

Sec. 12-574-F62. Licensing

(a) Licenses issued by the board.

(1) Association License. Any person or business organization who, in Connecticut, shall operate off-track betting, greyhound racing or jai alai shall obtain an association license from the board.

(2) Association affiliate license. Any affiliate of an association licensee shall obtain an association affiliate license from the board.

(3) Licensure. The board shall issue licenses pursuant to Chapter 226 of the Connecticut General Statutes.

(b) Licenses issued by the division.

(1) Totalizator license. Any person or business organization that shall provide totalizator equipment or services to the off-track betting system or at an off-track betting facility, or a facility in conjunction with a racing or jai alai meet shall obtain a totalizator license from the executive director.

(2) Concessionaire license. Any person or business organization that shall operate any concession at an off-track betting, racing or jai alai facility shall obtain a concessionaire license from the executive director.

(3) Totalizator and concessionaire affiliate license. Any affiliate of a totalizator or concessionaire licensee shall obtain the appropriate totalizator or concessionaire license from the executive director.

(4) Occupational license. The following persons connected with association, concessionaire, totalizator, or affiliate (either board or division licensed) licensees shall obtain occupational licenses from the executive director:

(A) All employees involved in pari-mutuel operations in the state;

(B) All officers, directors, partners, trustees, or owners whether located in or out of the state; and

(C) Any stockholder, key executive, agent, or other person who in the judgement of the executive director shall exercise control in or over any such above licenses.

(5) Licensure. The executive director shall issue licenses pursuant to chapter 226 of the Connecticut General Statutes. No license granted by the executive director shall be effective for longer than a period to be determined by the division.

(c) Temporary licenses. Notwithstanding anything to the contrary in the administrative regulations of the division, the executive director or designee may issue temporary occupational licenses subject to the following conditions:

(1) Temporary licenses shall not be issued for a period greater than seven (7) days, however, they may be renewed for good cause;

(2) Before a temporary license may be issued, an application for license must be filed with the division;

(3) A temporary license may be revoked or suspended without cause upon notice to the temporary licensee; and

(4) A temporary license shall not be valid unless a preliminary security clearance is obtained before the issuance of the temporary license.

(d) Durational licenses. Notwithstanding anything to the contrary in the administrative regulations of the division, where the circumstances require, and where the executive

director determines that it shall be in the best interest of the state of Connecticut and the legalized gambling industry, the executive director in his discretion may issue durational totalizator, concessionaire, vendor and occupational licenses subject to the following conditions:

(1) Durational licenses shall not be issued for a period greater than ninety 90 days, however, they may be renewed for good cause; and

(2) Before a durational license may be issued, an application for license must be filed, and the application must be processed in the same manner as an ordinary license application.

(e) **Limitation on outstanding licenses.** In the interest of the public safety and convenience either the board or the executive director may in their discretion limit the number of outstanding licenses in a particular category.

(f) **Conditional licenses.** The power to license includes the power to attach reasonable conditions to the grant of a license. Where the board or executive director finds that it shall be in the best interests of the state of Connecticut, of the public safety and convenience, and of the legalized gambling industry, the board or the executive director may attach reasonable conditions to a license which they are authorized to grant. A conditional license may be issued pending final action on a license application. Such a license becomes automatically void upon disapproval of the application.

(g) **Liability insurance.** Any association authorized to conduct any pari-mutuel activity including any OTB facility operator authorized to operate an off-track betting facility shall indemnify and save harmless the state of Connecticut against any actions, claims, and demands of whatever kind or nature which the state may sustain or incur by reason or in consequence of issuing such license. Before any license shall be issued the association and any OTB facility operator shall deposit with the division a comprehensive liability insurance policy. The insurance shall be under terms and in an amount approved by the board and the division and provide coverage for such contingencies, hazards, and liabilities as the board and division may reasonably require. Said insurance shall be kept in force by an association and any OTB facility operator at all times during the duration of the license, and shall be subject to annual review by the division. The policy shall name the state of Connecticut as additional insured.

(h) **Surety.**

(1) An association which is granted a license to conduct any pari-mutuel activity shall give to the state of Connecticut before said license is issued surety in amount sufficient to cover such possible damages as the board or the division shall determine might result from embezzlement, fraud, theft, forgery, misrepresentation, falsification of pari-mutuel records and operations, and for all taxes, fines, fees, revenues or other monies which may be due or which under statute may revert to the state from pari-mutuel operations or otherwise from the association.

(2) Surety shall be in a form approved by the board and the division and may include bonds, pledged securities, restricted accounts or other approved devices. Furthermore such surety shall be kept by an association year round and will be subject to annual review.

(i) **Pari-mutuel taxes.** All pari-mutuel taxes imposed shall be due and payable by the close of the next banking day after each day's pari-mutuel activity. If any such tax is not paid when due, the executive director may impose a delinquency assessment plus interest

Regulations of Connecticut State Agencies

in accordance with section 12-575 of the Connecticut General Statutes. Failure to pay any such delinquent tax on demand may be considered cause for revocation of the association license.

(Adopted effective October 3, 2001)