

General Assembly

Committee Bill No. 21

February Session, 2020

LCO No. 1587



Referred to Committee on PUBLIC SAFETY AND SECURITY

Introduced by: (PS)

## AN ACT AUTHORIZING SPORTS WAGERING, INTERNET GAMING, A CASINO GAMING FACILITY IN BRIDGEPORT, ENTERTAINMENT ZONE FACILITIES, INTERNET LOTTERY AND INTERNET KENO.

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

- Section 1. (NEW) (*Effective July 1, 2020*) For the purposes of this section and sections 2 to 12, inclusive, of this act:
- 3 (1) "Casino gaming facility" has the same meaning as provided in section 12-557b of the general statutes, as amended by this act;
- 5 (2) "Electronic wagering platform" or "platform" means the 6 combination of hardware, software and data networks used to manage, 7 administer, offer or control sports wagering or casino gaming over the 8 Internet, including through an Internet web site or a mobile device;
- 9 (3) "Entertainment zone facility" means a facility authorized to 10 conduct retail sports wagering and e-sports pursuant to section 5 of this 11 act or any other provision of the general statutes or a public or special 12 act;
- 13 (4) "E-sports" means electronic sports and competitive video games

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played as a game of skill and for which wagering by nonparticipants may be authorized pursuant to section 6 of this act or any other provision of the general statutes or a public or special act;

- (5) "Gross gaming revenue from online casino gaming" means the total of all sums actually received by an operator of online casino gaming less the total of all sums paid as winnings to patrons of the operator of online casino gaming and any federal excise tax applicable to such sums received, provided the total of all sums paid as winnings to such patrons shall not include the cash equivalent value of any merchandise or thing of value included in a jackpot or payout, and provided further the issuance to or wagering by such patrons of any promotional gaming credit shall not be included in the total of all sums actually received by an operator of online casino gaming for the purposes of determining gross gaming revenue;
- (6) "Gross gaming revenue from sports wagering" means the total of all sums actually received by an operator of sports wagering less the total of all sums paid as winnings to patrons of the operator of sports wagering and any federal excise tax applicable to such sums received, provided the total of all sums paid as winnings to such patrons shall not include the cash equivalent value of any merchandise or thing of value included in a jackpot or payout, and provided further the issuance to or wagering by such patrons of any promotional gaming credit shall not be included in the total of all sums actually received by an operator of sports wagering for the purposes of determining gross gaming revenue;
- 38 (7) "Indian lands" has the meaning set forth in the Indian Gaming 39 Regulatory Act, 25 USC 2703(4);
  - (8) "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;
  - (9) "Mashantucket Pequot procedures" means the Final

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- 45 Mashantucket Pequot Gaming Procedures prescribed by the Secretary
- 46 of the United States Department of the Interior pursuant to 25 USC
- 47 2710(d)(7)(B)(vii) and published in 56 Federal Register 24996 (May 31,
- 48 1991), as amended from time to time;

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- (10) "MMCT Venture, LLC" means a limited liability company (A) jointly and exclusively owned by the Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of Connecticut; (B) in which no other person or business organization holds an equity interest; and (C) in which each tribe holds at least a twenty-five per cent equity interest;
- 54 (11) "Mohegan compact" means the Tribal-State Compact entered 55 into by and between the state and the Mohegan Tribe of Indians of 56 Connecticut on May 17, 1994, as amended from time to time;
- 57 (12) "Mohegan memorandum of understanding" means the 58 memorandum of understanding entered into by and between the state 59 and the Mohegan Tribe of Indians of Connecticut on May 17, 1994, as 60 amended from time to time;
- (13) "Online casino gaming" means any game of chance including, but not limited to, blackjack, poker, dice, money-wheels, roulette, baccarat, chuck-a-luck, pan game, over and under, horse race game, acey-deucy, beat the dealer, bouncing ball and slot machine, conducted over the Internet, including through an Internet web site or a mobile device. "Online casino gaming" does not include sports wagering;
  - (14) "Prohibited sports event" means any high school sport or high school e-sport event, except an international sports event in which persons under age eighteen make up a minority of the participants;
  - (15) "Retail sports wagering" means in-person sports wagering at a casino gaming facility authorized under section 12-578f of the general statutes, as amended by this act, or an entertainment zone facility authorized under section 5 of this act;
- 74 (16) "Skin" means the branded or cobranded name and logo on the

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interface of an Internet web site or a mobile application that bettors use to access an electronic wagering platform for online sports wagering or online casino gaming;

- (17) "Sporting event" or "sports event" means any (A) sporting or athletic event at which two or more persons participate and 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 (C) e-sports. "Sporting event" does not include horse racing or any sporting or athletic event sponsored by a minor league;
- (18) "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 over the Internet through an Internet web site or a mobile device, and (B) based on (i) a sporting event or a portion or portions of a 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 fantasy contests, as defined in section 12-578aa of the general statutes, or an entry fee to participate in e-sports; and
- (19) "Tribally owned company" means MMCT Venture, LLC, or any other limited liability company formed under the laws of the state of Connecticut (A) jointly and exclusively owned by the Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of Connecticut, (B) in which no other person or business organization holds an equity interest, and (C) in which each tribe holds at least a twenty-five per cent equity interest.
- Sec. 2. (NEW) (Effective July 1, 2020) (a) Not later than October 1, 2020, the Governor shall enter into amendments to the Mashantucket Pequot procedures and to the Mashantucket Pequot memorandum of understanding with the Mashantucket Pequot Tribe and amendments

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to the Mohegan compact and to the Mohegan memorandum of understanding with the Mohegan Tribe of Indians of Connecticut, or new compacts with the Mashantucket Pequot Tribe, Mohegan Tribe of Indians of Connecticut, or both, that conform to the provisions of sections 1 to 12, inclusive, of this act concerning:

- (1) The operation of retail sports wagering on Indian lands pursuant to the Indian Gaming Regulatory Act of 1988, P.L. 100-497, 25 USC 2701 et seq., provided (A) such amendment or new compact shall provide that any individual making a sports wager is at least twenty-one years of age or older, and (B) the authorization to operate sports wagering shall not become effective until each new compact with the Mashantucket Pequot Tribe or Mohegan Tribe of Indians of Connecticut or each amendment to the Mashantucket Pequot procedures, the Mashantucket Pequot memorandum of understanding, the Mohegan compact and the Mohegan memorandum of understanding, for retail sports wagering on Indian lands, has become effective;
- (2) The operation of retail sports wagering at a casino gaming facility authorized under section 12-578f of the general statutes, as amended by this act;
- (3) The operation of one online skin for sports wagering conducted over the Internet through an Internet web site or mobile application within the state by each federally recognized Native American Tribe operating Class III gaming on its Indian lands in the state pursuant to a tribal-state gaming compact or procedures approved under the Indian Gaming Regulatory Act of 1988, P.L. 100-497, 25 USC 2710 et seq., provided the Internet web site and mobile application used by each tribe clearly identifies, at all times, the skin on the display screen;
- (4) The operation of one online skin for online casino gaming conducted over the Internet through an Internet web site or mobile application within the state by each federally recognized Native American Tribe operating Class III gaming on its Indian lands in the state pursuant to a tribal-state gaming compact or procedures approved

