
216 commissioner, and (B) the corporation, vendor licensee or affiliate
217 licensee attests that the provisional authorization is necessary to
218 continue the efficient operation of the lottery, and is based on
219 circumstances that are extraordinary and not designed to circumvent
220 the otherwise applicable licensing procedures.

221 (2) The department may issue a provisional authorization to an
222 applicant for an occupational license in advance of issuance or denial of
223 such license for a period not to exceed six months. Provisional
224 authorization shall permit such applicant to perform the functions and
225 require the applicant to comply with the requirements of the
226 occupational license applied for as set forth in the provisions of this
227 chapter and regulations adopted pursuant to this chapter. Provisional
228 authorization shall not constitute approval for an occupational license.

229 During the period of time that any provisional authorization is in effect,
230 the applicant granted such authorization shall be subject to and comply
231 with all applicable statutes and regulations. Any provisional
232 authorization issued by the department shall expire immediately upon
233 the earlier of: (A) The date of issuance of written notice from the
234 department that the occupational license has been approved or denied,
235 or (B) six months after the date the provisional authorization was issued.

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

239 (4) An individual whose provisional authorization expires pursuant
240 to subparagraph (B) of subdivision (2) of this subsection may apply for
241 an additional provisional authorization. The department may issue such
242 additional provisional authorization upon a determination that the
243 conditions of subparagraph (B) of subdivision (1) of this subsection
244 exist.

245 (j) When an incident occurs, or is reasonably suspected to have
246 occurred, that causes a disruption in the operation, security, accuracy,
247 integrity or availability of the lottery gaming system, the vendor
248 licensed to provide such lottery gaming system shall, immediately upon
249 discovery of such incident, but not later than twenty-four hours after
250 discovery of such incident, provide the department with a written
251 incident report including the details of the incident and the vendor's
252 proposed corrections. Not later than five business days after notifying
253 the department of an incident, the vendor licensee shall provide the
254 department with a written incident report that (1) details the incident,
255 including the root cause of the incident, and (2) outlines the vendor's
256 plan to make corrections, mitigate the effects of the incident and prevent
257 incidents of a similar nature from occurring in the future. If the vendor
258 licensee is unable to determine the root cause and correct the incident
259 within the initial five business days, the licensee shall continue to
260 update the department every five business days with written incident

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

264 (k) (1) The commissioner may suspend, [or] revoke, [for good cause]
265 refuse to issue or renew or place conditions on a vendor, affiliate, lottery
266 sales agent or occupational licensee, [after a hearing held before the
267 commissioner in accordance with chapter 54] deny an application for
268 any such license or impose a civil penalty on a vendor, affiliate, lottery
269 sales agent or occupational licensee for cause, including, but not limited
270 to: (A) Any failure to comply with the provisions of this chapter, chapter
271 226 and the regulations adopted pursuant to said chapters, (B) any
272 conduct of a character that is inimical to the integrity of gaming, (C) any
273 provision of false or misleading information, (D) financial distress or
274 irresponsibility, or (E) failure to complete an application. Upon refusal
275 to issue or renew any such license, the commissioner shall notify the
276 applicant of such refusal and of the applicant's right to request a hearing
277 not later than ten days after the applicant receives notice of such refusal.
278 If the applicant requests a hearing within such ten-day period, the
279 commissioner shall notify the applicant of the grounds for such refusal
280 and conduct a hearing concerning such refusal in accordance with the
281 provisions of chapter 54 concerning contested cases. If the
282 commissioner's refusal is sustained after such hearing, the applicant
283 shall not apply for the same license during the one-year period
284 beginning on the date on which such refusal was sustained. The
285 commissioner may order summary suspension of any such license in
286 accordance with subsection (c) of section 4-182.

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

291 (3) The commissioner may impose a civil penalty on any licensee for
292 a violation of any provision of this chapter or any regulation adopted

293 under section 12-568a in an amount not to exceed two thousand five
294 hundred dollars per violation after a hearing held in accordance with
295 chapter 54.

