

**Date: March 8, 2016**

**To: Public Safety and Security Committee**

**From: Dennis Lane, 7-Eleven Franchisee and President of New England Franchise Owners Association (NEFOA)**

**RE: Opposition to S.B. No. 358 - AN ACT CONCERNING THE PURCHASE OF LOTTERY TICKETS [INTERNET/ONLINE LOTTERY SALES PROPOSAL]**

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Co-Chairs Larson and Dargan, Vice-Chairs and Members of the Committee:

Thank you for allowing me to submit this written testimony today. My name is Dennis Lane and I am the President of 7-Eleven's New England Franchise Owners Association [NEFOA]. Also, I am a 7-Eleven Franchisee and have been one for over 41 years.

Currently, there are approximately fifty 7-Eleven locations in Connecticut and the majority of these locations are franchised, small businesses like mine. Although we are part of a franchise, we are independently owned and operated, and are active participants in our communities. We donate to local schools and charities, and support youth activities, among others. We are committed to providing the best service to our customers whom we refer to as guests

Our 7-Eleven franchise members respectfully ask you to vote against S.B. No. 358 –An Act Concerning the Purchase of Lottery Tickets for many reasons including the following.

1. This bill, if passed, would allow the establishment of Internet Lottery instant ticket sales through 3<sup>rd</sup> party vendors and change how lottery tickets are sold in this state to the detriment of your local convenience store.
2. If passed, the sale of Internet lottery tickets would hurt our business and lottery sales in our stores. We would have less foot traffic, make less lottery sales, and other related product sales would likely suffer along with state sales tax revenues from those lost sales.
3. We have been a valuable lottery partner for decades and this proposal would open the door to nickeling and diming us on our lottery agent commission by allowing further negotiation of our small margin commission by 3<sup>rd</sup> party vendors. We currently earn 5-cents on a dollar instant ticket sale.
4. The retail community has been a great partner to the Connecticut Lottery. We submit that brick and mortar locations – remain the best way to enforce protections on age restricted product sales.

5. As small business owners, we oppose the Internet Lottery and the voting general public agrees with us. Please see the attached summary of a national poll done by the Retail Industry Leaders Association (RILA) on this topic.
6. Of note, the few states that have established an Internet Lottery are not the majority and are not so successful that other states are following. That raises the point that no New England state has passed an Internet Lottery bill and for many good reasons such as those above.

As you debate the merits of this bill, please consider your local 7-Eleven or corner store and vote against S.B. No. 358. Thank you for consideration of our members' concerns.