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- under the Indian Gaming Regulatory Act of 1988, P.L. 100-497, 25 USC
- 140 2710 et seq., provided the Internet web site and mobile application used
- by each tribe clearly identifies, at all times, the skin on the display
- 142 screen;
- 143 (5) The operation of retail sports wagering at entertainment zone
- facilities by a tribally owned company pursuant to section 5 of this act;
- 145 and
- 146 (6) The operation of a program by the Connecticut Lottery
- 147 Corporation to sell lottery tickets for lottery draw games through the
- 148 corporation's Internet web site, online service or mobile application,
- provided the total number of drawings across all such games in a given
- day shall not exceed six drawings.
- (b) (1) Any amendments to the Mashantucket Pequot procedures and
- the Mohegan compact pursuant to subsection (a) of this section shall
- 153 include a provision that such amendments do not terminate the
- 154 moratorium against the operation of video facsimile games by the
- 155 Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of
- 156 Connecticut on each tribe's reservation.
- 157 (2) Any amendments to each tribe's memorandum of understanding
- pursuant to subsection (a) of this section shall include a provision that
- such amendments do not relieve each tribe from each tribe's obligation
- 160 to contribute a percentage of the gross operating revenues of video
- facsimile games to the state as provided in each tribe's memorandum of
- 162 understanding.
- (c) (1) Notwithstanding the provisions of section 3-6c of the general
- statutes and unless federal law or a gaming agreement or procedure
- entered into pursuant to the Indian Gaming Regulatory Act, P.L. 100-
- 166 497, 25 USC 2701 et seq. requires otherwise, the Governor shall enter
- into the amendments or compacts pursuant to subsection (a) of this
- section, and such amendment or compact shall be effective, provided
- 169 each tribe agrees to make contributions to the state from gaming

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revenue for online sports wagering and online casino gaming on Indian lands that are equivalent to the rates established in section 8 of this act.

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(2) If federal law requires approval by the Secretary of the United States Department of Interior for any amendment or compact entered into pursuant to subsection (a) of this section, and such approval is overturned by a court in a final judgment, which is not appealable, the authorization provided for in such amendment or compact shall cease to be effective.

178 Sec. 3. (NEW) (Effective July 1, 2020) Each federally recognized Native 179 American Tribe that operates Class III gaming on its Indian lands in the 180 state pursuant to a tribal-state gaming compact or procedures approved under the Indian Gaming Regulatory Act of 1988, P.L. 100-497, 25 USC 182 2710 et seq., may operate one online skin for sports wagering within the 183 state through an Internet web site or mobile application, provided (1) 184 each compact or amendment to the Mashantucket Pequot procedures, 185 the Mashantucket Pequot memorandum of understanding, the 186 Mohegan compact and the Mohegan memorandum of understanding required under subdivision (3) of subsection (a) of section 2 of this act is 188 effective; and (2) the Internet web site and mobile application used by 189 each tribe clearly identifies, at all times, the skin on the display screen. 190 Unless prohibited by federal law or any gaming agreement or procedure entered into pursuant to the Indian Gaming Regulatory Act, P.L. 100-192 497, 25 USC 2701 et seq., any online sports wager received by a casino 193 on Indian lands and authorized pursuant to this section is considered to 194 be a wager placed where the server receiving the wager is located, 195 regardless of the authorized participant's location at the time the wager 196 is initiated or otherwise placed.

Sec. 4. (NEW) (Effective July 1, 2020) Each federally recognized Native American Tribe that operates Class III gaming on its Indian lands in the state pursuant to a tribal-state gaming compact or procedures approved under the Indian Gaming Regulatory Act of 1988, P.L. 100-497, 25 USC 2710 et seq., may operate one online skin for online casino gaming

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202 within the state through an Internet web site or mobile application, 203 provided (1) each compact or amendment to the Mashantucket Pequot 204 procedures, the Mashantucket Pequot memorandum of understanding, 205 Mohegan compact and the Mohegan memorandum of 206 understanding required under subdivision (4) of subsection (a) of 207 section 2 of this act is effective; and (2) the Internet web site and mobile 208 application used by each tribe clearly identifies, at all times, the skin on 209 the display screen. Unless prohibited by federal law or any gaming 210 agreement or procedure entered into pursuant to the Indian Gaming 211 Regulatory Act, P.L. 100-497, 25 USC 2701 et seq., any online casino 212 gaming wager received by a casino on Indian lands and authorized 213 pursuant to this section is considered to be a wager placed where the 214 server receiving the wager is located, regardless of the authorized 215 participant's location at the time the wager is initiated or otherwise 216 placed.

Sec. 5. (NEW) (*Effective July 1, 2020*) (a) A tribally owned company is authorized to operate a casino gaming facility in the city of Bridgeport, provided such company invests a minimum of one hundred million dollars to develop such facility.

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- (b) A tribally owned company is authorized to operate an entertainment zone facility (1) at the facility described in subsection (a) of this section, (2) at a facility in the city of Hartford, (3) at a facility in the city of New Haven, and (4) at a facility in one additional municipality in the state chosen by the tribally owned company.
- (c) (1) Authorization to operate a facility under subsection (a) or (b) of this section shall not be effective unless:
  - (A) The governing bodies of the Mashantucket Pequot Tribe and Mohegan Tribe of Indians of Connecticut have enacted resolutions providing: (i) That, if the tribally owned company fails to pay any fees or taxes due the state, the tribes, as the members of the tribally owned company, waive the possible defense of sovereign immunity with respect to any action or claim by the state against the tribes as the

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members of the tribally owned company to the extent such action or claim is permitted to be brought against a member of a limited liability company under state law to collect any fees or taxes, while preserving any other defenses available to the tribes, and (ii) that the venue for such action or claim shall be in the judicial district of Hartford; and

- (B) Prior to operation of any entertainment zone facility, compacts with the Mashantucket Pequot Tribe and Mohegan Tribe of Indians of Connecticut or amendments to the Mashantucket Pequot procedures, the Mashantucket Pequot memorandum of understanding, the Mohegan compact and the Mohegan memorandum of understanding concerning operation of retail sports wagering at entertainment zone facilities are effective pursuant to section 2 of this act.
  - (2) Authorization to operate a facility under subsection (a) or (b) of this section shall cease to be effective if the tribally owned company ceases to be a limited liability company jointly and exclusively owned by the Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of Connecticut in which each tribe holds at least a twenty-five per cent equity interest.
  - (3) No entertainment zone facility shall be located in a municipality that has, through its legislative body or by referendum, voted not to permit the operation of such a facility, unless such vote is superseded by a subsequent vote not earlier than sixty days following the first vote.
  - Sec. 6. (NEW) (*Effective July 1, 2020*) (a) An individual may only place a sports wager on a sporting event or place a wager through an online casino electronic wagering platform if the wagering is authorized pursuant to sections 2 to 5, inclusive, of this act, as applicable, and the individual has attained the age of twenty-one and is physically present in the state when placing the wager.
  - (b) Any electronic wagering platform used for conducting online sports wagering or online casino gaming shall be developed to: (1) Verify that an individual with a wagering account is twenty-one years

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- (c) No sports wagering shall be permitted on any prohibited sports event.
  - Sec. 7. (NEW) (*Effective July 1, 2020*) (a) Not later than twelve months after the date any authorization of sports wagering or online casino gaming becomes effective under sections 2 to 5, inclusive, of this act, the Commissioner of Consumer Protection shall adopt regulations, in accordance with the provisions of chapter 54 of the general statutes and 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 2 to 6, inclusive, of this act. Such regulations shall address the operation of, participation in and advertisement of sports wagering and online casino gaming, and shall include provisions to protect the public interest in the integrity of gaming.
    - (b) The commissioner may implement policies and procedures while in the process of adopting such regulations, provided notice of intention to adopt regulations is posted on the eRegulations System not later than twenty days after implementation. Any such policy or procedure shall be valid until the time final regulations are effective.
    - (c) Prior to the effective date of final regulations or the posting of notice of intention to adopt regulations on the eRegulations System following implementation of policies and procedures, whichever occurs

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first, sports wagering or online casino gaming authorized under sections 2 to 5, inclusive, of this act may be conducted in accordance with standards of operation and management adopted by a tribal gaming agency of the Mashantucket Pequot Tribe or Mohegan Tribe of Indians of Connecticut and approved by the Commissioner of Consumer Protection. The commissioner shall approve each standard unless it finds that the standard would have a material adverse impact on the public interest in the integrity of the sports wagering or online gaming operation and shall disapprove only such portions of any such standard that is determined to have a material adverse impact on such public interest, setting forth with specificity the reasons for such disapproval. Approval of such standards shall be deemed granted unless disapproved within forty-five days of submission.

