
OLR Bill Analysis

sHB 5229 (File 236, as amended by House "A")*

AN ACT CONCERNING GAMING.

SUMMARY

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

1. requiring certain licensees to (a) have a toll-free phone number that allows someone to get the licensee's help with problems with the licensee's electronic wagering platform, which can include a prerecorded message routing a person to online help and (b) conspicuously display this toll-free number on their websites and mobile applications, along with other information already required by law (§ 1);
2. prohibiting advertising for keno, online lottery ticket sales, or fantasy contests during television programs primarily aimed at people under age 18 (a person cannot participate in these forms of gaming until reaching age 18) (§ 2);
3. restricting gaming advertising at athletic facilities on higher education institution campuses or on websites, social media, online services, or mobile applications of, or maintained by or on behalf of, these institutions (§ 2);
4. requiring a study of the effect of prediction markets (§ 3);
5. adding a number of requirements for the geolocation system of electronic wagering platforms that are exclusively used for fantasy contests, selling lottery draw game tickets, or keno (§ 4); and
6. setting deadlines for the Department of Consumer Protection (DCP) to require testing and certification of a lottery gaming system, lottery draw game, or keno; specifying that the

Connecticut Lottery Corporation (CLC) pays the costs of this testing and certification; and making other minor changes (§ 5).

*House Amendment “A” (1) removes provisions about online gaming account withdrawals, artificial intelligence use on sports betting electronic wagering platforms, and prohibiting off-track betting facility operators from conducting wagering on out-of-state or international dog racing events; (2) changes the toll-free number requirement to permit it to have a message routing a person to online help and remove the requirement that the phone number be used for help with patrons’ accounts; (3) changes the higher education advertising provision; and (4) adds provisions on certain gaming advertising during television programs aimed at people under age 18, electronic wagering platform geolocation requirements, and lottery-related testing and certification.

EFFECTIVE DATE: Upon passage, except the toll-free phone number and advertising provisions are effective July 1, 2026.

§ 2 — ADVERTISING RESTRICTIONS

The law places various restrictions on advertising by or for certain licensees (see BACKGROUND). The bill adds more restrictions on advertising to minors and on higher education institution campuses and their online formats.

Keno, Online Lottery Ticket Sales, and Fantasy Contests

The bill prohibits advertising keno, online lottery ticket sales, or fantasy contests (when the ad is only about one or a combination of these types of gaming) as part of a television show primarily aimed at people under age 18. This is determined using a nationally recognized voluntary television content rating system that helps parents understand program content. The bill also applies to any advertising, marketing, or promotional campaign interspersed between these types of programs.

Higher Education Institutions

The bill prohibits 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.

§ 3 — PREDICTION MARKET STUDY

By February 1, 2027, the bill requires DCP to consult with the attorney general, the Mashantucket Pequot and Mohegan tribes, and CLC to study and report to the governor, Office of Policy and Management, and General Law Committee on the effects of prediction market platforms on state residents. The study must look at the:

1. use of these platforms by, and advertising to, people under age 21;
2. platforms' effects on problem gambling in Connecticut;
3. most frequently placed speculative positions on markets by people in Connecticut; and
4. platforms' effect on the tribes' and CLC's revenue and their payments to the state.

Generally, a prediction market allows people to buy and sell contracts on the outcome of future events. The contracts cover a wide variety of events including elections and sporting events.

§ 4 — ELECTRONIC WAGERING PLATFORM GEOLOCATION REQUIREMENTS

The bill adds a number of requirements for the geolocation system of electronic wagering platforms that are exclusively used for:

1. fantasy contests, which the tribes and CLC may operate or
2. selling lottery draw game tickets or keno on the Internet or through a mobile application, which CLC may operate.

Under the bill, the geolocation system must:

1. prohibit patrons from using proxy servers or virtual private networks (VPN);

2. detect a patron's device's location even if it uses a proxy server or VPN;
3. use DCP-approved industry standard technologies that (a) check a device's location when it is used to submit a fantasy contest entry fee or purchase lottery or keno tickets and (b) prohibit paying entry fees and making purchases when the location is undetermined;
4. notify patrons with a pop-up if at the time of attempting to submit payment or make a purchase the device's location is undetermined; and
5. notify the online gaming operator and patron if the patron's account is accessed from geographically inconsistent locations, for example, from multiple locations between which the patron could not travel in the amount of time between instances of using the account to make payments or purchases.

§ 5 — LOTTERY-RELATED TESTING AND CERTIFICATION

Lottery Gaming System

The law requires a gaming laboratory to test and certify each CLC lottery gaming system as frequently as DCP deems necessary to preserve gaming integrity and DCP can require recertification if the department believes the system may be vulnerable or compromised.

The bill requires DCP to notify CLC that it deems testing and certification necessary within two weeks of receiving a notice from CLC that it plans to modify the system. If an emergency requires a system modification, DCP must immediately notify CLC if the department deems testing and certification necessary.

Lottery Draw Games and Keno

The law requires a gaming laboratory to test and certify each CLC lottery draw game and keno as frequently as DCP deems necessary to preserve gaming integrity before CLC can offer the game or keno. This requirement does not apply to a lottery draw game sold in at least 20 states that has been tested by a nationally recognized gaming testing lab

that is licensed in at least 20 states for this type of testing.

The bill requires DCP to notify CLC that it deems testing and certification necessary within two weeks of receiving a notice from CLC that it plans to offer a new lottery draw game or modify an existing game or keno. If an emergency requires modifying an existing game or keno, DCP must immediately notify CLC if the department deems testing and certification necessary.

By law, the gaming lab must provide a report to DCP on a lottery draw game or keno. The bill requires (1) the lab to give DCP real-time online access to all reports on a secure communication protocol and (2) CLC to submit the report to DCP with its application for approval of a game or keno.

Currently, after reviewing the lab's report and evaluating a lottery draw game or keno, DCP can suspend or revoke approval of a lottery draw game or keno without notice if DCP has good cause to believe continued operation of the game or keno is a threat to gaming security and integrity. The bill (1) eliminates DCP's option to revoke approval, (2) eliminates DCP's ability to take action without notice, and (3) changes the good cause finding to instead require good cause to believe that continued operation of the game or keno could reasonably cause substantial detriment to the public interest.

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 CLC. The tribes are authorized to conduct online sports betting, online casino gaming, and fantasy contests under this license. 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.

Electronic Wagering Platform

By law, an electronic wagering platform is the hardware, software, and data networks that manage and control online casino gaming, online sports wagering, fantasy contests, and lottery draw game ticket and keno sales on the Internet or a mobile application, or retail sports wagering.

Among other things, the platforms must verify a patron’s age and that the patron is physically present in the state.

Related Bill

sSB 229 (File 286), favorably reported by the General Law Committee, contains identical provisions on geolocation systems for electronic

wagering platforms.

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 18 Nay 2 (03/11/2026)