

STATE OF CONNECTICUT  
DEPARTMENT OF EMERGENCY SERVICES & PUBLIC PROTECTION  
OFFICE OF THE COMMISSIONER

November 14, 2013

Sen. Toni Nathaniel Harp, Co-Chairperson  
Rep. Toni E. Walker, Co-Chairperson  
Appropriations Committee  
Legislative Office Building  
Hartford, CT 06106

**DESPP Budget Deficiency Hearing Fiscal Year 2014**

Good afternoon Senator Harp, Representative Walker and members of the Appropriations Committee. Thank you for the opportunity to speak to you today.

The Office of Policy and Management has recognized a \$ 3 million deficiency for the Department of Emergency Services and Public Protection to cover Personal Services.

This deficiency is attributed to a reduction in the amount of casino reimbursements. As you are aware, the enactment of Public Act 13-170 provides a procedure for Tribal Police to take responsibility for patrol duties at the Casinos and Reservations. This has resulted in the reduction of the Tribal assessments for Fiscal Year 2014 to a total of \$1.2 million, a reduction of approximately \$3 million from the Fiscal Year 2013 assessments of \$ 4.2 million. I am attaching copies of the assessment letters for the past two fiscal years for your information.

The Connecticut State Police will continue to be responsible for investigative oversight of the gaming areas.

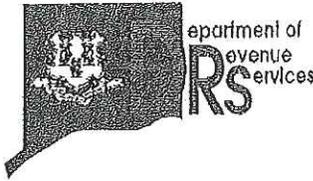
As always, I continue to work actively with my staff, and the Office of Policy and Management, in exploring any and all ideas that could result in efficiencies without compromising the safety of the citizens of Connecticut.

My staff and I are prepared to answer any questions that you have.

Sincerely,

A handwritten signature in blue ink that reads "Reuben F. Bradford".

Reuben F. Bradford  
COMMISSIONER



STATE OF CONNECTICUT  
DEPARTMENT OF REVENUE SERVICES  
OFFICE OF THE COMMISSIONER

September 1, 2013

Bruce S Bozsum  
Chairman  
Mohegan Tribe  
13 Crow Hill Road  
Uncasville, CT 06382

RE: Assessment of Regulatory Costs for fiscal year 2014

Dear Chairman Bozsum:

Pursuant to Section 11 of the Tribal-State Gaming Compact between the Mohegan Tribe and the State of Connecticut entered into on May 17, 1994 (hereinafter the "Compact") and on behalf of the Department of Emergency Services and Public Protection and the Department of Consumer Protection, this letter will serve as notice to the Tribe that the State's final assessment for the two agencies for fiscal year 2013/2014 is \$1,744,309. The assessment breaks down among the two agencies as follows:

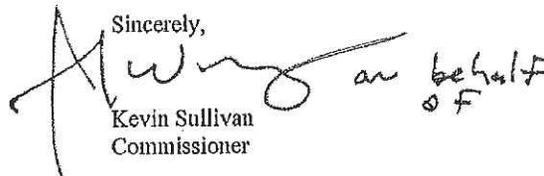
	<u>FY2013/2014</u>
Department of Emergency Services and Public Protection	\$600,000
Department of Consumer Protection	\$1,144,309

The above assessment amount for the Department of Emergency Services and Public Protection reflects an agreed upon amount for state police staffing and to cover the costs of background checks through October 31, 2013. A new methodology to charge for state police investigatory services including background checks will be developed and implemented for November 1, 2013. Therefore, beginning November 1, 2013, an assessment will no longer be applied for state police staffing. Costs incurred for state police patrols and staffing not requested by the casino for special events will be borne by the state. After November 1, 2013 an assessment will continue for the Department of Consumer Protection and state police investigations and background checks as allowed for under the Tribal-State Gaming Compact.

For fiscal year 2013/2014, payment of \$981,437, one third of the total assessment for the Department of Consumer Protection and the full agreed upon amount for state police services provided through October 31, 2013, is due on September 23, 2013. Two subsequent payments of \$381,436 to cover the remaining assessment for the Department of Consumer Protection will be due on January 1, 2014 and April 1, 2014 respectively. Checks should be made payable to the Treasurer State of Connecticut and sent to me at the above address. If the Tribe is aggrieved by this final assessment, it may appeal to the superior court as provided in the Compact Procedures.

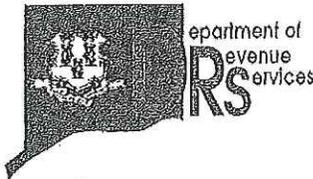
Should there be any additional questions regarding this matter, please contact Benjamin Barnes, Secretary of the Office of Policy and Management at 450 Capitol Avenue, Hartford, Connecticut 06106.