Sec. 8. (NEW) (Effective from passage) Not later than thirty days after the date an operator of sports wagering or online casino gaming commences operation under sections 2 to 7, inclusive, of this act, and on a monthly basis thereafter while such sports wagering or online casino gaming is conducted, if such gaming takes place outside of Indian lands of a federally recognized Native American Tribe, each such operator shall pay to the state for deposit in the General Fund: (1) Ten per cent of the gross gaming revenue from online casino gaming authorized under sections 2 and 4 of this act; and (2) eight per cent of the gross gaming revenue from sports wagering authorized under sections 2, 3 and 5 to 7, inclusive, of this act.

Sec. 9. (NEW) (Effective from passage) (a) Commencing in any fiscal year that sports wagering or online casino gaming is conducted pursuant to sections 2 to 7, inclusive, of this act outside of Indian lands and on or before September thirtieth in each fiscal year thereafter, the Commissioner of Consumer Protection shall: (1) Estimate, after consultation with each operator of online casino gaming, online sports wagering or an entertainment zone facility or the operator of a casino gaming facility conducting retail sports wagering pursuant to section 12-578f of the general statutes, as amended by this act, the reasonable

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and necessary costs that will be incurred by the department in the next fiscal year to regulate the operation of such wagering or gaming under sections 2 to 7, inclusive, of this act; and (2) assess each such operator's share of such estimated costs pro rata according to such operator's annualized share of the gross gaming revenue from such wagering or gaming in the prior fiscal year, if any. The estimated costs shall not exceed the estimate of expenditure requirements transmitted by the commissioner pursuant to section 4-77 of the general statutes. The assessment for any fiscal year shall be: (A) Reduced pro rata by the amount of any surplus from the assessment of the prior fiscal year, which shall be maintained in accordance with subsection (d) of this section, or (B) increased pro rata by the amount of any deficit from the assessment of the prior fiscal year.

- (b) Each operator of online casino gaming, online sports wagering or an entertainment zone facility or operator of a casino gaming facility conducting sports wagering pursuant to section 12-578f of the general statutes, as amended by this act, shall pay to the commissioner the amount assessed to such operator pursuant to subsection (a) of this section not later than the date specified by the commissioner for payment, provided such date is not less than thirty days from the date of such assessment. The commissioner shall remit to the State Treasurer all funds received pursuant to this section.
- (c) The State Treasurer shall deposit all funds received pursuant to subsection (b) of this section in the State Gaming Regulatory Fund, established pursuant to subsection (c) of section 12-578e of the general statutes, as amended by this act.
- (d) On or before September thirtieth, annually, the Comptroller shall calculate the actual reasonable and necessary costs incurred by the department to regulate operators of online casino gaming, online sports wagering and entertainment zone facilities and the operator of a casino gaming facility conducting sports wagering pursuant to section 12-578f of the general statutes, as amended by this act, during the prior fiscal

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year. The Treasurer shall set aside amounts received in excess of such actual costs. Such excess amounts shall be considered a surplus for the purposes of subsection (a) of this section.

- (e) Any operator of online casino gaming, online sports wagering or an entertainment zone facility or a casino gaming facility conducting sports wagering pursuant to section 12-578f of the general statutes, as amended by this act, aggrieved by an assessment under the provisions of this section may request a hearing before the commissioner not later than thirty days after such assessment. The commissioner shall hold such hearing in accordance with the provisions of chapter 54 of the general statutes not later than thirty days after receiving such request.
- Sec. 10. (NEW) (*Effective from passage*) Any payment to the state made by the Mashantucket Pequot Tribe, the Mohegan Tribe of Indians of Connecticut, MMCT Venture, LLC, or a tribally owned company and based on gross gaming revenue from online casino gaming, gross gaming revenue from sports wagering or gross gaming revenue, as defined in section 12-557b of the general statutes, as amended by this act, as applicable, shall count toward the calculation of the "minimum contribution" pursuant to the Mashantucket Pequot memorandum of understanding and the Mohegan memorandum of understanding, with any such payments by MMCT Venture, LLC, or another tribally owned company based on such tribe's proportionate ownership of MMCT Venture, LLC, or the tribally owned company.
- Sec. 11. (NEW) (*Effective from passage*) (a) For the purposes of this section, "gross gaming revenue" has the same meaning as provided in section 12-557b of the general statutes, as amended by this act, and "authorized games" has the same meaning as provided in section 12-578f of the general statutes, as amended by this act.
- (b) Not later than thirty days after the date a casino gaming facility authorized under section 5 of this act is operational and on a monthly basis thereafter while such casino gaming facility is operational, the tribally owned company operating such facility shall pay to the state, in

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addition to the funds provided for in section 8 of this act for sports wagering: (1) Ten per cent of the gross gaming revenue from the operation of authorized games, except video facsimile games, which shall be deposited in the state-wide tourism marketing account, established pursuant to section 10-395a of the general statutes, and used for state-wide marketing activities; (2) fifteen per cent of the gross gaming revenue from the operation of authorized games, except video facsimile games, which shall be deposited in the General Fund; and (3) twenty-five per cent of the gross gaming revenue from the operation of video facsimile games, which shall be deposited as follows: (A) Five million two hundred fifty thousand dollars annually in the municipal gaming account, established pursuant to section 12-578h of the general statutes, as amended by this act, and (B) any remaining amounts in the General Fund.

(c) On and after the date the Secretary of the Office of Policy and Management finds that a minimum of five million two hundred fifty thousand dollars has been deposited in the municipal gaming account pursuant to subsection (b) of this section, the Office of Policy and Management shall provide an annual grant of seven hundred fifty thousand dollars to each of the following municipalities: Fairfield, Hartford, New Haven, Norwalk, Stratford, Trumbull and Waterbury. The amount of the grant payable to each municipality during any fiscal year shall be reduced proportionately if the total of such grants exceeds the amount of funds available for such year.

Sec. 12. (Effective from passage) (a) Notwithstanding any provision of the general statutes or any special act, charter or ordinance, the city of Bridgeport may, by affirmative vote of a majority of the city council, enter into a written agreement with any party owning or proposing to acquire an interest in real property in the city that fixes the assessment of (1) any such real property that is the subject of the agreement, and all improvements thereon or therein and to be constructed thereon or therein, and (2) all taxable personal property, whether owned or leased, to be located on such real property. Such agreement or any modification,

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- renewal or extension thereof shall be for a period of not more than ten
- 428 years. Such agreement may provide that the owner or lessee of such
- 429 personal property is not required to submit a personal property
- declaration in the city during the period for which such agreement is in
- 431 effect.
- (b) The provisions of this section shall only apply if such real
- 433 property, improvements and personal property are owned, leased or
- used in connection with a casino gaming facility, as defined in section
- 435 12-557b of the general statutes, as amended by this act.
- 436 (c) For the purposes of this section, "improvements" include the
- rehabilitation of any structure that exists on the effective date of this
- section and is rehabilitated for use by a casino gaming facility.
- Sec. 13. Section 12-578f of the general statutes is repealed and the
- following is substituted in lieu thereof (*Effective from passage*):
- (a) For the purposes of this section and section 12-578g, as amended
- 442 <u>by this act</u>:
- 443 (1) "Authorized games" means any game of chance, including, but not
- limited to, blackjack, poker, dice, money-wheels, roulette, baccarat,
- chuck-a-luck, pan game, over and under, horse race game, acey-deucy,
- beat the dealer, bouncing ball, video facsimile game and any other game
- of chance authorized by the Commissioner of Consumer Protection.
- 448 "Authorized games" does not include sports wagering, as defined in
- 449 section 1 of this act;
- 450 (2) "Mashantucket Pequot memorandum of understanding" means
- 451 the memorandum of understanding entered into by and between the
- 452 state and the Mashantucket Pequot Tribe on January 13, 1993, as
- 453 amended on April 30, 1993;
- 454 (3) "Mashantucket Pequot procedures" means the Final
- 455 Mashantucket Pequot Gaming Procedures prescribed by the Secretary
- 456 of the United States Department of the Interior pursuant to Section

