

Sec. 12-574-E6. Regulation of licensees, penalties

(a) Association licensees.

(1) The board shall have the right to deny any application for a license for good cause, and the action of the board shall be final subject to subsection (e) (4) below of this section.

(2) If a license is granted, the board shall have the authority to fine said licensee in an amount not to exceed seventy-five thousand dollars, and suspend or revoke its license after a hearing held in accordance with Chapter 54 of the Connecticut General Statutes for good cause for any one of the following reasons:

(A) If a licensee makes any material false or misleading statement in any information filed with the board or the division.

(B) If a licensee fails to meet its financial obligations in a substantial manner.

(C) If the licensee or its affiliates violate the provisions of the act or the rules and regulations adopted pursuant thereto.

(D) If there has been a material change in the character and reputation of the person identified with the undertaking which the board determines is not in the best interests of the legalized gambling industry and the state of Connecticut.

(E) If the licensee fails to conduct performances during any day of its meeting without good cause.

(b) Association affiliate licenses.

(1) The board shall have the right to reject any applicant for a license for good cause, and the action of the board shall be final subject to subsection (e) (4) below of this section.

(2) If a license is granted, the board shall have the authority to fine said licensee in an amount not to exceed seventy-five thousand dollars, and suspend or revoke its license after a hearing held in accordance with Chapter 54 of the Connecticut General Statutes for good cause for any one of the following reasons:

(A) If a licensee makes any material false or misleading statement in any information filed with the board or the division.

(B) If a licensee fails to meet its financial obligations in a substantial manner.

(C) If the licensee violates the provisions of the act or the rules and regulations adopted pursuant thereto.

(D) If there has been a material change in the character and reputation of the persons identified with the licensee which the board determines is not in the best interests of the legalized gambling industry and of the state of Connecticut.

(3) In accordance with Section 12-574 (m) of the Connecticut General Statutes and Section 12-574-E6 (a) (2) (C) of these Rules of Licensing and Disclosure, the board may impose authorized penalties upon an association licensee for violations of the provisions of the act or the regulations promulgated thereunder by such association licensee's affiliate.

(c) Totalisator, concessionaire, vendor, and their affiliate licensees.

(1) The executive director or his designee may reject for good cause an application for a license.

(2) If a license is granted the executive director shall have the authority for good cause to fine said license in an amount not to exceed two thousand five hundred dollars and he or any unit head authorized by him may suspend or revoke any license issued by the executive director after a hearing held in accordance with Chapter 54 of the Connecticut General

Statutes for good cause for any one of the following reasons:

(A) If a licensee makes any material false or misleading statement in any information filed with the board or the division.

(B) If a licensee fails to meet its financial obligations in a substantial manner.

(C) If the licensee or its affiliates violate the provisions of the act or the rules and regulations adopted pursuant thereto.

(D) If there has been a material change in the character and reputation of the persons identified with the undertaking which the board determines is not in the best interests of the legalized gambling industry and state of Connecticut.

(d) **Occupational licensees.**

(1) The executive director or his designee may reject for good cause an application for a license.

(2) If a license is granted:

(A) The stewards or judges of a meeting shall have the authority to impose upon class I occupational licensees for good cause for infractions within their jurisdiction a fine of up to five hundred dollars and to suspend for good cause for infractions within their jurisdiction for not more than sixty days the license of a class I occupational licensee under their jurisdiction following a hearing. Notwithstanding the foregoing, the division, through its executive director, reserves the right to assume initial jurisdiction of any matter coming within the purview of the stewards or judges of a meeting.

(B) The executive director shall have the authority for good cause to find any occupational licensee in an amount not to exceed two thousand five hundred dollars and he or any unit head authorized by him may suspend or revoke any occupational license after a hearing held in accordance with Chapter 54 of the Connecticut General Statutes for good cause for any one of the following reasons:

(i) If a licensee makes any material false or misleading statement in any information filed with the board or the division.

(ii) If the licensee violates the provisions of the act or the rules and regulations adopted pursuant thereto.

(iii) If there has been a material change in the character and reputation of the licensee which the executive director determines is not in the best interest of the state of Connecticut.

(C) If the board or the executive director finds that public health, safety, or welfare imperatively requires emergency action, and incorporates a finding to that effect in its order, summary suspension of a license may be ordered pending proceedings for revocation or other action. These proceedings shall be promptly instituted and determined by the board or the executive director.

(e) **Right of petition and appeal.**

(1) Any class I occupational licensee aggrieved by the imposition of a penalty by the stewards or judges of a meeting may petition the division for a hearing *de novo* conducted in accordance with Chapter 54 of the Connecticut General Statutes. The petition shall be submitted in writing to the division within three (3) days of official notice of the stewards' or judges' decision. The taking of a petition to the division shall automatically stay any penalty imposed by the stewards or judges.

(2) Any applicant aggrieved by the action of the executive director concerning an

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application for a license is entitled to a hearing before the executive director held in accordance with Chapter 54 of the Connecticut General Statutes. The aggrieved party may demand such a hearing or the executive director, on his own motion, may require that such a hearing be held. The executive director may permit a decision of his regarding a license application to be appealed directly to the board without the holding of an evidentiary hearing before him. The board reserves the right, however, to remand such a direct appeal to the executive director for an evidentiary hearing.

(3) Any person or business organization fined by the executive director, any licensee whose license is suspended or revoked by the executive director or an authorized unit head, or any applicant aggrieved by the action of the executive director concerning an application for a license may appeal to the board in accordance with Section 12-574 (j) of the Connecticut General Statutes not later than fifteen days after the mailing or hand delivery by division personnel of the decision.

(4) Any person or business organization aggrieved by an action of the board may appeal such decision to the Superior Court in accordance with Section 4-183 of the Connecticut General Statutes.

(Effective January 26, 1995)