



OLR RESEARCH REPORT

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QUESTIONS FOR DIVISION OF SPECIAL REVENUE (DSR) EXECUTIVE DIRECTOR NOMINEE

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DSR EXECUTIVE DIRECTOR

The DSR executive director must:

1. implement and administer the state's gaming laws and adopt regulations to (a) ensure proper, safe, and orderly gambling and (b) protect the public against fraud or overcharge;
2. issue gaming licenses;
3. submit monthly reports to the public safety commissioner and the Public Safety Committee on legalized gambling investigations and arrests; and
4. periodically conduct legalized gambling studies and submit them to the legislature (CGS § 12-557c).

QUESTIONS FOR NOMINEE

Background

1. A proposal before the current legislature seeks to eliminate the Division of Special Revenue (DSR) and transfer its functions to the Department of Consumer Protection. When did you learn about this proposal—before or after you were appointed executive director?

Gambling Policy

1. What would you consider to be a responsible gambling policy? How best can the state increase gambling revenue while minimizing the direct and indirect costs of gambling, such as compulsive gambling?
2. The Connecticut Lottery Corporation is charged with (1) operating and managing the lottery in an entrepreneurial and business-like manner, (2) increasing lottery revenue, and (3) operating the lottery with integrity and for the public good. DSR's charge is nowhere so clearly defined in law. What do you see as its charge?

Revenue

1. In the last few years, declining gambling revenue has upended the view that gambling is recession-proof. Industry analysts generally agree that the recession has contributed to the decline. Do you think there are other contributing factors? If yes, can you identify the major ones? Is the gambling market saturated? What ideas do you have for increasing gambling revenue?
2. Several attempts to legalize keno have failed for fear of jeopardizing the Indian-state slot machine agreements. How much do you think the state could raise from keno annually? Is there a way to legalize keno and preserve the tribal state agreement?
3. According to some estimates, consumers wager up to \$15 billion illegally online each year. How should the state position itself to take advantage of the Internet, which some consider the new frontier in gambling?
4. It appears increasingly likely that Massachusetts and perhaps other neighboring states will enter the casino market in the near future. How do you believe this will affect Connecticut gaming revenue?
5. Is there any particular section of the gambling market that is either growing or poised for growth? If yes, on what do you base your conclusions?

6. Historically, governments have been slow to expand state-sanctioned gambling because of concerns about pathological gambling, among other things. But faced with large budget deficits, states are increasingly turning to gambling as an alternative to cutting services and raising taxes.
 - How would you advise the Connecticut legislature on gambling expansion?
 - Is there a way to improve gambling revenue without expanding gambling?

Compulsive Gambling

1. Legalized gambling has brought economic benefits to communities, but the economic and social costs of pathological gambling need to be considered in the context of the overall impact that gambling has on society.
 - How much does the state provide annually to the compulsive gambling treatment program?
 - How do we know that the program is working?

Charitable Gaming

1. Several proposals before the legislature would have the effect of increasing charitable gaming. Does expanded charitable gaming threaten other forms of gambling such as the lottery?

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