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- 457 2710(d)(7)(B)(vii) of Title 25 of the United States Code and published in
- 458 56 Federal Register 24996 (May 31, 1991);
- 459 (4) "MMCT Venture, LLC" means a limited liability company 460 described in subsection (d) of this section;
- (5) "Mohegan compact" means the Tribal-State Compact entered into
- 462 by and between the state and the Mohegan Tribe of Indians of
- 463 Connecticut on May 17, 1994; and
- 464 (6) "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.
- (b) MMCT Venture, LLC, is authorized to conduct authorized games
- 468 at a casino gaming facility at 171 Bridge Street, East Windsor,
- 469 Connecticut.
- 470 (c) Such authorization shall not be effective unless the following
- 471 conditions have been met:
- 472 (1) (A) The Governor enters into amendments to the Mashantucket
- Pequot procedures and to the Mashantucket Pequot memorandum of
- 474 understanding with the Mashantucket Pequot Tribe and amendments
- 475 to the Mohegan compact and to the Mohegan memorandum of
- 476 understanding with the Mohegan Tribe of Indians of Connecticut
- concerning the operation of a casino gaming facility in the state.
- (B) The amendments to the Mashantucket Pequot procedures and the
- 479 Mohegan compact shall include a provision that the authorization of
- 480 MMCT Venture, LLC, to conduct authorized games in the state does not
- 481 terminate the moratorium against the operation of video facsimile
- 482 games by the Mashantucket Pequot Tribe and Mohegan Tribe of Indians
- 483 of Connecticut on each tribe's reservation.
- 484 (C) The amendments to each tribe's memorandum of understanding
- shall include a provision that the authorization of MMCT Venture, LLC,

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486 to conduct authorized games in the state does not relieve each tribe from 487 each tribe's obligation to contribute a percentage of the gross operating 488 revenues of video facsimile games to the state as provided in each tribe's 489 memorandum of understanding.

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- (2) The amendments to the Mashantucket Pequot procedures, the Mashantucket Pequot memorandum of understanding, the Mohegan compact and the Mohegan memorandum of understanding are approved or deemed approved by the Secretary of the United States Department of the Interior pursuant to the federal Indian Gaming Regulatory Act, P.L. 100-497, 25 USC 2701 et seq., and its implementing regulations. If such approval is overturned by a court in a final judgment, which is not appealable, the authorization provided under this section shall cease to be effective.
- 499 (3) The amendments to the Mashantucket Pequot procedures and to 500 the Mohegan compact are approved by the General Assembly pursuant 501 to section 3-6c.
  - (4) The amendments to the Mashantucket Pequot memorandum of understanding and to the Mohegan memorandum of understanding are approved by the General Assembly pursuant to the process described in section 3-6c.
- 506 (5) The governing bodies of the Mashantucket Pequot Tribe and 507 Mohegan Tribe of Indians of Connecticut enact resolutions providing: 508 (A) That if MMCT Venture, LLC, fails to pay any fees or taxes due the 509 state, the tribes, as the members of MMCT Venture, LLC, waive the 510 possible defense of sovereign immunity with respect to any action or claim by the state against the tribes as the members of MMCT Venture, 512 LLC, to the extent such action or claim is permitted to be brought against 513 a member of a limited liability company under state law to collect any 514 fees or taxes, while preserving any other defenses available to the tribes, 515 and (B) that the venue for such action or claim shall be in the judicial 516 district of Hartford.

LCO No. 1587 17 of 40 (d) Such authorization shall apply to MMCT Venture, LLC, provided: (1) MMCT Venture, LLC, is a limited liability company jointly and exclusively owned by the Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of Connecticut; (2) no other person or business organization holds an equity interest in MMCT Venture, LLC; and (3) each tribe holds at least a twenty-five per cent equity interest in MMCT Venture, LLC. If MMCT Venture, LLC, ceases to be a limited liability company jointly and exclusively owned by the Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of Connecticut in which each tribe holds at least a twenty-five per cent equity interest, such authorization shall be void.

- (e) MMCT Venture, LLC, is authorized to operate retail sports wagering, as defined in section 1 of this act, at a casino gaming facility at 171 Bridge Street, East Windsor, Connecticut, provided new compacts with the Mashantucket Pequot Tribe and Mohegan Tribe of Indians of Connecticut or amendments to each of the Mashantucket Pequot procedures and to the Mashantucket Pequot Tribe and amendments to the Mohegan compact and to the Mohegan memorandum of understanding with the Mohegan Tribe of Indians of Connecticut concerning such operation are effective pursuant to section 2 of this act. If MMCT Venture, LLC, ceases to be a limited liability company jointly and exclusively owned by the Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of Connecticut in which each tribe holds at least a twenty-five per cent equity interest, such authorization shall be void.
- Sec. 14. Section 12-806c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):
  - (a) Notwithstanding the provisions of section 3-6c, the Secretary of the Office of Policy and Management, on behalf of the state of Connecticut, may enter into separate agreements with the Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of

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Connecticut concerning the operation of keno by the Connecticut Lottery Corporation in the state of Connecticut. Any such agreement shall provide that the state of Connecticut shall distribute to each tribe a sum not to exceed a twelve and one-half per cent share of the gross operating revenue received by the state from the operation of keno. The corporation may not operate keno until such separate agreements are effective. For the purposes of this section, "gross operating revenues" means the total amounts wagered, less amounts paid out as prizes.

- (b) Notwithstanding the provisions of section 3-6c, the secretary, on behalf of the state, may enter into amendments to such agreements described in subsection (a) of this section concerning the operation of keno over the Internet by the Connecticut Lottery Corporation in the state of Connecticut.
- (c) Any electronic platform or combination of hardware, software and data networks used to manage, administer, offer or control keno over the Internet, including through an Internet web site or a mobile device, shall, at a minimum, be developed to: (1) Verify that an individual with a keno account is eighteen years of age or older and is located in the state, and (2) provide a mechanism to prevent the unauthorized use of a keno account and maintain the security of data and other confidential information.
- Sec. 15. (NEW) (*Effective from passage*) (a) As used in this section, "lottery draw game" means any draw game that is (1) available for purchase through a lottery sales agent, and (2) played with a live drawing that occurs no more frequently than hourly.
- (b) The Connecticut Lottery Corporation shall establish a program to sell lottery tickets for lottery draw games through the corporation's Internet web site, online service or mobile application, provided: (1) Such program is conducted pursuant to compacts with the Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of Connecticut or amendments to the Mashantucket Pequot procedures and to the Mashantucket Pequot memorandum of understanding with

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the Mashantucket Pequot Tribe and amendments to the Mohegan compact and to the Mohegan memorandum of understanding with the Mohegan Tribe of Indians of Connecticut that are effective pursuant to section 2 of this act; (2) the keno draw game or lottery draw game is offered pursuant to signed agreements with the Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of Connecticut or signed amendments to such agreements, in accordance with the provisions of section 12-806c of the general statutes, as amended by this act; and (3) the total number of drawings across all lottery draw games for which lottery tickets are sold through the corporation's Internet web site, online service or mobile application shall not exceed six drawings in a given day.

