



Thank you chairperson, committee members, senators, and representatives, for the opportunity to speak to you about bill 540 (sport wagering and online lottery)

My name is Avi Alroy. I'm a resident of West Hartford. I am employed as the Vice President of Interactive gaming for Mohegan Gaming and Entertainment, also referred to as MGE. Prior to MGE, I was employed by Playtech, the largest software provider of online gaming and sport wagering in regulated markets. Playtech provides technology services for William Hill, Betfair, as well as state operated companies such as those in Finland and Italy.

In the last few years, I have lead and executed MGE's online gaming strategy in New Jersey with Resorts Casino Hotel, an Atlantic City casino managed by Mohegan Gaming & Entertainment. New Jersey regulated online casino gaming a few years ago, and we are proud to be part of that success. The state of New Jersey has generated well over \$100 million in tax revenue, and created many jobs directly and indirectly. In fact while Resorts Atlantic City is the smallest casino operator in the state, our online gaming revenue exceed that of Caesars casino, one of the largest operators in the world.

While I applaud this committee and its members for forward thinking on allowing sport wagering and online lottery, the devil is in the details, and this bill lacks key understanding on how to make sport wagering and online gaming a significant revenue generator for the state.

The state of Connecticut does not need to reinvent the wheel here. Just take a look at successful states and countries who implemented reasonable regulations. Connecticut should not only be early to market, it should also be competitive in the region. Both New Jersey and New York State are discussing sport wagering bills with taxes near or under 10%. Introducing the right bill will not only generate additional tax revenue directly, it will also increase visitation and tourism from the entire region.

Furthermore, if the state is interested in generating significant revenue it should go beyond online lottery and introduce a true regulated online and mobile gaming experience that will eliminate any black market gaming that is happening today. With the right regulation, the two tribes will be able to generate to the state of Connecticut more than \$120 million within 5 years of operation of sport wagering and online gaming.

Mohegan Sun has been a casino operator for more than 20 years in the state of Connecticut. We have helped other tribes on the west coast to launch their first casino. We turned around a casino in Atlantic City, and are in the process of building one of the largest integrated resort casinos in Southeast Asia. We know how to operate stakes, bets, and mitigate the risks whether it's online or retail, sport or random number generator. If the state of Connecticut would like to move forward with sport wagering, please include us in the conversation as we've been partners for many years and understand the market and its true potential.

1 MOHEGAN SUN BOULEVARD
UNCASVILLE, CT 06382
1.888.MOHEGAN
MOHEGANGAMING.COM

Data from DGE(NJ division of gaming – state agency)

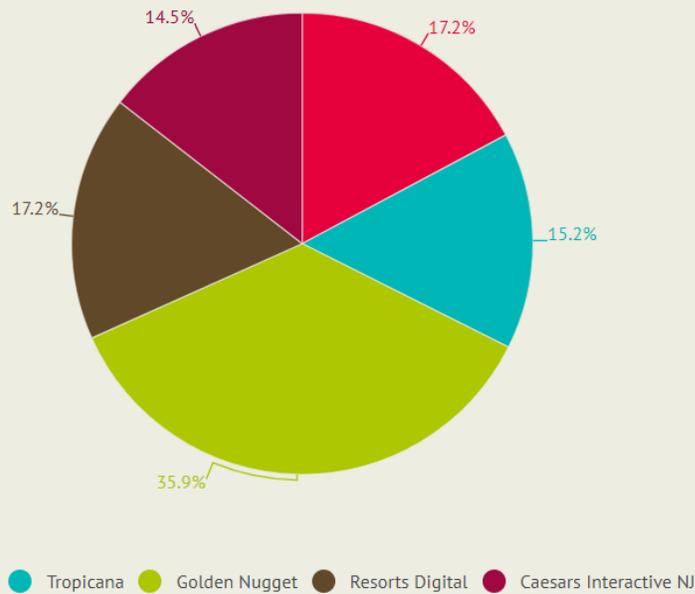
New Jersey online casino – top 5 operators by market share (GGR)

February-18

January-18

December-17

November-17



\$120 million estimation in CT:

Revenue to the state of Connecticut by allowing online gaming and sport wagering

Year	2019	2020	2021	2022	2023	Five year total
Online gaming	\$ 14,250,000	\$ 16,387,500	\$ 18,026,250	\$ 18,927,563	\$ 19,873,941	\$ 87,465,253
Sport wagering	\$ 6,562,500	\$ 7,546,875	\$ 8,301,563	\$ 8,716,641	\$ 9,152,473	\$ 40,280,051
Total income	\$ 20,812,500	\$ 23,934,375	\$ 26,327,813	\$ 27,644,203	\$ 29,026,413	\$ 127,745,304

Estimations based on:

- GGR for year one total at \$170 million with both tribes. Revenue to the state of Connecticut is based on 15% taxes for online gaming, and 8.75% taxes on sport wagering. Similar to Nevada and NJ.
- Online gaming estimations are based on per capita real numbers from NJ online gaming market.
- Sport wagering estimations are based on AGA latest gray market handle estimation in the US
 - Year one numbers are conservative estimations based on NJ online market and AGA sport wagering estimations with a year on year average increase of 8.75%. NJ online gaming year on year growth has an average of more than 20% so far.

Caveats:

- Online gaming includes slots, table and poker games on mobile and desktop within the state of CT
- Sport wagering includes both on reservation wagering as well as mobile, and desktop sport wagering within the state of CT