296 (l) The commissioner may require that the books and records of any
297 vendor or affiliate licensee be maintained in any manner which the
298 commissioner may deem best, and that any financial or other statements
299 based on such books and records be prepared in accordance with
300 generally accepted accounting principles in such form as the
301 commissioner shall prescribe. The commissioner or a designee may
302 visit, investigate and place expert accountants and such other persons
303 as deemed necessary in the offices or places of business of any such
304 licensee, or require that the books and records of any such licensee be
305 provided to the department, for the purpose of satisfying [himself or
306 herself] the commissioner that such licensee is in compliance with the
307 regulations [of] adopted by the department.

308 Sec. 5. Section 12-850 of the general statutes is repealed and the
309 following is substituted in lieu thereof (*Effective from passage*):

310 For the purposes of this section and sections 12-851 to 12-871,
311 inclusive, and section 6 of this act:

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

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

319 (3) "Connecticut intercollegiate team" means any team associated
320 with an intercollegiate program of a university or college of the state
321 system of public higher education, as described in section 10a-1, an
322 independent institution of higher education, as defined in section 10a-

323 173, or a for-profit college or university physically located in the state
324 that offers in-person classes within the state;

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

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

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

333 (7) "E-bingo machine" means an electronic device categorized as a
334 class II machine under the federal Indian Gaming Regulatory Act, P.L.
335 100-497, 25 USC 2701 et seq. used to play bingo that is confined to a
336 game cabinet and is substantially similar in appearance and play to a
337 class III slot machine. "E-bingo machine" does not include any other
338 electronic device, aid, instrument, tool or other technological aid used
339 in the play of any in-person class II bingo game;

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

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

345 (10) "Fantasy contest" means any fantasy or simulated game or
346 contest with an entry fee, conducted over the Internet, including
347 through an Internet web site or a mobile device, in which: (A) The value
348 of all prizes and awards offered to a winning fantasy contest player is
349 established and made known to the players in advance of the game or
350 contest; (B) all winning outcomes reflect the knowledge and skill of the
351 players and are determined predominantly by accumulated statistical

352 results of the performance of participants in events; and (C) no winning
353 outcome is based on the score, point spread or any performance of any
354 single team or combination of teams or solely on any single performance
355 of a contestant or player in any single event. "Fantasy contest" does not
356 include lottery games;

357 (11) "Gaming entity licensee" means a master wagering licensee, a
358 licensed online gaming operator, a licensed online gaming service
359 provider or a licensed sports wagering retailer;

360 (12) "Handling consumables" means physical contact with, or
361 supervisory oversight over the acceptance, inventory, storage or
362 destruction of, consumables, as well as being responsible for card
363 inspection, counting and shuffling;

364 (13) "Internet games" means (A) online casino gaming; (B) online
365 sports wagering; (C) fantasy contests; (D) keno through the Internet, an
366 online service or a mobile application; and (E) the sale of tickets for
367 lottery draw games through the Internet, an online service or a mobile
368 application;

369 (14) "Keno" has the same meaning as provided in section 12-801, as
370 amended by this act;

371 (15) "Key employee" means an individual with the following position
372 or an equivalent title associated with a master wagering licensee or a
373 licensed online gaming service provider, online gaming operator or
374 sports wagering retailer: (A) President or chief officer, who is the top
375 ranking individual of the licensee and is responsible for all staff and the
376 overall direction of business operations; (B) financial manager, who is
377 the individual who reports to the president or chief officer who is
378 generally responsible for oversight of the financial operations of the
379 licensee, including, but not limited to, revenue generation, distributions,
380 tax compliance and budget implementation; (C) compliance manager,
381 who is the individual that reports to the president or chief officer and
382 who is generally responsible for ensuring the licensee complies with all