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(c) Such program shall, at a minimum: (1) Verify that a person who establishes an online lottery account to purchase a lottery ticket through such program is eighteen years of age or older and is located in the state; (2) restrict the sale of lottery tickets to transactions initiated and received within the state; (3) allow a person to deposit money into an online lottery account through the use of a verified bank account, prepaid lottery gift card, debit card or credit card; (4) limit a person with an online lottery account to using only one debit card or credit card; (5) provide that any money in an online lottery account belongs solely to the owner of the account and may be withdrawn by the owner at any time; (6) provide a mechanism to prevent the unauthorized use of online lottery accounts; (7) establish a voluntary self-exclusion process to allow a person to exclude himself or herself from establishing an online lottery account or purchasing a lottery ticket through such program; (8) provide a mechanism to prevent a person who participates in the selfexclusion process from establishing an online lottery account; (9) within one year from the date such program is established, be the subject of an application for certification from a national or international responsible gambling compliance assessment program; (10) post a conspicuous link to responsible gambling information on all online lottery account Internet web pages; and (11) after consultation with advocacy groups for individuals with gambling problems, (A) limit the amount of money

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a person may deposit into an online lottery account, (B) limit the amount of money a person may spend per day through such program, and (C) provide for online messages regarding the importance of responsible gambling when a person is using his or her online lottery account for an amount of time specified by the corporation.

- (d) Prior to implementing any procedure, as defined in subdivision (2) of section 1-120 of the general statutes, to assure the integrity of such program, the corporation shall obtain the written approval of the Commissioner of Consumer Protection in accordance with regulations adopted under section 12-568a of the general statutes.
- (e) The corporation shall: (1) Implement initiatives to promote the purchase of lottery tickets through lottery sales agents; (2) permit lottery sales agents to sell prepaid lottery gift cards; and (3) conduct an online public awareness campaign designed to educate the public regarding compulsive gambling and to inform the public of the programs available for the prevention, treatment and rehabilitation of compulsive gamblers in the state.
- Sec. 16. Subdivision (4) of subsection (b) of section 12-806 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
  - (4) (A) To introduce new lottery games, modify existing lottery games, utilize existing and new technologies, determine distribution channels for the sale of lottery tickets, introduce keno pursuant to signed agreements with the Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of Connecticut, in accordance with section 12-806c, as amended by this act, and, to the extent specifically authorized by regulations adopted by the Department of Consumer Protection pursuant to chapter 54, introduce instant ticket vending machines, kiosks and automated wagering systems or machines, with all such rights being subject to regulatory oversight by the Department of Consumer Protection; and

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(B) To offer lottery draw games, including for promotional purposes, through the corporation's Internet web site, online service or mobile application in accordance with section 15 of this act, except that the corporation shall not offer any other interactive [on-line] lottery games, including [on-line video lottery games] for promotional purposes, on the corporation's Internet web site, online service or mobile application;

- Sec. 17. Subdivision (13) of subsection (b) of section 12-806 of the 2020 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- (13) To pay the Office of Policy and Management to reimburse the Department of Consumer Protection for the reasonable and necessary costs arising from the department's regulatory oversight of the corporation, in accordance with the assessment made pursuant to section 12-806b, including costs arising directly or indirectly from the licensing of lottery agents, performance of state police background investigations, and the implementation of subsection (b) of section 12-562, as amended by this act, and sections 12-563a, as amended by this act, 12-568a, 12-569, 12-570, 12-570a and 12-800 to 12-818, inclusive, and section 15 of this act;
- Sec. 18. Section 12-810 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
  - (a) The Freedom of Information Act, as defined in section 1-200, shall apply to all actions, meetings and records of the corporation, except (1) where otherwise limited by subsection (c) of this section as to new lottery games and serial numbers of unclaimed lottery tickets, [and] (2) with respect to financial, credit and proprietary information submitted by any person to the corporation in connection with any proposal to provide goods, services or professional advice to the corporation as provided in section 12-815, and (3) where otherwise limited by subsection (d) of this section as to information submitted by any person to the corporation regarding such person's participation in the corporation's voluntary self-exclusion process established pursuant to

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678 <u>subdivision (7) of subsection (c) of section 15 of this act.</u>

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- (b) The records of proceedings as provided in subsection (a) of section 12-805 shall be subject to disclosure pursuant to the provisions of subsection (a) of section 1-210.
- 682 (c) Any new lottery game and the procedures for such game, until the 683 game is publicly announced by the corporation, and any serial number 684 of an unclaimed lottery ticket shall not be deemed public records, as 685 defined in section 1-200, and shall not be available to the public under 686 the provisions of section 1-210. The president shall submit a fiscal note 687 prepared by the corporation with respect to the procedures for a new 688 lottery game to the joint standing committees of the General Assembly 689 having cognizance of matters relating to finance, revenue, bonding and 690 public safety after approval of such game by the board.
  - (d) The name and any personally identifying information of a person who is participating or has participated in the corporation's voluntary self-exclusion process shall not be deemed public records, as defined in section 1-200, and shall not be available to the public under the provisions of section 1-210, except that the president may disclose the name and any records of such person if such person claims a winning lottery ticket from the use of the online lottery program established pursuant to section 15 of this act.
- Sec. 19. Section 12-557b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):
- As used in this chapter, sections [12-578a to 12-578e, inclusive,] 12-579 and 12-580, chapter 226b, [and] section 53-278g, as amended by this act, and sections 1 to 12, inclusive, of this act, unless the context otherwise requires:
- 705 (1) "Commissioner" means the Commissioner of Consumer 706 Protection;
- 707 (2) "Department" means the Department of Consumer Protection;

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(4) "Control" means the power to exercise authority over or direct the management and policies of a person or business organization;

- (5) "Casino gaming facility" means any casino gaming facility authorized by any provision of the general statutes or a public or special act to conduct authorized games on its premises, but does not include any casino gaming facility located on Indian lands pursuant to the Indian Gaming Regulatory Act, P.L. 100-497, 25 USC 2701 et seq.;
- (6) "Authorized game" means any game of chance specifically authorized to be conducted at a casino gaming facility by any provision of the general statutes or a public or special act; and
- (7) "Gross gaming revenue" means the total of all sums actually received by a casino gaming facility from gaming operations less the total of all sums paid as winnings to patrons of the casino gaming facility, provided the total of all sums paid as winnings to such patrons shall not include the cash equivalent value of any merchandise or thing of value included in a jackpot or payout, and provided further the issuance to or wagering by such patrons of any promotional gaming credit shall not be included in the total of all sums actually received by a casino gaming facility for the purposes of determining gross gaming revenue.
- Sec. 20. Section 12-561 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):
  - No commissioner or unit head or employee of the department shall directly or indirectly, individually or as a member of a partnership or as

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a shareholder of a corporation, have any interest whatsoever in dealing in any lottery, racing, fronton, betting enterprise or casino gaming facility or in the ownership or leasing of any property or premises used by or for any lottery, racing, fronton, betting enterprise or casino gaming facility. No commissioner or unit head shall, directly or indirectly, wager at any off-track betting facility, race track or fronton authorized under this chapter, purchase lottery tickets issued under this chapter, [or] play, directly or indirectly, any authorized game conducted at a casino gaming facility or place a sports wager, as defined in section 1 of this act. The commissioner may adopt regulations in accordance with the provisions of chapter 54 to prohibit any employee of the department from engaging, directly or indirectly, in any form of legalized gambling activity in which such employee is involved because of his or her employment with the department. For purposes of this section, "unit head" means a managerial employee with direct oversight of a legalized gambling activity.