Sincerely,

  
Kevin Sullivan  
Commissioner

CC: Honorable Nancy Wyman, Lieutenant Governor  
Benjamin Barnes, Secretary Office of Policy and Management  
Luke Bronin, Legal Counsel Governor's Office  
Christopher Drake, Deputy Legal Counsel Governor's Office  
Chuck Bunnell, Mohegan Tribe

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STATE OF CONNECTICUT  
DEPARTMENT OF REVENUE SERVICES  
OFFICE OF THE COMMISSIONER

September 1, 2013

Rodney Butler  
Chairman  
Mashantucket Pequot Tribal Nation  
Post Office Box 3008  
Mashantucket, CT 06338-3008

RE: Assessment of Regulatory Costs for fiscal year 2014

Dear Mr. Butler:

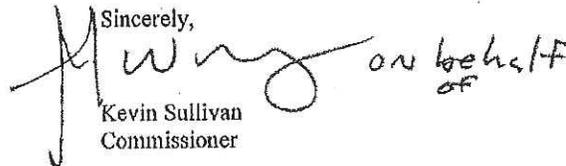
Pursuant to the Tribal-State Gaming Compact between the Mashantucket Pequot Tribe and the State of Connecticut and on behalf of the Department of Emergency Services and Public Protection and the Department of Consumer Protection, this letter will serve as notice to the Tribe that the State's final assessment for the two agencies for fiscal year 2013/2014 is \$1,726,111. The assessments for the fiscal year break down among the two agencies as follows:

	<u>FY2013/2014</u>
Department of Emergency Services and Public Protection	\$600,000
Department of Consumer Protection	\$1,126,111

The above assessment amount for the Department of Emergency Services and Public Protection reflects an agreed upon amount for state police staffing and to cover the costs of background checks through October 31, 2013. A new methodology to charge for state police investigatory services including background checks will be developed and implemented for November 1, 2013. Therefore, beginning November 1, 2013, an assessment will no longer be applied for state police staffing. Costs incurred for state police patrols and staffing not requested by the casino for special events will be borne by the state. After November 1, 2013 an assessment will continue for the Department of Consumer Protection and state police investigations and background checks as allowed for under the Tribal-State Gaming Compact.

For fiscal year 2013/2014, payment of \$975,371, one third of the total assessment for the Department of Consumer Protection and the full agreed upon amount for state police services provided through October 31, 2013, is due on September 23, 2013. Two subsequent payments of \$375,370 to cover the remaining assessment for the Department of Consumer Protection will be due on January 1, 2014 and April 1, 2014 respectively. Checks should be made payable to the Treasurer State of Connecticut and sent to me at the above address. If the Tribe is aggrieved by this final assessment, it may appeal to the superior court as provided in the Compact Procedures.

Should there be any additional questions regarding this matter, please contact Benjamin Barnes, Secretary of the Office of Policy and Management at 450 Capitol Avenue, Hartford, Connecticut 06106.

Sincerely,  
  
Kevin Sullivan  
Commissioner

CC: Honorable Nancy Wyman, Lieutenant Governor  
Benjamin Barnes, Secretary Office of Policy and Management  
Luke Bronin, Legal Counsel Governor's Office  
Christopher Drake, Deputy Legal Counsel Governor's Office  
Edward Marolda, Executive Director of Finance Mashantucket Pequot Tribe



STATE OF CONNECTICUT  
DEPARTMENT OF REVENUE SERVICES



OFFICE OF THE  
COMMISSIONER

September 1, 2012

Bruce S Bozsum  
Chairman  
Mohegan Tribe  
13 Crow Hill Road  
Uncasville, CT 06382

RE: Assessment of Regulatory Costs for fiscal year 2013

Dear Chairman Bozsum:

Pursuant to Section 11 of the Tribal-State Gaming Compact between the Mohegan Tribe and the State of Connecticut entered into on May 17, 1994 (hereinafter the "Compact") and on behalf of the Department of Emergency Services and Public Protection and the Department of Consumer Protection, this letter will serve as notice to the Tribe that the State's final assessment for the two agencies for fiscal year 2012/2013 is \$2,974,081. The assessment breaks down among the two agencies as follows:

	<u>FY2012/2013</u>
Department of Emergency Services and Public Protection	\$1,804,027
Department of Consumer Protection	\$1,170,054

As discussed, it is our intention to modify how the state assesses for the expenses of the of Department of Emergency Services and Public Protection activities in the future. The Office of Policy and Management will continue to work with the tribe to transition to a reimbursement for agreed upon activities. This transition may require legislative action. Once this transition has occurred, the Office of Policy and Management will work with you to pro-rate any future payments to adjust for the new reimbursement structure.

