General Assembly

Substitute Bill No. 1464

January Session, 2025

SB01464GL 032425

AN ACT CONCERNING SPORTS WAGERING AND MULTIJURISDICTIONAL INTERNET GAMING.

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

Section 1. Section 12-850 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

For the purposes of this section, **[**and**]** sections 12-851 to 12-871, inclusive, and section 2 of this act:

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

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

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

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

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

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

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

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

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

(10) "Fantasy contest" means any fantasy or simulated game or contest with an entry fee, conducted over the Internet, including through an Internet web site or a mobile device, in which: (A) The value of all prizes and awards offered to a winning fantasy contest player is established and made known to the players in advance of the game or contest; (B) all winning outcomes reflect the knowledge and skill of the players and are determined predominantly by accumulated statistical results of the performance of participants in events; and (C) no winning outcome is 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 any single event. "Fantasy contest" does not

include lottery games;

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

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

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

(14) "Keno" has the same meaning as provided in section 12-801;

(15) "Key employee" means an individual with the following position or an equivalent title associated with a master wagering licensee or a licensed online gaming service provider, online gaming operator or sports wagering retailer: (A) President or chief officer, who is the top ranking individual of the licensee and is responsible for all staff and the overall direction of business operations; (B) financial manager, who is the individual who reports to the president or chief officer who is generally responsible for oversight of the financial operations of the licensee, including, but not limited to, revenue generation, distributions, tax compliance and budget implementation; (C) compliance manager, who is the individual that reports to the president or chief officer and who is generally responsible for ensuring the licensee complies with all laws, regulations and requirements related to the operation of the licensee; (D) chief information officer, who is the individual generally responsible for establishing policies or procedures on, or making management decisions related to, information systems; or (E) chief data security officer, who is the individual generally responsible for establishing policies or procedures on, or making management

decisions related to, technical systems. "Key employee" includes an individual (i) who is responsible for establishing the policies or procedures on, or making management decisions related to, wagering structures or outcomes for a licensee; or (ii) who has an ownership interest that is five per cent or more of the total ownership or interest rights in the licensee. Tribal membership in and of itself shall not constitute ownership for purposes of this subdivision;

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

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

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

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

(20) "Mashantucket Pequot procedures" means the Final

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

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

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

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

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

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

(26) "Online casino gaming" or "online casino games" means (A) slots, blackjack, craps, roulette, baccarat, poker and video poker, bingo, live dealer and other peer-to-peer games and any variations of such games;

[,**]** and (B) any games authorized by the department, conducted over the Internet, including through an Internet web site or a mobile device, through an electronic wagering platform that does not require a bettor to be physically present at a facility;

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

(28) "Online gaming service provider" means 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;

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

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

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

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

[(32)**]** (33) "Sporting event" means any (A) sporting or athletic event at which two or more persons participate, individually or on a team, and may be eligible to receive compensation in excess of actual expenses for such participation in such sporting or athletic event; (B) sporting or athletic event sponsored by an intercollegiate athletic program of an institution of higher education or an association of such programs, except for those in which one of the participants is a Connecticut intercollegiate team and the event is not in connection with a permitted intercollegiate tournament; (C) Olympic or international sports competition event; or (D) e-sports event, except for those in which one of the participants is a Connecticut intercollegiate team and the event is not in connection with a permitted intercollegiate tournament. As used in this subdivision, "permitted intercollegiate tournament" means an intercollegiate e-sports, sporting or athletic event involving four or more intercollegiate teams that involves one or more Connecticut intercollegiate teams and the wager on the tournament is based on the outcome of all games within the tournament. "Sporting event" does not include horse racing, jai alai or greyhound racing;

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

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

contest or a fee to participate in e-sports; **[**and**]**

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

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

Sec. 2. (NEW) (*Effective July 1, 2025*) The Governor may enter into agreements with one or more states or territories of the United States, or federally recognized Indian tribes engaged in Indian gaming operations, to authorize online gaming operators to conduct multijurisdictional Internet gaming for peer-to-peer casino games, provided (1) entering into such agreements is consistent with all applicable state and federal laws and regulations, and (2) such Internet gaming is conducted exclusively within the United States.

