

**Sec. 12-865-7. Sports Wagering Retailer Requirements**

(a) No person shall act as a sports wagering retailer without a license issued by the department under the act.

(b) A sports wagering retailer applicant shall apply on a form and in a manner prescribed by the department. The department shall permit applicants with comparable credentials in another state that has substantially similar license requirements to apply for reciprocal licensing based on the applicant's status as a licensee in good standing in such other state. If the department issues a sports wagering retailer license to an applicant based on reciprocity, the applicant shall provide all information required of a non-reciprocal initial applicant no later than three months prior to the renewal date when such license expires.

(c) An applicant for a sports wagering retailer license shall apply on a form and in a manner prescribed by the commissioner that includes, but is not limited to, submitting the following:

(1) Applicant contact information;

(2) Evidence of site control, demonstrated by an executed lease agreement or title to the premises;

(3) Detailed plans, maps, and specifications of the proposed sports wagering retailer facility;

(4) Detailed security plans for the sports wagering retailer facility, including continuous surveillance camera monitoring of any area where patrons will interact with a terminal or an individual to place a wager, which footage shall be preserved by the sports wagering retailer for a period of no less than thirty days, however, if the footage is of any event that is subject to any investigation then such footage shall be maintained until the completion of the investigation; and

(5) A business arrangement with CLC to facilitate sports wagering.

(d) Lines of betting and odds of winning related to sporting events available to place wagers on at a sports wagering retailer facility shall be available to patrons in such facility and notice on how patrons can access the lines of betting and odds of winning shall be prominently displayed.

(e) Sports wagering retailers shall comply with all applicable statutes and Regulations of Connecticut State Agencies relating to unclaimed funds, abandoned property and escheatment to the Office of the State Treasurer. All records related to notice to patrons of unclaimed funds or abandoned property required under chapter 32, part III of the Connecticut General Statutes shall be made available electronically to the department upon request. Sports wagering retailers shall concurrently provide a digital copy to the department of any reports or transfers sent to the Office of the State Treasurer relating to unclaimed funds or abandoned property from the sports wagering retailer facility.

(f) Terminals shall be certified as gaming equipment by a licensed independent testing laboratory.

(g) Terminals shall be tamper-proof. Access to any back-end computer system component or cash depository in the terminal shall be securely locked and access shall be limited to key and occupational licensees.

(h) Terminals, as well as any location in a sports wagering retailer facility where an individual will be accepting wagers from patrons, shall be equipped with printers to provide

each patron a physical receipt for each transaction.

(i) Physical receipts shall expire no earlier than one hundred and eighty days after issuance. If a sports wagering retailer offers physical receipts that expire, such retailer shall clearly and prominently display the expiration policy by posting wall signs next to all kiosks and cages where physical tickets may be obtained, and providing a prominent notice on the physical receipt that is a font size no smaller than the font used to indicate the value of the receipt. On or before April 1, 2022, a sports wagering retailer or the CLC may request a hardship waiver from the department to allow the sports wagering retailer to utilize their existing inventory of physical tickets that do not comply with the font size requirement until April 1, 2023. The existing inventory of physical tickets solely includes those that are in the possession of the sports wagering retailer or CLC as of March 1, 2022.

(j) Patron winnings shall be paid in cash up to five hundred dollars, unless requested otherwise by the patron and agreed upon by the sports wagering retailer. The sports wagering retailer shall maintain sufficient cash on hand to cover patron winnings. The sports wagering retailer may pay larger winnings by check. Cashed physical receipts shall be maintained for no less than six months.

(k) All appropriate federal and state tax, withholding, and other patron financial reporting forms shall be completed before the sports wagering retailer issues any payment for winnings in accordance with the federal and state mandated reporting and withholding requirements. Such reports shall then be distributed to the patron and handled by the sports wagering retailer or CLC in accordance with federal and state law. In addition, prior to issuing winnings in an amount requiring tax reporting, the sports wagering retailer shall confirm the patron's identity to verify that the patron is not a prohibited or excluded person.

(l) Sports wagering retailers, independently or through the CLC, shall maintain a reserve that meets the following minimum reserve requirements: a reserve of not less than the greater of \$25,000 or the sum of the following amounts: (1) amounts accepted by the sports wagering retailer as wagers on contingencies whose outcomes have not been determined; and (2) amounts owed but unpaid by the sports wagering retailer on winning wagers through the period established for honoring winning receipts.

(Effective February 1, 2022)