OLR Bill Analysis sSB 1464

AN ACT CONCERNING SPORTS WAGERING AND MULTIJURISDICTIONAL INTERNET GAMING.

SUMMARY

This bill allows the governor to enter into agreements to authorize Connecticut-licensed online gaming operators to conduct multijurisdictional Internet gaming for peer-to-peer casino games. These games include card games, contests, and tournaments, including poker, operated by a licensee in which (1) patrons compete against each other and not the operator and (2) the operator charges a fee and does not wager with or against patrons. Under the bill, the games must be conducted exclusively within the U.S. and the agreements must be (1) with U.S. states or territories, or federally recognized Indian tribes that conduct gaming, and (2) consistent with state and federal laws and regulations. However, existing law, unchanged by the bill, prohibits this type of online gaming with patrons who are not physically present in Connecticut (see COMMENT).

Separately, the bill requires certain gaming entities to (1) have a tollfree number to address problems with their gaming platforms and accounts and (2) address errors in their odds for a sporting event. It also requires the Department of Consumer Protection (DCP) to adopt regulations setting maximum wagers for online sports wagering.

Additionally, for the purposes of various provisions on gaming, including placing wagers and prohibited wagers, the bill defines a "wager" as any money, credit, deposit, or cash equivalent (which includes free play, loyalty points or redeemable betting credits) or other thing of value risked or accepted based on an uncertain occurrence or uncertain outcome of an event. It explicitly does not include an "entry fee" (the amount of cash or cash equivalent to participate in a fantasy contest). The bill also makes technical and conforming changes.

EFFECTIVE DATE: July 1, 2025

REQUIREMENTS FOR CERTAIN GAMING ENTITIES

The bill requires master wagering licensees and licensed online gaming operators, online gaming service providers, and sports wagering retailers to, where applicable based on the services provided:

- have a toll-free phone number that allows people to receive help to resolve problems with (a) the licensee's "electronic wagering platform" (the hardware, software, and data networks used to manage, administer, offer, or control Internet games or retail sports wagering) and (b) an account on the platform and
- 2. upon discovering an error in the licensee's odds offered for a sporting event, stop accepting sports wagers on the event until the error is corrected and refund patrons who placed wagers with the licensee before discovering the error.

Relatedly, the bill also requires these licensees to conspicuously display on applicable websites and mobile applications the (1) phone number described above and (2) maximum sports wager for online sports wagering set by DCP regulations. As under existing law, these websites and applications must describe various provisions governing online gaming, include a link for information on responsible gaming and how to be excluded from gaming, a phone number for information on problem gambling, information on the amount of time a person has been on the website or application and a way to have a break in play, and a display of the amount of money in the person's account.

COMMENT

Conflict

The bill's authorization for multijurisdictional peer-to-peer casino games that will, presumably, include out-of-state patrons placing wagers over the Internet conflicts with Connecticut's limited authorization for online casino gaming. Existing law has several operating, participation, and other restrictions regulating online casino

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gaming, including that only people who are physically present in the state may place wagers through online casino gaming operations (see CGS § 12-852(a) & 12-863(a)(1) and (b)).

Beyond statutory conflicts, the bill may also conflict with agreements with the tribes governing certain types of gaming and gaming revenues.

BACKGROUND

Definitions

By law, a "master wagering licensee" is generally the Mashantucket Pequot or Mohegan tribes or the Connecticut Lottery Corporation (CLC).

An "online gaming operator" is a person or business that operates an electronic wagering platform and contracts directly with a master wagering licensee to provide (1) one or more Internet games or (2) retail sports wagering.

An "online gaming service provider" is a person or business, other than an online gaming operator, that provides goods or services to, or otherwise transacts business related to, Internet games or retail sports wagering with a master wagering licensee or a licensed online gaming operator, online gaming service provider, or sports wagering retailer.

A "sports wagering retailer" is a person or business that contracts with CLC to facilitate retail sports wagering operated by CLC through an electronic wagering platform at up to 15 facilities in the state.

Related Bill

sSB 1235, favorably reported by the General Law Committee, among other things, also allows the governor to enter agreements on multijurisdictional online peer-to-peer casino games.

COMMITTEE ACTION

General Law Committee

Joint Favorable Yea 21 Nay 0 (03/21/2025)