Sec. 21. Section 12-562 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):

(a) Except as provided in subsection (b) of this section, the commissioner shall have power to enforce the provisions of this chapter and chapter 226b, and shall adopt all necessary regulations for that purpose and for carrying out, enforcing and preventing violation of any of the provisions of this chapter, for the inspection of licensed premises, enterprises, [or] casino gaming facilities or entertainment zone facilities, for insuring proper, safe and orderly conduct of licensed premises, enterprises or [casino gaming] facilities and for protecting the public against fraud or overcharge. The commissioner shall have power generally to do whatever is reasonably necessary for the carrying out of the intent of this chapter; and may call upon other administrative departments of the state government and of municipal governments for such information and assistance as he or she deems necessary to the performance of his or her duties. The commissioner shall set racing and jai alai meeting dates, except that the commissioner may delegate to

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- 772 The commissioner shall, as far as practicable, avoid conflicts in the dates
- assigned for racing or the exhibition of the game of jai alai in the state.
- (b) The special [policemen] <u>police officers</u> in the Department of Consumer Protection and the legalized gambling investigative unit in the Division of State Police within the Department of Emergency Services and Public Protection shall be responsible for the criminal enforcement of the provisions of sections 7-169 to 7-186, inclusive, this chapter and chapters 226b and 229a. They shall have the powers and duties specified in section 29-7c.
- Sec. 22. Section 12-563a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):

- The Commissioner of Consumer Protection shall, within available resources, prepare and distribute informational materials designed to inform the public of the programs available for the prevention, treatment and rehabilitation of compulsive gamblers in this state. The commissioner shall require any casino gaming facility, any entertainment zone facility and any person or business organization which is licensed to sell lottery tickets, operate an off-track betting system or conduct wagering on racing events or jai alai games, to display such informational materials at the casino gaming facility, entertainment zone facility and each licensed premise, respectively.
- Sec. 23. Section 12-577 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):
  - The commissioner shall annually cause to be made by some competent person or persons in the department a thorough audit of the books and records of each association licensee under this chapter, [and] each casino gaming facility and each entertainment zone facility and the commissioner may, from time to time, cause to be made by some competent person in the department a thorough audit of the books and records of any other person or business organization licensed under this

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chapter. All such audit records shall be kept on file in the commissioner's office at all times. Each licensee, [and] casino gaming facility and entertainment zone facility shall permit access to its books and records for the purpose of having such audit made, and shall produce, upon written order of the commissioner, any documents and information required for such purpose.

- Sec. 24. Subdivision (1) of subsection (c) of section 12-578e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):
- 811 (c) (1) There is established a fund to be known as the "State Gaming" 812 Regulatory Fund". The fund shall contain any moneys required or 813 permitted to be deposited in the fund and shall be held by the Treasurer 814 separate and apart from all other moneys, funds and accounts. 815 Investment earnings credited to the assets of said fund shall become part 816 of the assets of said fund. Any balance remaining in said fund at the end 817 of any fiscal year shall be carried forward in said fund for the fiscal year 818 next succeeding. Moneys in the fund shall be expended by the Treasurer 819 for the purposes of paying the costs incurred by the department to 820 regulate casino gaming facilities, online casino gaming, online sports 821 wagering and entertainment zone facilities, as defined in section 1 of 822 this act.
- Sec. 25. Subsection (c) of section 12-578g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1*, 2020):

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(c) Not later than thirty days after the date the casino gaming facility is operational and on a monthly basis thereafter while such casino gaming facility is operational, MMCT Venture, LLC, shall pay to the state: (1) Ten per cent of the gross gaming revenue from the operation of authorized games, except video facsimile games, which shall be deposited in the state-wide tourism marketing account, established pursuant to section 10-395a, and used for state-wide marketing activities; (2) fifteen per cent of the gross gaming revenue from the

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operation of authorized games, except video facsimile games, which shall be deposited in the General Fund; and (3) twenty-five per cent of the gross gaming revenue from the operation of video facsimile games, which shall be deposited as follows: (A) [Seven million five hundred thousand] <u>Eighteen million</u> dollars annually in the municipal gaming account, established pursuant to section 12-578h, <u>as amended by this act</u>, and (B) any remaining amounts in the General Fund.

- Sec. 26. Section 12-578h of the 2020 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- (a) There is established an account to be known as the "municipal gaming account" which shall be a separate, nonlapsing account within the Mashantucket Pequot and Mohegan Fund established by section 3-55i. The account shall contain any moneys required by law to be deposited in the account. Moneys in the account shall be expended by the Office of Policy and Management for the purpose of providing annual grants pursuant to subsection (b) of this section.
  - (b) (1) On and after the date the Secretary of the Office of Policy and Management finds that a minimum of [seven million five hundred thousand] nine million dollars has been deposited in the municipal gaming account pursuant to subsection (c) of section 12-578g, as amended by this act, the Office of Policy and Management shall provide an annual grant of seven hundred fifty thousand dollars to each of the following municipalities: Bridgeport, East Hartford, Ellington, Enfield, Hartford, New Haven, Norwalk, South Windsor, Waterbury, West Hartford, Windsor and Windsor Locks. The amount of the grant payable to each municipality during any fiscal year shall be reduced proportionately if the total of such grants exceeds the amount of funds available for such year.
  - (2) If the Secretary of the Office of Policy and Management finds that funds remain in the municipal gaming account after distributing annual grants pursuant to subdivision (1) of this subsection, the Office of Policy

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and Management shall provide annual grants to municipalities to offset economic, public safety and other impacts related to gaming activities, as follows: (A) Grants of seven hundred fifty thousand dollars to the municipalities of East Lyme, Groton, Ledyard, Montville, Norwich, Stonington and Waterford, and (B) grants of three hundred seventy-five thousand dollars to the municipalities of Bozrah, Franklin, Griswold, Lisbon, North Stonington, Old Lyme, Old Saybrook, Preston, Salem and Sprague. The amount of the grant payable to each municipality during any fiscal year shall be reduced proportionately if the total of such grants exceeds the amount of funds available for such fiscal year.

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Sec. 27. Section 17a-713 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):

(a) The Department of Mental Health and Addiction Services shall establish a program for the treatment and rehabilitation of compulsive gamblers in the state. The program shall provide prevention, treatment and rehabilitation services for chronic gamblers. The department may enter into agreements with subregional planning and action councils and nonprofit organizations to assist in providing these services, provided not less than twenty-five per cent of the amount received pursuant to section 12-818 annually shall be set aside for contracts with subregional planning and action councils established pursuant to section 17a-671 and nonprofit organizations and not less than five per cent of the amount received pursuant to section 12-818 annually shall be set aside for a contract with the Connecticut Council on Problem Gambling. The department may impose a reasonable fee, on a sliding scale, on those participants who can afford to pay for any such services. The department shall implement such program when the account established under subsection (b) of this section is sufficient to meet initial operating expenses. As used in this section, "chronic gambler" means a person who is chronically and progressively preoccupied with gambling and the urge to gamble, and with gambling behavior that compromises, disrupts or damages personal, family or vocational pursuits.

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(b) The program established by subsection (a) of this section shall be funded by: [imposition of: (1) A] (1) Imposition of a fee of one hundred thirty-five dollars on each association license, for each performance of jai alai or dog racing conducted under the provisions of chapter 226, provided no such licensee shall contribute more than forty-five thousand dollars in any one year; (2) imposition of a fee of twenty-five dollars for each teletheater performance on each operator of a teletheater facility; [and] (3) the amount received from the Connecticut Lottery Corporation pursuant to section 12-818; and (4) the amount received from MMCT Venture, LLC, pursuant to section 12-578g, as amended by this act. The Commissioner of Consumer Protection shall collect the fee from each association licensee or such operator on a monthly basis. The receipts shall be deposited in the General Fund and credited to a separate, nonlapsing chronic gamblers treatment and rehabilitation account which shall be established by the Comptroller. All moneys in the account are deemed to be appropriated and shall be expended for the purposes established in subsection (a) of this section.

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(c) The department shall adopt regulations in accordance with the provisions of chapter 54 to carry out the purposes of this section.