383 laws, regulations and requirements related to the operation of the
384 licensee; (D) chief information officer, who is the individual generally
385 responsible for establishing policies or procedures on, or making
386 management decisions related to, information systems; or (E) chief data
387 security officer, who is the individual generally responsible for
388 establishing policies or procedures on, or making management
389 decisions related to, technical systems. "Key employee" includes an
390 individual (i) who is responsible for establishing the policies or
391 procedures on, or making management decisions related to, wagering
392 structures or outcomes for a licensee; or (ii) who has an ownership
393 interest that is five per cent or more of the total ownership or interest
394 rights in the licensee. Tribal membership in and of itself shall not
395 constitute ownership for purposes of this subdivision;

396 (16) "Live game employee" means an employee of a master wagering
397 licensee or a licensed online gaming operator or online gaming service
398 provider that is operating live online casino gaming who is (A)
399 responsible for handling consumables in a live online casino authorized
400 under this chapter; [,] (B) responsible for presenting live online casino
401 gaming in a live online casino authorized under this chapter; [,] or (C) a
402 direct manager of an individual who is a live game employee under
403 subparagraph (A) or (B) of this subdivision;

404 (17) "Lottery draw game" means any game in which one or more
405 numbers, letters or symbols are randomly drawn at predetermined
406 times, but not more frequently than once every four minutes, from a
407 range of numbers, letters or symbols, and prizes are paid to players
408 possessing winning plays, as set forth in each game's official game rules.
409 "Lottery draw game" does not include keno, any game for which lottery
410 draw tickets are not available through a lottery sales agent or any game
411 that simulates online casino gaming;

412 (18) "Lottery sales agent" means a person that contracts with the
413 Connecticut Lottery Corporation to sell lottery tickets or offer keno at a
414 retail facility in the state and not over the Internet, and is licensed in

415 accordance with chapters 226 and 229a;

416 (19) "Mashantucket Pequot memorandum of understanding" means
417 the memorandum of understanding entered into by and between the
418 state and the Mashantucket Pequot Tribe on January 13, 1993, as
419 amended from time to time;

420 (20) "Mashantucket Pequot procedures" means the Final
421 Mashantucket Pequot Gaming Procedures prescribed by the Secretary
422 of the United States Department of the Interior pursuant to 25 USC
423 2710(d)(7)(B)(vii) and published in 56 Federal Register 24996 (May 31,
424 1991), as amended from time to time;

425 (21) "Master wagering licensee" means (A) the Mashantucket Pequot
426 Tribe, or an instrumentality of or an affiliate wholly-owned by said tribe,
427 if licensed to operate online sports wagering, online casino gaming and
428 fantasy contests pursuant to section 12-852; (B) the Mohegan Tribe of
429 Indians of Connecticut, or an instrumentality of or an affiliate wholly-
430 owned by said tribe, if licensed to operate online sports wagering, online
431 casino gaming and fantasy contests pursuant to section 12-852; or (C)
432 the Connecticut Lottery Corporation, if licensed pursuant to section 12-
433 853 to operate retail sports wagering, online sports wagering, fantasy
434 contests and keno and to sell tickets for lottery draw games through the
435 Internet, an online service or a mobile application;

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

439 (23) "Mohegan memorandum of understanding" means the
440 memorandum of understanding entered into by and between the state
441 and the Mohegan Tribe of Indians of Connecticut on May 17, 1994, as
442 amended from time to time;

443 (24) "Occupational employee" means an employee of a master
444 wagering licensee or a licensed online gaming operator, online gaming

445 service provider or sports wagering retailer;

446 (25) "Off-track betting system licensee" means the person or business
447 organization licensed to operate the off-track betting system pursuant
448 to chapter 226;

449 (26) "Online casino gaming" or "online casino games" means (A) slots,
450 blackjack, craps, roulette, baccarat, poker and video poker, bingo, live
451 dealer and other peer-to-peer games and any variations of such games;
452 [.] and (B) any games authorized by the department, conducted over the
453 Internet, including through an Internet web site or a mobile device,
454 through an electronic wagering platform that does not require a bettor
455 to be physically present at a facility;

456 (27) "Online gaming operator" means a person or business entity that
457 operates an electronic wagering platform and contracts directly with a
458 master wagering licensee to offer (A) one or more Internet games on
459 behalf of such licensee; [.] or (B) retail sports wagering on behalf of such
460 licensee at a facility in this state;

