



General Assembly

February Session, 2020

Raised Bill No. 5189

LCO No. 1582



Referred to Committee on PUBLIC SAFETY AND SECURITY

Introduced by:
(PS)

AN ACT CONCERNING ONLINE LOTTERY GAMES IN THE STATE.

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

1 Section 1. (NEW) (*Effective from passage*) (a) As used in this section and
2 section 12-806 of the general statutes, as amended by this act: (1) "Lottery
3 draw game" means any draw game that is available for purchase
4 through a lottery sales agent licensed by the Department of Consumer
5 Protection; and (2) "interactive instant win game" means a virtual lottery
6 instant ticket with specified prize structures and odds.

7 (b) The Connecticut Lottery Corporation shall establish a program to
8 sell lottery tickets for lottery draw games, digital keno and interactive
9 instant win games through the corporation's Internet web site, online
10 service or mobile application, provided: (1) Such program and sale does
11 not violate any compact, memorandum of understanding or agreement
12 in force between the state and the Mashantucket Pequot Tribe or the
13 Mohegan Tribe of Indians of Connecticut; (2) digital keno is offered
14 pursuant to signed agreements with the Mashantucket Pequot Tribe and
15 the Mohegan Tribe of Indians of Connecticut or signed amendments to
16 such agreements, in accordance with the provisions of section 12-806c

17 of the general statutes, as amended by this act; and (3) the total number
18 of drawings across all lottery draw games for which lottery tickets are
19 sold through the corporation's Internet web site, online service or
20 mobile application does not exceed the total number of drawings
21 available at lottery sales agent locations on a given day.

22 (c) The program established pursuant to subsection (b) of this section
23 shall, at a minimum:

24 (1) Verify that a person who establishes an online lottery account to
25 purchase a lottery ticket through such program is eighteen years of age
26 or older and is located in the state at the time of purchase;

27 (2) Restrict the sale of lottery tickets to transactions initiated and
28 received within the state;

29 (3) Allow a person who establishes an online lottery account to use a
30 verified bank account, prepaid lottery gift card or debit card to purchase
31 lottery tickets through such account;

32 (4) Limit a person with an online lottery account to using only one
33 debit card to purchase lottery tickets through such account;

34 (5) Provide that any money in an online lottery account belongs solely
35 to the owner of the account and may be withdrawn by the owner at any
36 time;

37 (6) Provide a mechanism to prevent the unauthorized use of online
38 lottery accounts;

39 (7) Establish a voluntary self-exclusion process that allows a person
40 to exclude himself or herself from establishing an online lottery account
41 or purchasing a lottery ticket through such program;

42 (8) Within one year from the date such program is established, be the
43 subject of an application for certification from a national or international
44 responsible gambling compliance assessment program;

45 (9) Post a conspicuous link to responsible gambling information on
46 each online lottery account Internet web page; and

47 (10) After consultation with advocacy groups for individuals with
48 gambling problems, (A) limit the amount of money a person may
49 deposit in an online lottery account, (B) limit the amount of money a
50 person may spend per day through such program, and (C) provide for
51 online messages regarding the importance of responsible gambling
52 when a person is using his or her online lottery account for an amount
53 of time specified by the corporation.

54 (d) The corporation may establish the program under subsection (b)
55 of this section under a management agreement with an independent
56 private manager. Such manager shall, with the approval of the
57 corporation, implement and operate such program, procure and
58 manage program systems and provide the corporation with advisory
59 and other services as the corporation considers necessary or desirable
60 for such program.

61 (e) The corporation shall adopt official procedures, after obtaining the
62 written approval of such procedures from the Commissioner of
63 Consumer Protection, to implement the program and ensure its
64 integrity.

65 (f) The corporation shall: (1) Implement initiatives to promote the
66 purchase of lottery tickets through lottery sales agents; (2) permit lottery
67 sales agents to sell prepaid lottery gift cards; and (3) conduct an online
68 public awareness campaign designed to inform the public about
69 compulsive gambling and the programs available for the prevention,
70 treatment and rehabilitation of compulsive gamblers in the state.

71 Sec. 2. Subdivision (4) of subsection (b) of section 12-806 of the 2020
72 supplement to the general statutes is repealed and the following is
73 substituted in lieu thereof (*Effective from passage*):

74 (4) (A) To introduce new lottery games, modify existing lottery
75 games, utilize existing and new technologies, determine distribution

76 channels for the sale of lottery tickets, introduce keno pursuant to signed
77 agreements with the Mashantucket Pequot Tribe and the Mohegan
78 Tribe of Indians of Connecticut, in accordance with section 12-806c, as
79 amended by this act, and, to the extent specifically authorized by
80 regulations adopted by the Department of Consumer Protection
81 pursuant to chapter 54, introduce instant ticket vending machines,
82 kiosks and automated wagering systems or machines, with all such
83 rights being subject to regulatory oversight by the Department of
84 Consumer Protection; [, except that the corporation shall not offer any
85 interactive on-line lottery games, including on-line video lottery games
86 for promotional purposes;] and

87 (B) To offer lottery draw games and interactive instant win games,
88 including games for promotional purposes, through the corporation's
89 Internet web site, online service or mobile application in accordance
90 with section 1 of this act, provided the corporation shall not offer any
91 other interactive lottery games, including games for promotional
92 purposes, on the corporation's Internet web site, online service or mobile
93 application;

94 Sec. 3. Subdivision (13) of subsection (b) of section 12-806 of the 2020
95 supplement to the general statutes is repealed and the following is
96 substituted in lieu thereof (*Effective from passage*):