Sec. 28. Subsection (a) of section 30-91 of the 2020 supplement to the general statutes, as amended by section 17 of public act 19-24, is repealed and the following is substituted in lieu thereof (*Effective July 1*, 2020):

(a) The sale or the dispensing or consumption or the presence in glasses or other receptacles suitable to permit the consumption of alcoholic liquor by an individual in places operating under hotel permits, restaurant permits, cafe permits, Connecticut craft cafe permits, restaurant permits for catering establishments, bowling establishment permits, racquetball facility permits, club permits, coliseum permits, coliseum concession permits, special sporting facility restaurant permits, special sporting facility guest permits, special sporting facility concession

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permits, special sporting facility bar permits, golf country club permits, nonprofit public museum permits, university permits, airport restaurant permits, airport bar permits, airport airline club permits, tavern permits, manufacturer permits for beer, [casino permits,] caterer liquor permits and charitable organization permits shall be unlawful on: (1) Monday, Tuesday, Wednesday, Thursday and Friday between the hours of one o'clock a.m. and nine o'clock a.m.; (2) Saturday between the hours of two o'clock a.m. and nine o'clock a.m.; (3) Sunday between the hours of two o'clock a.m. and ten o'clock a.m.; (4) Christmas, except [(A)] for alcoholic liquor that is served where food is also available during the hours otherwise permitted by this section for the day on which Christmas falls; [, and (B) by casino permittees at casinos, as defined in section 30-37k;] and (5) January first between the hours of three o'clock a.m. and nine o'clock a.m., except that on any Sunday that is January first the prohibitions of this section shall be between the hours of three o'clock a.m. and ten o'clock a.m.

Sec. 29. Subsection (l) of section 30-91 of the 2020 supplement to the general statutes, as amended by section 17 of public act 19-24, is repealed and the following is substituted in lieu thereof (*Effective July 1*, 2020):

(l) Notwithstanding any provision of subsection (a) of this section, it shall be lawful for casino permittees at casinos, as defined in section 30-37k, to allow the sale, dispensing, consumption or presence in glasses or other receptacles suitable to permit the consumption of alcoholic liquor by an individual, except (1) such alcoholic liquor shall not be served to a patron of such casino during (A) Monday, Tuesday, Wednesday, Thursday, Friday and Saturday between the hours of four o'clock a.m. and nine o'clock a.m.; and (B) Sunday between the hours of four o'clock a.m. and ten o'clock a.m.; and (2) such permittee may allow the presence of alcoholic liquor in glasses or other receptacles suitable to permit the consumption thereof by an individual at any time on its gaming facility, as defined in subsection (a) of section 30-37k. [, provided such alcoholic liquor shall not be served to a patron of such casino during the hours

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specified in subsection (a) of this section.] For purposes of this section, "receptacles suitable to permit the consumption of alcoholic liquor" shall not include bottles of distilled spirits or bottles of wine.

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Sec. 30. Section 52-553 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

All wagers, and all contracts and securities of which the whole or any part of the consideration is money or other valuable thing won, laid or bet, at any game, horse race, sport or pastime, and all contracts to repay any money knowingly lent at the time and place of such game, race, sport or pastime, to any person so gaming, betting or wagering, or to repay any money lent to any person who, at such time and place, so pays, bets or wagers, shall be void, provided nothing in this section shall (1) affect the validity of any negotiable instrument held by any person who acquired the same for value and in good faith without notice of illegality in the consideration, (2) apply to the sale of a raffle ticket pursuant to section 7-172, (3) apply to sports wagering, and online casino gaming, as each is defined in section 1 of this act, conducted pursuant to sections 2 to 7, inclusive, of this act, as applicable, (4) apply to the participation in the program established by the Connecticut Lottery Corporation pursuant to section 15 of this act, or [(3)] (5) apply to any wager or contract otherwise authorized by law.

Sec. 31. Section 52-554 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

Any person who, by playing at any game, or betting on the sides or hands of such as play at any game, excluding any game permitted under chapter 226 or any activity not prohibited under the provisions of sections 53-278a to 53-278g, inclusive, as amended by this act, loses the sum or value of one dollar in the whole and pays or delivers the same or any part thereof, may, within three months next following, recover from the winner the money or the value of the goods so lost and paid or delivered, with costs of suit in a civil action, without setting forth the special matter in his complaint. If the defendant refuses to testify, if

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called upon in such action, relative to the discovery of the property so won, [he] the defendant shall be defaulted; but no evidence so given by [him] the defendant shall be offered against him or her in any criminal prosecution. Nothing in this section shall prohibit any person from using a credit card to participate in (1) sports wagering or online casino gaming, as each is defined in section 1 of this act, conducted pursuant to sections 2 to 7, inclusive, of this act, as applicable, or (2) the program established by the Connecticut Lottery Corporation pursuant to section 15 of this act.

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Sec. 32. Subdivision (2) of section 53-278a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):

(2) "Gambling" means risking any money, credit, deposit or other thing of value for gain contingent in whole or in part upon lot, chance or the operation of a gambling device, including the playing of a casino gambling game such as blackjack, poker, craps, roulette or a slot machine, but does not include: Legal contests of skill, speed, strength or endurance in which awards are made only to entrants or the owners of entries; legal business transactions which are valid under the law of contracts; activity legal under the provisions of sections 7-169 to 7-186, inclusive; any lottery or contest conducted by or under the authority of any state of the United States, Commonwealth of Puerto Rico or any possession or territory of the United States; and other acts or transactions expressly authorized by law on or after October 1, 1973. Fantasy contests, as defined in section 12-578aa, shall not be considered gambling, provided the conditions set forth in subsection (b) of section 12-578aa have been met and the operator of such contests is registered pursuant to subdivision (1) of subsection (d) of section 12-578aa. Sports wagering and online casino gaming, as both terms are defined in section 1 of this act, shall not be considered gambling if the sports wagering or online casino gaming is conducted pursuant to sections 2 to 7, inclusive, of this act;

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Sec. 33. Subdivision (4) of section 53-278a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1,* 2020):

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- (4) "Gambling device" means any device or mechanism by the operation of which a right to money, credits, deposits or other things of value may be created, as the result of the operation of an element of chance; any device or mechanism which, when operated for a consideration, does not return the same value or thing of value for the same consideration upon each operation thereof; any device, mechanism, furniture or fixture designed primarily for use in connection with professional gambling; and any subassembly or essential part designed or intended for use in connection with any such device, mechanism, furniture, fixture, construction or installation, provided an immediate and unrecorded right of replay mechanically conferred on players of pinball machines and similar amusement devices shall be presumed to be without value. "Gambling device" does not include a crane game machine or device or a redemption machine. A device or equipment used to play fantasy contests, as defined in section 12-578aa, shall not be considered a gambling device, provided the conditions set forth in subsection (b) of section 12-578aa have been met. A device or equipment used to participate in sports wagering or online casino gaming, as both terms are defined in section 1 of this act, shall not be considered a gambling device if the conditions set forth in sections 2 to 7, inclusive, of this act, as applicable, have been met;
- Sec. 34. Section 53-278g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):
  - (a) Nothing in sections 53-278a to 53-278f, inclusive, <u>as amended by this act</u>, shall be construed to prohibit the publication of an advertisement of, or the operation of, or participation in, a state lottery, pari-mutuel betting at race tracks licensed by the state, off-track betting conducted by the state or a licensee authorized to operate the off-track betting system, authorized games at a casino gaming facility, <u>sports</u>

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wagering and online casino gaming, as authorized by sections 2 to 7, inclusive, of this act, a promotional drawing for a prize or prizes, conducted for advertising purposes by any person, firm or corporation other than a retail grocer or retail grocery chain, wherein members of the general public may participate without making any purchase or otherwise paying or risking credit, money, or any other tangible thing of value or a sweepstakes conducted pursuant to sections 42-295 to 42-301, inclusive.