461 (28) "Online gaming service provider" means a person or business
462 entity, other than an online gaming operator, that provides goods or
463 services to, or otherwise transacts business related to Internet games or
464 retail sports wagering with, a master wagering licensee or a licensed
465 online gaming operator, online gaming service provider or sports
466 wagering retailer;

467 (29) "Online sports wagering" means sports wagering conducted over
468 the Internet, including through an Internet web site or a mobile device,
469 through an electronic wagering platform that does not require a sports
470 bettor to be physically present at a facility that conducts retail sports
471 wagering;

472 (30) "Peer-to-peer and progressive game revenue" means, for each
473 master wagering licensee, the total value of all fees charged to
474 individuals located in this state to participate in peer-to-peer casino

475 games and progressive games;

476 (31) "Peer-to-peer casino game" means a card game, contest or
477 tournament, including, but not limited to, a poker game, contest or
478 tournament, (A) in which patrons compete against one another and do
479 not compete against the licensee operating such game, contest or
480 tournament; and (B) the licensee operating such game, contest or
481 tournament (i) assesses any fee associated with such game, contest or
482 tournament; and (ii) does not wager with or against any patron;

483 (32) "Progressive game" (A) means a game conducted in conjunction
484 with an approved online casino game in which the value of the prize is
485 carried forward to the next game if no patron wins; and (B) includes, but
486 is not limited to, an online casino game conducted by more than one
487 licensee for the purpose of a common jackpot prize;

488 ~~[(30)]~~ (33) "Retail sports wagering" means in-person sports wagering
489 requiring a sports bettor to be physically present at one of the up to
490 fifteen facility locations of the Connecticut Lottery Corporation or a
491 licensed sports wagering retailer in this state;

492 ~~[(31)]~~ (34) "Skin" means the branded or cobranded name and logo on
493 the interface of an Internet web site or a mobile application that bettors
494 use to access an electronic wagering platform for Internet games;

495 ~~[(32)]~~ (35) "Sporting event" means any (A) sporting or athletic event
496 at which two or more persons participate, individually or on a team, and
497 may be eligible to receive compensation in excess of actual expenses for
498 such participation in such sporting or athletic event; (B) sporting or
499 athletic event sponsored by an intercollegiate athletic program of an
500 institution of higher education or an association of such programs; [,
501 except for those in which one of the participants is a Connecticut
502 intercollegiate team and the event is not in connection with a permitted
503 intercollegiate tournament;] (C) Olympic or international sports
504 competition event; or (D) e-sports event. [, except for those in which one
505 of the participants is a Connecticut intercollegiate team and the event is

506 not in connection with a permitted intercollegiate tournament. As used
507 in this subdivision, "permitted intercollegiate tournament" means an
508 intercollegiate e-sports, sporting or athletic event involving four or more
509 intercollegiate teams that involves one or more Connecticut
510 intercollegiate teams and the wager on the tournament is based on the
511 outcome of all games within the tournament.] "Sporting event" does not
512 include horse racing, jai alai or greyhound racing;

513 [(33)] (36) "Sports governing body" means the organization that
514 prescribes final rules and enforces codes of conduct with respect to a
515 sporting event and participants in the sporting event;

516 [(34)] (37) "Sports wagering" means risking or accepting any money,
517 credit, deposit or other thing of value for gain contingent in whole or in
518 part, (A) by any system or method of wagering, including, but not
519 limited to, in person or through an electronic wagering platform; [,] and
520 (B) based on (i) a live sporting event or a portion or portions of a live
521 sporting event, including future or propositional events during such an
522 event; [,] or (ii) the individual performance statistics of an athlete or
523 athletes in a sporting event or a combination of sporting events. "Sports
524 wagering" does not include the payment of an entry fee to play a fantasy
525 contest or a fee to participate in e-sports; [and]

526 [(35)] (38) "Sports wagering retailer" means a person or business
527 entity that contracts with the Connecticut Lottery Corporation to
528 facilitate retail sports wagering operated by said corporation through an
529 electronic wagering platform at up to fifteen facilities in this state; and

530 (39) "Wager" (A) means any money, credit, deposit or cash
531 equivalent, including, but not limited to, any free play, loyalty point or
532 other redeemable betting credit, or other thing of value risked or
533 accepted based on an uncertain occurrence or an uncertain outcome of
534 an event; and (B) does not include any entry fee.