Sec. 3. Subsection (c) of section 12-863 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

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

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

(2) Limit a person to the use of only one debit card or only one credit card for an account, and place a monetary limit on the use of a credit card over a period of time, provided single-use stored value instruments purchased by cash or debit card only, including, but not limited to, a gift

card or a lottery terminal printed value voucher, may be used pursuant to subdivision (3) of subsection (d) of section 12-853;

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

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

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

(6) Establish a toll-free telephone number to (A) enable a person to receive assistance from the licensee to resolve any problem the person is experiencing with an electronic wagering platform operated by the licensee, and (B) enable an owner of an account on an electronic wagering platform operated by the licensee to receive assistance from the licensee to resolve any problem the owner is experiencing with such account;

[(6)**]** (7) Provide responsible gambling and problem gambling information to participants; **[**and**]**

(8) If the licensee discovers any error in the odds offered on a sporting event for which the licensee accepts any sports wager, (A) not accept any further sports wagers on the sporting event until the licensee has corrected such error, and (B) provide a full refund to each patron who placed any such sports wager with the licensee prior to such discovery; and

[(7)**]** (9) Conspicuously display on each applicable Internet web site or mobile application:

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

(B) A link to responsible gambling information;

(C) The toll-free telephone number established pursuant to subdivision (6) of this subsection;

[(C)**]** (D) A toll-free telephone number an individual may use to obtain information about problem gambling;

[(D)**]** (E) A link to information about the voluntary self-exclusion process described in subdivision (5) of this subsection;

(F) The maximum sports wagers for online sports wagering established in regulations adopted pursuant to section 12-865, as amended by this act;

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

[(F)**]** (H) A means to initiate a break in play to discourage excessive play; and

[(G)**]** (I) A clear display of the amount of money available to the individual in his or her account.

Sec. 4. Section 12-865 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2025*):

The commissioner shall adopt regulations, in accordance with the provisions of chapter 54, to the extent not prohibited by federal law or any gaming agreement or procedure entered into pursuant to the Indian Gaming Regulatory Act, P.L. 100-497, 25 USC 2701 et seq., to implement the provisions of sections 12-852 to 12-864, inclusive. Notwithstanding the requirements of subdivision (1) of subsection (g) of section 4-168, the commissioner may adopt such regulations as emergency regulations without making the finding required under subparagraph (A) of subdivision (1) of subsection (g) of section 4-168, provided the Governor approves the need for such emergency regulations, and the other requirements of subsection (g) of section 4-168 shall apply. Such regulations shall address:

(1) The operation of, and participation in, Internet games and retail sports wagering;

(2) Licensing requirements, including criteria for determining when licensure as (A) an online gaming service provider is required; and (B) a key employee is not necessary in order to protect the integrity of gaming;

(3) Designation of additional games that may be permitted as online casino gaming;

(4) Voluntary self-exclusion programs for Internet games and retail sports wagering;

(5) Technical standards, security features and testing applicable to gaming operations and systems, including electronic wagering platforms;

(6) Game procedure approval;

(7) Complaint resolution processes;

(8) Enforcement actions;

(9) Standards for age and location verification programs;

(10) Revenue auditing and reporting standards, which shall include a requirement that all payments be accompanied by a detailed supporting report on a form approved by the commissioner;

(11) Compliance reporting and disclosure requirements;

(12) Marketing and advertising standards; **[**and**]**

(13) Establishing maximum sports wagers for online sports wagering; and

[(13)**]** (14) Any other provisions deemed necessary by the commissioner to protect the public interest and the integrity of gaming.

This act shall take effect as follows and shall amend the following sections:		
Section 1	*July 1, 2025*	12-850
Sec. 2	*July 1, 2025*	New section
Sec. 3	*July 1, 2025*	12-863(c)
Sec. 4	*July 1, 2025*	12-865

Statement of Legislative Commissioners:
In Section 1(37)(A), "or other thing of value risked" was changed to "or any other thing of value, that is risked" for clarity; and Section 3(c)(9)(F) was rewritten for clarity.

GL *Joint Favorable Subst. -LCO*