(b) The Mashantucket Pequot [tribe] <u>Tribe</u> and the Mohegan Tribe of Indians of Connecticut, or their agents, may use and possess at any location within the state, solely for the purpose of training individuals in skills required for employment by the tribe or testing a gambling device, any gambling device which the tribes are authorized to utilize on their reservations pursuant to the federal Indian Gaming Regulatory Act; provided no money or other thing of value shall be paid to any person as a result of the operation of such gambling device in the course of such training or testing at locations outside of the reservation of the tribe. Any person receiving such training or testing such device may use any such device in the course of such training or testing. Whenever either of said tribes intends to use and possess at any location within the state any such gambling device for the purpose of testing such device, the tribe shall give prior notice of such testing to the Department of Consumer Protection.

(c) Any casino gaming facility <u>or entertainment zone facility</u>, or its agents, may use and possess at any location within the state, solely for the purpose of training individuals in skills required for employment by the casino gaming facility <u>or entertainment zone facility</u> or testing a gambling device, any gambling device which the casino gaming facility <u>or entertainment zone facility</u> may use for conducting authorized games at the casino gaming facility <u>or entertainment zone facility</u>, provided no money or other thing of value shall be paid to any person as a result of the operation of such gambling device in the course of such training or testing at locations outside of the casino gaming facility <u>or</u>

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entertainment zone facility. Any person receiving such training or testing such device may use any such device in the course of such training or testing. Whenever a casino gaming facility or entertainment zone facility intends to use and possess at any location within the state any such gambling device for the purpose of testing such device, the casino gambling facility or entertainment zone facility shall give prior notice of such testing to the Department of Consumer Protection.

- Sec. 35. Subsection (b) of section 12-18b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2020*):
- (b) Notwithstanding the provisions of sections 12-19a and 12-20a, all funds appropriated for state grants in lieu of taxes shall be payable to municipalities and districts pursuant to the provisions of this section. On or before January first, annually, the Secretary of the Office of Policy and Management shall determine the amount due, as a state grant in lieu of taxes, to each municipality and district in this state wherein college and hospital property is located and to each municipality in this state wherein state, municipal or tribal property, except that which was acquired and used for highways and bridges, but not excepting property acquired and used for highway administration or maintenance purposes, is located.
  - (1) The grant payable to any municipality for state, municipal or tribal property under the provisions of this section in the fiscal year ending June 30, 2017, and each fiscal year thereafter shall be equal to the total of:
  - (A) One hundred per cent of the property taxes that would have been paid with respect to any facility designated by the Commissioner of Correction, on or before August first of each year, to be a correctional facility administered under the auspices of the Department of Correction or a juvenile detention center under direction of the Department of Children and Families that was used for incarcerative purposes during the preceding fiscal year. If a list containing the name

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- and location of such designated facilities and information concerning their use for purposes of incarceration during the preceding fiscal year is not available from the Secretary of the State on August first of any year, the Commissioner of Correction shall, on said date, certify to the Secretary of the Office of Policy and Management a list containing such information;
- 131 (B) One hundred per cent of the property taxes that would have been 132 paid with respect to that portion of the John Dempsey Hospital located 133 at The University of Connecticut Health Center in Farmington that is 134 used as a permanent medical ward for prisoners under the custody of 135 the Department of Correction. Nothing in this section shall be construed 136 as designating any portion of The University of Connecticut Health 137 Center John Dempsey Hospital as a correctional facility;

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- (C) One hundred per cent of the property taxes that would have been paid on any land designated within the 1983 Settlement boundary and taken into trust by the federal government for the Mashantucket Pequot Tribal Nation on or after June 8, 1999;
- (D) Subject to the provisions of subsection (c) of section 12-19a, sixty-five per cent of the property taxes that would have been paid with respect to the buildings and grounds comprising Connecticut Valley Hospital and Whiting Forensic Hospital in Middletown;
- (E) With respect to any municipality in which more than fifty per cent of the property is state-owned real property, one hundred per cent of the property taxes that would have been paid with respect to such stateowned property;
- (F) Forty-five per cent of the property taxes that would have been paid with respect to all municipally owned airports; except for the exemption applicable to such property, on the assessment list in such municipality for the assessment date two years prior to the commencement of the state fiscal year in which such grant is payable. The grant provided pursuant to this section for any municipally owned

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- airport shall be paid to any municipality in which the airport is located,
- except that the grant applicable to Sikorsky Airport shall be paid one-
- half to the town of Stratford and one-half to the city of Bridgeport;
- (G) [Forty-five] One hundred per cent of the property taxes that
- would have been paid with respect to any land designated within the
- 1161 1983 Settlement boundary and taken into trust by the federal
- government for the Mashantucket Pequot Tribal Nation prior to June 8,
- 1163 1999, or taken into trust by the federal government for the Mohegan
- 1164 Tribe of Indians of Connecticut, provided the real property subject to
- this subparagraph shall be the land only, and shall not include the
- assessed value of any structures, buildings or other improvements on
- such land; and
- 1168 (H) Forty-five per cent of the property taxes that would have been
- paid with respect to all other state-owned real property.
- 1170 (2) (A) The grant payable to any municipality or district for college
- and hospital property under the provisions of this section in the fiscal
- 1172 year ending June 30, 2017, and each fiscal year thereafter shall be equal
- to the total of seventy-seven per cent of the property taxes that, except
- 1174 for any exemption applicable to any college and hospital property under
- the provisions of section 12-81, would have been paid with respect to
- 1176 college and hospital property on the assessment list in such municipality
- 1177 or district for the assessment date two years prior to the commencement
- of the state fiscal year in which such grant is payable; and
- 1179 (B) Notwithstanding the provisions of subparagraph (A) of this
- subdivision, the grant payable to any municipality or district with
- respect to a campus of the United States Department of Veterans Affairs
- 1182 Connecticut Healthcare Systems shall be one hundred per cent.
- Sec. 36. Sections 12-565a and 12-578j of the general statutes are
- 1184 repealed. (Effective from passage)

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This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2020	New section
Sec. 2	July 1, 2020	New section
Sec. 3	July 1, 2020	New section
Sec. 4	July 1, 2020	New section
Sec. 5	July 1, 2020	New section
Sec. 6	July 1, 2020	New section
Sec. 7	July 1, 2020	New section
Sec. 8	from passage	New section
Sec. 9	from passage	New section
Sec. 10	from passage	New section
Sec. 11	from passage	New section
Sec. 12	from passage	New section
Sec. 13	from passage	12-578f
Sec. 14	July 1, 2020	12-806c
Sec. 15	from passage	New section
Sec. 16	from passage	12-806(b)(4)
Sec. 17	from passage	12-806(b)(13)
Sec. 18	from passage	12-810
Sec. 19	July 1, 2020	12-557b
Sec. 20	July 1, 2020	12-561
Sec. 21	July 1, 2020	12-562
Sec. 22	July 1, 2020	12-563a
Sec. 23	July 1, 2020	12-577
Sec. 24	July 1, 2020	12-578e(c)(1)
Sec. 25	July 1, 2020	12-578g(c)
Sec. 26	from passage	12-578h
Sec. 27	July 1, 2020	17a-713
Sec. 28	July 1, 2020	30-91(a)
Sec. 29	July 1, 2020	30-91(l)
Sec. 30	from passage	52-553
Sec. 31	from passage	52-554
Sec. 32	July 1, 2020	53-278a(2)
Sec. 33	July 1, 2020	53-278a(4)
Sec. 34	July 1, 2020	53-278g
Sec. 35	July 1, 2020	12-18b(b)
Sec. 36	from passage	Repealer section

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## Statement of Purpose:

To create jobs in the gaming industry and increase revenue to the state.

[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.]

Co-Sponsors: SEN. OSTEN, 19th Dist.

S.B. 21

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