535 Sec. 6. (NEW) (*Effective from passage*) (a) Except as provided in
536 subsection (b) of this section, no person licensed to operate in-person

537 sports wagering, online sports wagering or retail sports wagering
538 pursuant to chapter 229b of the general statutes may accept a wager on
539 a sporting event in which a Connecticut intercollegiate team, or a player
540 on a Connecticut intercollegiate team, is participating, unless:

541 (1) The sporting event is a tournament in which at least four teams
542 are participating; and

543 (2) The wager is (A) based on the outcome of all games comprising
544 the tournament described in subdivision (1) of this subsection; and (B)
545 accepted (i) after the field of teams participating in such tournament has
546 been set, and (ii) prior to the start of such tournament.

547 (b) The provisions of subsection (a) of this section shall not be
548 construed to prohibit placing a wager during a tournament described in
549 subdivision (1) of subsection (a) of this section if:

550 (1) Such wager is placed on a game comprising part of such
551 tournament and no Connecticut intercollegiate team is participating in
552 such game; or

553 (2) All Connecticut intercollegiate teams have been eliminated from
554 such tournament.

555 Sec. 7. Subsections (a) and (b) of section 12-859a of the general statutes
556 are repealed and the following is substituted in lieu thereof (*Effective*
557 *from passage*):

558 (a) A live game employee, other than an individual who holds a key
559 employee license, [who will be directly or substantially involved in the
560 operation of live online casino gaming in a manner impacting the
561 integrity of such gaming,] shall obtain a live game employee license
562 prior to commencing such employment.

563 (b) (1) A live game employee shall apply for a live game employee
564 license on a form and in a manner prescribed by the commissioner. Such
565 form shall require the applicant to: [(1)] (A) Submit to a fingerprint-

566 based state and national criminal history records check conducted in
567 accordance with section 29-17a, which may include a financial history
568 check if requested by the commissioner, to determine the character and
569 fitness of the applicant for the license, [(2)] (B) provide information
570 related to other business affiliations, and [(3)] (C) provide, or allow the
571 department to obtain, such other information as the department
572 determines is consistent with the requirements of this section in order
573 to determine the fitness of the applicant to hold a license.

574 (2) No person shall review a state and national criminal history
575 records check conducted pursuant to subparagraph (A) of subdivision
576 (1) of this subsection unless: (A) Such person is employed by the
577 department, and (B) the department has authorized such person to
578 review such state and national criminal history records check.

579 Sec. 8. Section 12-863 of the general statutes is repealed and the
580 following is substituted in lieu thereof (*Effective October 1, 2025*):

581 (a) (1) An individual may only place a sports wager through retail
582 sports wagering or online sports wagering outside of the reservations of
583 the Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of
584 Connecticut or place a wager through online casino gaming conducted
585 outside of such reservations, if the wagering is authorized pursuant to
586 sections 12-852 to 12-854, inclusive, and the individual (A) has attained
587 the age of twenty-one, and (B) is physically present in the state when
588 placing the wager, and, in the case of retail sports wagering, is
589 physically present at a retail sports wagering facility in this state.

