
OLR Bill Analysis

sHB 5306

AN ACT CONCERNING A STRATEGIC PLAN TO EXPAND GAMBLING IN CONNECTICUT.

SUMMARY

This bill requires the Department of Consumer Protection (DCP) commissioner to contract for a strategic plan and a study on expanding gambling in Connecticut. The strategic plan must include, among other things, an analysis of current forms of gambling, the legal and policy ramifications of expanding gambling under different scenarios, and recommendations for expanding gambling. The Connecticut Lottery Corporation (CLC) must provide unclaimed prize funds to pay the cost of the strategic plan.

The bill requires the study to evaluate gambling's potential social and public health effects on Connecticut citizens under certain gambling expansion scenarios.

By January 1, 2019, the bill requires the DCP commissioner to submit the strategic plan and study with its recommendations to the Public Safety and Security Committee.

Existing law requires the DCP commissioner to conduct studies concerning the effect of legalized gambling on Connecticut citizens as often as she deems necessary but at least every 10 years. The last study was conducted in 2009. The bill extends the deadline for the next mandated study from 2019 to 2028. As under current law, the commissioner must submit the study to the Public Safety and Security Committee.

EFFECTIVE DATE: Upon passage

STRATEGIC PLAN

Under the bill, the DCP commissioner must develop and issue,

within 90 days of the bill's passage, a request for proposals for professional services to recommend a strategic plan for expanding gambling in Connecticut. The professional service provider must have expertise in advising state legislatures on gambling issues and its expansion.

The strategic plan must:

1. analyze the economic impacts of all legal and current forms gambling in Connecticut, including casino gambling, lottery games, and off-track betting (OTB);
2. contain a fiscal analysis for determining the impact of expanding gambling in the state (a) by amending the procedures, compact, and agreements ("gaming agreements") the state entered into with the Mashantucket Pequot and Mohegan tribes and (b) without amending such agreements;
3. identify the various approaches to expanding gambling, including an analysis of the economic impact and fiscal and legal consequences if Connecticut authorizes (a) any person, business entity, or Indian tribe to operate one or more commercial casino gaming facilities; (b) CLC to sell lottery draw games online and allow credit card payments for such games; (c) CLC, OTB facilities, or the Mashantucket Pequot or Mohegan tribes, or any of the entities together, to conduct sports wagering as permitted under federal law; and (d) daily fantasy contests without amending the gaming agreements;
4. make recommendations that (a) implement the expansion of gambling, (b) establish a quasi-public agency to regulate and oversee such expansion, (c) provide for the taxation of such expansion; and (d) include best practices for protecting the public interest in the integrity of gambling operations and reducing the dangers of unsuitable, unfair, or illegal practices, methods, and activities in such operations.

The bill requires the DCP commissioner and CLC to provide any

information and data the professional service provider needs to complete the strategic plan, provided the information and data does not disclose any individual's identity.

SOCIAL AND PUBLIC HEALTH STUDY

The bill requires the DCP commissioner to engage an independent third party to study the social effects of legalized gambling on Connecticut's citizens and make recommendations on ways to mitigate the potential negative public health consequences associated with certain gambling expansion scenarios. These scenarios are allowing (1) one or more commercial casinos, which become operational; (2) online lottery draw games and credit card payments for such games; (3) sports betting; and (4) fantasy sports contests.

COMMITTEE ACTION

Public Safety and Security Committee

Joint Favorable Substitute

Yea 19 Nay 6 (03/16/2018)