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## **OLR Bill Analysis**

### **sHB 5229**

#### ***AN ACT CONCERNING GAMING.***

#### **SUMMARY**

This bill makes a number of changes related to gaming, including:

1. limiting when a withdrawal from a patron's online gaming account can be modified or cancelled; requiring display of certain information about withdrawals on a website or app; and prohibiting certain licensees (see BACKGROUND) from directly advertising, targeting, or promoting online games or retail sports wagering to a specific person who is awaiting a pending withdrawal of funds in an online account;
2. requiring certain licensees to have a toll-free phone number that allows someone to get the licensee's help with problems with the licensee's electronic wagering platform or an account on the platform;
3. restricting gaming advertising at athletic facilities on higher education institution campuses or on websites, social media, online services, or mobile apps of, or maintained by or on behalf of, these institutions;
4. limiting artificial intelligence (AI) use on sports betting electronic wagering platforms; and
5. prohibiting off-track betting facility operators from conducting wagering on out-of-state or international dog racing events.

EFFECTIVE DATE: July 1, 2026

#### **ACCOUNT WITHDRAWALS**

By law, money in an online account for online casino gaming, sports

wagering, fantasy contests, online lottery ticket sales, and keno belongs to the account owner and the owner can withdraw it.

The bill prohibits certain licensees from cancelling or changing a withdrawal initiated by an owner while it is pending unless it is:

1. to correct an owner's error with banking information,
2. to comply with legal requirements for fraud prevention and anti-money laundering,
3. to prevent a duplicate withdrawal request, or
4. because a documented technical malfunction is preventing the transfer.

Licensees operating these accounts include master wagering licensees, online gaming operators, online gaming service providers, and sports wagering retailers (see BACKGROUND).

### ***Displays***

By law, these licensees must conspicuously display certain information on their websites and mobile applications. The bill adds that they must display (1) the toll-free number required by the bill and (2) when a withdrawal is pending, the withdrawal amount, its timestamp and expected processing time, and a notice stating that "Connecticut law prohibits withdrawal reversals except in limited cases related to fraud prevention or technical corrections."

### ***Reports***

The bill requires the licensees to give the Department of Consumer Protection (DCP) quarterly reports on patron withdrawals from online accounts including:

1. timestamps of withdrawals,
2. processing times, and
3. completion dates and any permitted exceptions to completing the

withdrawal under the bill.

The bill requires licensees to give patrons monthly account statements that summarize:

1. total deposits, withdrawals, and wagering activity;
2. net wins or losses; and
3. any permitted exceptions to completing the withdrawal under the bill.

Within available appropriations, the bill requires DCP to periodically audit licensees for compliance with these requirements.

### **ADVERTISING RELATED TO HIGHER EDUCATION INSTITUTIONS**

The law places various restrictions on advertising by or for these licensees (see BACKGROUND).

The bill adds a prohibition on advertising at athletic facilities on higher education institution campuses or on websites, social media, online services, or mobile apps of, or maintained by or on behalf of, these institutions. This does not apply to an announcement, sign, or display that is directed at a general audience and is either a (1) trademark, symbol, logo, or combination of them or (2) statement of the licensee's relationship with the institution (§ 2).

### **USE OF AI ON SPORTS BETTING PLATFORMS**

The bill prohibits a sports betting electronic wagering platform from using AI to:

1. track a person's sports wagers, except to identify problem gamblers;
2. create targeted offers or promotions for a person; or
3. create gambling products, such as micro-bets (wagers on something happening within a sporting event that may or may not relate to the event's ultimate result).

## **BACKGROUND**

### ***Certain Licensees***

The bill refers to the following licensees.

By law, a “master wagering licensee” is generally the Mashantucket Pequot or Mohegan tribes or the Connecticut Lottery Corporation (CLC). The tribes are authorized to conduct online sports betting, online casino gaming, and fantasy contests under this license. The CLC is authorized to conduct online and retail sports wagering, fantasy contests, online lottery ticket sales, and keno under this license.

By law, an “online gaming operator” is a person or business that operates an electronic wagering platform and contracts directly with a master wagering licensee to offer (1) one or more Internet games or (2) retail sports wagering.

By law, 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.

By law, 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.

### ***Prohibited Advertising***

The law restricts these licensees and those acting on their behalf from conducting advertising in a number of ways. These restrictions include prohibiting advertising that is aimed at, or is placed before, an audience where the majority of the viewers or participants are presumed to be under age 21 (or under 18 if the advertising is related only to keno, online lottery sales, fantasy contests, or a combination of them). The law also prohibits advertising that uses language to appeal specifically to these people or media outlets or social media that appeal primarily to them.

**COMMITTEE ACTION**

General Law Committee

Joint Favorable Substitute

Yea 18 Nay 2 (03/11/2026)