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

595 (b) Any electronic wagering platform used to (1) conduct online
596 sports wagering or online casino gaming, (2) conduct keno through the

597 Internet web site, an online service or a mobile application of the
598 Connecticut Lottery Corporation, (3) conduct retail sports wagering, (4)
599 sell lottery draw game tickets through the Internet web site, online
600 service or mobile application of the Connecticut Lottery Corporation, or
601 (5) conduct fantasy contests, shall be developed to:

602 (A) Verify that an individual (i) with an account for online sports
603 wagering, online casino gaming or retail sports wagering is twenty-one
604 years of age or older and is physically present in the state when placing
605 a wager or, in the case of retail sports wagering, is physically present at
606 a retail sports wagering facility, (ii) with an account to participate in
607 keno or to purchase lottery draw game tickets is eighteen years of age
608 or older and is physically present in the state when participating or
609 purchasing such tickets, or (iii) with an account for fantasy contests is
610 eighteen years of age or older;

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

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

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

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

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

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

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

630 (5) Establish a voluntary self-exclusion process to allow a person to
631 (A) exclude himself or herself from establishing an account, (B) exclude
632 himself or herself from placing wagers through an account, or (C) limit
633 the amount such person may spend using such an account;

634 (6) Provide responsible gambling and problem gambling information
635 to participants; and

636 (7) Conspicuously display on each applicable Internet web site or
637 mobile application:

638 (A) A link to a description of the provisions of this subsection;

639 (B) A link to responsible gambling information;

640 (C) A toll-free telephone number an individual may use to obtain
641 information about problem gambling;

642 (D) A link to information about the voluntary self-exclusion process
643 described in subdivision (5) of this subsection;

644 (E) A clear display or periodic pop-up message of the amount of time
645 an individual has spent on the operator's Internet web site or mobile
646 application;

647 (F) A means to initiate a break in play to discourage excessive play;
648 and

649 (G) A clear display of the amount of money available to the
650 individual in his or her account.

651 (d) At least every five years, each master wagering licensee shall be

652 subject to an independent review of operations conducted pursuant to
653 such license for responsible play, as assessed by industry standards and
654 performed by a third party approved by the department, which review
655 shall be paid for by the licensee.

656 (e) Advertising, marketing and other promotional materials
657 published, aired, displayed or disseminated by or on behalf of any
658 gaming entity licensee shall:

659 (1) Not depict an individual who is, or appears to be, under twenty-
660 one years of age, unless such individual is a professional athlete or a
661 collegiate athlete who, if permitted by applicable law, is able to profit
662 from the use of his or her name and likeness;

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

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

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

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

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

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

689 (8) Not be placed before any audience where the majority of the
690 viewers or participants is presumed to be under twenty-one years of
691 age, or, if pertaining exclusively to keno, online lottery ticket sales or
692 fantasy contests, or any combination thereof, to those under eighteen
693 years of age;

694 (9) Not imply greater chances of winning compared to other
695 licensees;

696 (10) Not imply greater chances of winning based on wagering in
697 greater quantity or amount, except for a lottery draw game that was
698 approved prior to January 1, 2024, is available for patron wagering as of
699 June 6, 2024, includes features approved by the department that increase
700 the chances of winning and is not exclusively sold by lottery sales
701 agents;

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

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

706 (13) If a direct or targeted advertisement or promotion sent to an
707 individual, including, but not limited to, electronic mail or text message,
708 include a clear and conspicuous Internet link that allows the recipient to
709 unsubscribe by clicking on one link; and

710 (14) Not be posted on any Internet web site or other medium that
711 contains any advertisement for, or offer to participate in, any gambling
712 or professional gambling, as said terms are defined in section 53-278a,
713 that is prohibited in this state, unless such advertisement is placed by or
714 on behalf of a person duly licensed to offer and accept wagers in another
715 state, territory or jurisdiction of the United States or on the tribal lands
716 of a federally recognized Indian tribe.

717 (f) No master wagering licensee, online gaming operator licensee or
718 sports wagering retailer licensee may enter into an agreement with a
719 third party to conduct advertising or marketing on behalf of, or to the
720 benefit of, such licensee that provides that compensation is dependent
721 on, or related to, the volume of individuals who become patrons, the
722 volume or amount of wagers placed or the outcome of wagers. A master
723 wagering licensee or online gaming operator licensee may compensate
724 a third party for advertising services based on the click through of an
725 individual to an online gaming operator licensee's Internet web site,
726 provided such compensation is not based on an individual creating an
727 account or placing a wager.