97 (13) To pay the Office of Policy and Management to reimburse the
98 Department of Consumer Protection for the reasonable and necessary
99 costs arising from the department's regulatory oversight of the
100 corporation, in accordance with the assessment made pursuant to
101 section 12-806b, as amended by this act, including costs arising directly
102 or indirectly from the licensing of lottery agents, performance of state
103 police background investigations, and the implementation of subsection
104 (b) of section 12-562 and sections 12-563a, 12-568a, 12-569, 12-570, 12-
105 570a and 12-800 to 12-818, inclusive, as amended by this act, and section
106 1 of this act;

107 Sec. 4. Section 12-806c of the general statutes is repealed and the

108 following is substituted in lieu thereof (*Effective from passage*):

109 Notwithstanding the provisions of section 3-6c, the Secretary of the
110 Office of Policy and Management, on behalf of the state of Connecticut,
111 may enter into separate agreements with the Mashantucket Pequot
112 Tribe and the Mohegan Tribe of Indians of Connecticut concerning the
113 operation of keno by the Connecticut Lottery Corporation in the state of
114 Connecticut. Any such agreement shall provide that the state of
115 Connecticut shall distribute to each tribe a sum not to exceed a twelve
116 and one-half per cent share of the gross operating revenue received by
117 the state from the operation of keno. The corporation may not operate
118 keno until such separate agreements are effective. Any such agreement
119 may be amended to provide for the operation of digital keno on the
120 corporation's Internet web site, online service or mobile application
121 pursuant to the program established in section 1 of this act. The
122 corporation may not operate keno through such program until such
123 separate agreements are amended and such agreements are effective.
124 For the purposes of this section, "gross operating revenues" means the
125 total amounts wagered, less amounts paid out as prizes.

126 Sec. 5. Section 12-810 of the general statutes is repealed and the
127 following is substituted in lieu thereof (*Effective from passage*):

128 (a) The Freedom of Information Act, as defined in section 1-200, shall
129 apply to all actions, meetings and records of the corporation, except (1)
130 where otherwise limited by subsection (c) of this section as to new
131 lottery games and serial numbers of unclaimed lottery tickets, [and] (2)
132 with respect to financial, credit and proprietary information submitted
133 by any person to the corporation in connection with any proposal to
134 provide goods, services or professional advice to the corporation as
135 provided in section 12-815, and (3) where otherwise limited by
136 subsection (d) of this section.

137 (b) The records of proceedings as provided in subsection (a) of section
138 12-805 shall be subject to disclosure pursuant to the provisions of
139 subsection (a) of section 1-210.

140 (c) Any new lottery game and the procedures for such game, until the
141 game is publicly announced by the corporation, and any serial number
142 of an unclaimed lottery ticket shall not be deemed public records, as
143 defined in section 1-200, and shall not be available to the public under
144 the provisions of section 1-210. The president shall submit a fiscal note
145 prepared by the corporation with respect to the procedures for a new
146 lottery game to the joint standing committees of the General Assembly
147 having cognizance of matters relating to finance, revenue, bonding and
148 public safety after approval of such game by the board.

149 (d) The name and any personally identifying information of a person
150 who is participating or has participated in the corporation's voluntary
151 self-exclusion process, established pursuant to subdivision (7) of
152 subsection (c) of section 1 of this act, shall not be deemed public records,
153 as defined in section 1-200, and shall not be available to the public under
154 the provisions of section 1-210, except that the president may disclose
155 the name and any records of such person if such person claims a
156 winning lottery ticket from the use of the online lottery program
157 established pursuant to section 1 of this act.

158 Sec. 6. Section 12-818 of the general statutes is repealed and the
159 following is substituted in lieu thereof (*Effective from passage*):

160 For each of the fiscal years ending June 30, 2010, and June 30, 2011,
161 the Connecticut Lottery Corporation shall transfer one million nine
162 hundred thousand dollars of the revenue received from the sale of
163 lottery tickets to the chronic gamblers treatment rehabilitation account
164 created pursuant to section 17a-713, as amended by this act. For the
165 fiscal years ending June 30, 2012, to June 30, 2013, inclusive, the
166 [Connecticut Lottery Corporation] corporation shall transfer one million
167 nine hundred thousand dollars of the revenue received from the sale of
168 lottery tickets to the chronic gamblers treatment rehabilitation account,
169 [created pursuant to section 17a-713.] For the fiscal [year] years ending
170 June 30, 2014, [and each fiscal year thereafter] to June 30, 2020, inclusive,
171 the [Connecticut Lottery Corporation] corporation shall transfer two
172 million three hundred thousand dollars of the revenue received from

173 the sale of lottery tickets to the chronic gamblers treatment rehabilitation
 174 account. [created pursuant to section 17a-713] For the fiscal year ending
 175 June 30, 2021, and each fiscal year thereafter, the corporation shall
 176 transfer two million eight hundred thousand dollars of the revenue
 177 received from the sale of lottery tickets to the chronic gamblers
 178 treatment rehabilitation account.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	12-806(b)(4)
Sec. 3	<i>from passage</i>	12-806(b)(13)
Sec. 4	<i>from passage</i>	12-806c
Sec. 5	<i>from passage</i>	12-810
Sec. 6	<i>from passage</i>	12-818

Statement of Purpose:

To (1) authorize the Connecticut Lottery Corporation to offer online lottery draw games, digital keno and interactive instant win games, (2) exempt certain records concerning the corporation's voluntary self-exclusion process from disclosure under the Freedom of Information Act, and (3) increase the corporation's contribution to the chronic gamblers treatment rehabilitation account.

[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.]