For fiscal year 2012/2013, payment of \$991,361, one third of the total assessment, is due on September 22, 2012. Two subsequent payments of \$991,360 will be due on January 1, 2013 and April 1, 2013 respectively. Checks should be made payable to the State of Connecticut and sent to me at the above address.

Should there be any additional questions regarding this matter, please contact Benjamin Barnes, Secretary of the Office of Policy and Management at 450 Capitol Avenue, Hartford, Connecticut 06106.

Sincerely,

Kevin Sullivan  
Commissioner

CC: Honorable Nancy Wyman, Lieutenant Governor  
Benjamin Barnes, Secretary Office of Policy and Management  
Andrew McDonald, Legal Counsel Governor's Office  
Christopher Drake, Deputy Legal Counsel Governor's Office  
Chuck Bunnell, Mohegan Tribe



STATE OF CONNECTICUT  
DEPARTMENT OF REVENUE SERVICES



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COMMISSIONER

September 1, 2012

Rodney Butler  
Chairman  
Mashantucket Pequot Tribal Nation  
Post Office Box 3008  
Mashantucket, CT 06338-3008

RE: Assessment of Regulatory Costs for fiscal year 2013

Dear Mr. Butler:

Pursuant to the Tribal-State Gaming Compact between the Mashantucket Pequot Tribe and the State of Connecticut and on behalf of the Department of Emergency Service and Public Protection and the Department of Consumer Protection, this letter will serve as notice to the Tribe that the State's final assessment for the two agencies for fiscal year 2012/2013 is \$3,550,889. The assessments for the fiscal year break down among the two agencies as follows:

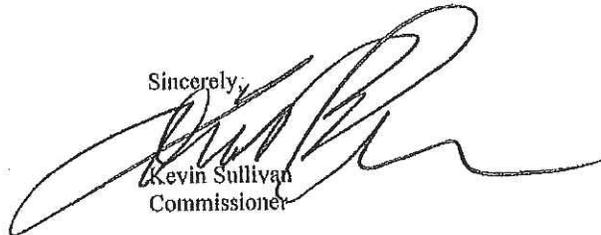
	<u>FY2012/2013</u>
Department of Emergency Services and Public Protection	\$ 2,371,313
Department of Consumer Protection	\$ 1,179,576

As discussed, it is our intention to modify how the state assesses for the expenses of the of Department of Emergency Services and Public Protection activities in the future. The Office of Policy and Management will continue to work with the tribe to transition to a reimbursement for agreed upon activities. This transition may require legislative action. Once this transition has occurred, the Office of Policy and Management will work with you to pro-rate any future payments to adjust for the new reimbursement structure.

For fiscal year 2012/2013, payment of \$1,183,629, one third of the total assessment, is due on September 22, 2012. Two subsequent payments of \$1,183,630 will be due on January 1, 2013 and April 1, 2013 respectively. Checks should be made payable to the State of Connecticut and sent to me at the above address. If the Tribe is aggrieved by this final assessment, it may appeal to the superior court as provided in the Compact Procedures.

Should there be any additional questions regarding this matter, please contact Benjamin Barnes, Secretary of the Office of Policy and Management at 450 Capitol Avenue, Hartford, Connecticut 06106.

Sincerely,



Kevin Sullivan  
Commissioner

CC: Honorable Nancy Wyman, Lieutenant Governor  
Benjamin Barnes, Secretary Office of Policy and Management  
Andrew McDonald, Legal Counsel Governor's Office  
Christopher Drake, Deputy Legal Counsel Governor's Office  
Edward Marolda, Executive Director of Finance  
Mashantucket Pequot Tribe

Revenue			
	SID 35113 Foxwoods Casino	SID 35114 Mohegan Sun Casino	Total Both Casinos
2011	\$ 3,905,978	\$ 3,265,792	\$ 7,171,770
2012	\$ 2,571,313	\$ 2,135,785	\$ 4,707,098
2013	\$ 2,371,313	\$ 1,804,027	\$ 4,175,340
2014	\$ 600,000	\$ 600,000	\$ 1,200,000

Percent Reduction from FY 2011 to FY 2013

Percent Reduction from FY 2012 to FY 2013

85%                      82%                      83%

77%                      72%                      75%