728 (g) The name and any personally identifying information of a person
729 who is participating or who has participated in the voluntary self-
730 exclusion process established pursuant to subdivision (5) of subsection
731 (c) of this section or established by the Department of Consumer
732 Protection in regulations adopted pursuant to subdivision (4) of section
733 12-865 shall not be deemed public records, as defined in section 1-200,
734 and shall not be available to the public under the provisions of the
735 Freedom of Information Act, as defined in section 1-200, except:

736 (1) The Department of Consumer Protection or Connecticut Lottery
737 Corporation may disclose the name and personally identifying
738 information of such person to a master wagering licensee, licensed
739 online gaming operator, licensed online gaming service provider or
740 licensed sports wagering retailer as necessary to achieve the purposes
741 of the voluntary self-exclusion process established pursuant to

742 subdivision (5) of subsection (c) of this section or established by the
743 Department of Consumer Protection in regulations adopted pursuant to
744 subdivision (4) of section 12-865; and

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

751 (h) If the commissioner finds, upon investigation by the department,
752 that any advertisement has been published, aired, displayed or
753 disseminated by or on behalf of any gaming entity licensee in violation
754 of the provisions of subsection (e) of this section, the commissioner may
755 issue an order directing the removal of such advertisement, in whole or
756 in part, not later than ten days after the date on which the commissioner
757 issues such order. During such ten-day period, any person who is the
758 subject of such order may submit to the department a written request
759 that an administrative hearing be held in accordance with the provisions
760 of chapter 54. If such person fails to request an administrative hearing
761 or comply with such order during such ten-day period, such person
762 shall be liable for a civil penalty of not more than one thousand dollars
763 per day until such person complies with such order. Nothing in this
764 subsection shall be construed to limit the department's authority to
765 pursue any other enforcement action available to the department under
766 any other provision of the general statutes.

767 Sec. 9. Subsection (b) of section 12-866 of the general statutes is
768 repealed and the following is substituted in lieu thereof (*Effective October*
769 *1, 2025*):

770 (b) For purposes of this section, "gross gaming revenue" means the
771 total of all sums actually received by each such licensee from online
772 casino [gaming] games, excluding peer-to-peer casino games and

773 progressive games, plus peer-to-peer and progressive game revenue,
774 less the total of all sums paid as winnings to patrons of online casino
775 [gaming patrons] games, excluding peer-to-peer casino games and
776 progressive games, and any federal excise tax applicable to such sums
777 received, provided:

778 (1) The total of all sums paid as winnings to such patrons shall not
779 include the cash equivalent value of any merchandise or thing of value
780 included in a jackpot or payout; and

781 (2) Coupons or credits that are issued to patrons for the sole purpose
782 of playing online casino games and are linked to online casino gaming
783 in a documented way as part of a promotional program and actually
784 played by the patrons shall not be included in the calculation of gross
785 gaming revenue from online casino gaming, provided if the aggregate
786 amount of such coupons and credits played during a calendar month
787 (A) exceeds twenty-five per cent of the total amount of gross gaming
788 revenue for that month, for any month during the first year that the
789 operation of online casino gaming is permitted, (B) exceeds twenty per
790 cent of the total amount of gross gaming revenue for that month, for any
791 month during the second year that the operation of online casino
792 gaming is permitted, or (C) exceeds fifteen per cent of the total amount
793 of gross gaming revenue for that month, for any month during the third
794 or succeeding year that the operation of online casino gaming is
795 permitted, then the applicable excess amount of coupons or credits used
796 in such calendar month shall be included in the calculation of gross
797 gaming revenue. For the purpose of this subdivision, the year of
798 operation of online casino gaming shall be measured from the date that
799 the first master wagering license is issued pursuant to section 12-852 or
800 the date that regulations, including, but not limited to, emergency
801 regulations, are adopted and effective pursuant to section 12-865,
802 whichever is later.

803 Sec. 10. Section 29-143w of the general statutes is repealed and the
804 following is substituted in lieu thereof (*Effective from passage*):

805 No person shall bet or wager upon the result of any boxing or mixed
806 martial arts match, unless such bet or wager is conducted pursuant to
807 sections 12-850 to 12-872, inclusive, as amended by this act.

808 Sec. 11. Section 42-301 of the general statutes is repealed and the
809 following is substituted in lieu thereof (*Effective October 1, 2025*):

810 (a) No person shall conduct or promote a sweepstakes or a
811 promotional drawing authorized by the provisions of section 53-278g
812 that (1) is not related to the bona fide sale of goods, services or property,
813 [or] (2) uses a simulated gambling device, or (3) allows or facilitates
814 participation in any real or simulated online casino gaming or sports
815 wagering, unless such person is licensed under chapter 229b.

816 [(b) Any person who violates the provisions of this section shall be
817 subject to the penalty for professional gambling, as provided in
818 subsection (b) of section 53-278b.]

819 [(c)] (b) Any simulated gambling device used in a sweepstakes or a
820 promotional drawing shall be deemed a common nuisance and be
821 subject to seizure, as provided in section 53-278c.

822 [(d)] (c) Any premises used for a sweepstakes or a promotional
823 drawing in violation of the provisions of this section shall be deemed a
824 common nuisance and shall be subject to the provisions in section 53-
825 278e.

826 [(e)] (d) Nothing in this section shall be construed to prohibit a retail
827 grocery chain from conducting or promoting a sweepstakes that uses a
828 simulated gambling device, provided such sweepstakes is related to the
829 sale of groceries, the prize is not redeemed or redeemable for cash and
830 the prize is only used as a discount to reduce the price of items
831 purchased from such retail grocery chain. For the purposes of this
832 section, "retail grocery chain" means an operator or franchisor of five or
833 more retail establishments whose primary business is the sale of
834 groceries.

835 (e) Any person who violates the provisions of this section shall be
 836 subject to the penalty for professional gambling, as provided in
 837 subsection (b) of section 53-278b, as amended by this act.

838 (f) Any violation of subsection (a) of this section shall be deemed an
 839 unfair or deceptive trade practice under subsection (a) of section 42-
 840 110b.

841 Sec. 12. Subsection (b) of section 53-278b of the general statutes is
 842 repealed and the following is substituted in lieu thereof (*Effective October*
 843 *1, 2025*):

844 (b) Any person who engages in professional gambling shall be guilty
 845 of a class [A misdemeanor] D felony.

846 Sec. 13. Section 21a-1c of the general statutes is repealed. (*Effective*
 847 *from passage*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2025</i>	12-801
Sec. 2	<i>July 1, 2025</i>	New section
Sec. 3	<i>July 1, 2025</i>	12-813(d)
Sec. 4	<i>July 1, 2025</i>	12-815a(g) to (l)
Sec. 5	<i>from passage</i>	12-850
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	12-859a(a) and (b)
Sec. 8	<i>October 1, 2025</i>	12-863
Sec. 9	<i>October 1, 2025</i>	12-866(b)
Sec. 10	<i>from passage</i>	29-143w
Sec. 11	<i>October 1, 2025</i>	42-301
Sec. 12	<i>October 1, 2025</i>	53-278b(b)
Sec. 13	<i>from passage</i>	Repealer section

Statement of Purpose:

To (1) prohibit lottery ticket resales and ticket courier services, (2) modify the Commissioner of Consumer Protection's disciplinary

authority concerning certain gaming licensees, (3) require vendor and affiliate licensees to provide books and records, (4) define and redefine certain terms concerning gaming, (5) modify provisions concerning wagers on sporting events involving Connecticut intercollegiate teams, (6) restrict who may review certain criminal history records checks, (7) prohibit certain advertising, (8) authorize certain bets and wagers on boxing and mixed martial arts, (9) provide that certain persons conducting sweepstakes or promotional drawings shall not allow or facilitate participation in certain real or simulated online casino gaming or sports wagering, (10) provide that any person who engages in professional gambling shall be guilty of a class D felony, and (11) repeal a provision authorizing the commissioner to appoint a director to perform delegated functions.

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