

Public Safety and Security Committee JOINT FAVORABLE REPORT

Bill No.: HB-5306

AN ACT CONCERNING A COMPREHENSIVE STUDY OF GAMBLING IN

Title: CONNECTICUT.

Vote Date: 3/16/2018

Vote Action: Joint Favorable Substitute

PH Date: 3/15/2018

File No.:

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SPONSORS OF BILL:

Public Safety and Security Committee

REASONS FOR BILL:

In recent legislative sessions – including the present 2018 session – the Connecticut General Assembly has been tasked with the consideration of several legislative proposals relating to gambling in the state, in light of the expansion of gambling in the northeast region of the United States and possible changes to certain federal laws governing wagering. These varied issues of gambling policy have a shared complexity in that they invariably pose multi-faceted questions regarding economic and social implications, as well as questions about the impact to the procedures, compact and agreements entered into between the state and the Mashantucket Pequot and Mohegan Tribes of Connecticut.

To help inform deliberations on such legislative questions and proposals, Proposed Substitute Bill No. 5306 requires the Department of Consumer Protection to issue a request for proposals for an independent research provider to conduct a comprehensive study of all forms of gambling in the state and recommend a plan or model that implements any possible expansion of gambling in the state.

****PROPOSED SUBSTITUTE LANGUAGE:**

Proposed Substitute Bill No. 5306 deviates from the original bill language by requiring the Department of Consumer Protection – in place of the Commissioner of Economic and Community Development, as was dictated in the original version of the bill – to issue requests for proposals for professional services to recommend a strategic plan to expand gambling and to engage an independent third-party to study the social impacts of possible expansions to gambling in the state.

RESPONSE FROM ADMINISTRATION/AGENCY:

Smith, Catherine H., Commissioner, Connecticut Department of Economic and Community Development. In response to the language of the bill as originally drafted, which required DECD to develop a request for proposals for an independent research firm to study all forms of gambling in the state, the Commissioner submitted testimony pointing out that the gambling industry would not fall within the purview of DECD, and that indeed DECD does not possess any in-house expertise that could be leveraged in producing such RFPs. Commissioner Smith thereby requested that her agency be removed from the legislation. The language in the Substitute version of the bill reflects adherence to this request, changing the directed agency to the Department of Consumer Protection.

NATURE AND SOURCES OF SUPPORT:

Hwang, Tony, State Senator, 28th Senate District, and Steele, Robert, Member, Coalition Against Casino Expansion in Connecticut. Senator Hwang testified with former Member of Congress Robert Steele, who was representing the Coalition Against Casino Expansion in Connecticut. They affirmed strong support for a comprehensive social and economic impact study of gambling in Connecticut, emphasizing that it should be done by independent experts with no ties to the gambling industry. Hwang and Steele questioned the revenue and job projections touted by the state's casino tribes and MGM, citing rapidly increasing competition from out-of-state casinos and other forms of gambling. What's more, according to Steele, the studies commissioned by the casinos largely ignore the heavy social and economic costs of gambling. Steele cites independent studies that conclude, respectively, that rates of gambling addiction more than double within 10 miles of a casino, that the number of violent crimes increased in towns surrounding Mohegan Sun and Foxwoods after the casinos opened, that 35-50% of casino gambling revenue comes from pathological/problem gamblers, and that casinos are poor economic multipliers. Also cited was a report from the Institute for American Values which asserts that today's casinos drain community wealth, hurt nearby businesses, reduce property values and rates of volunteerism, and denigrate family stability.

Young, Seth, Executive Director of Online Gaming, Foxwoods Resort Casino. Supports the bill.

Culhane, Michael C., Executive Director, Connecticut Catholic Public Affairs Conference. The Connecticut Catholic Public Affairs Conference supports a comprehensive study of the impacts of gambling in the state. Culhane pointed out that such a study would supply elected officials with detailed information on the impacts of existing gambling outlets in Connecticut and address concerns regarding future impacts.

Coalition Against Casino Expansion in Connecticut. Twenty-six members of CACE testified on behalf of their Coalition, which states that they are a group of fourteen faith-based communities and organizations representing over a million people in Connecticut spanning a broad range of conservative and progressive viewpoints and joining together to oppose the legalization of off-reservation casino gambling in a nonpartisan alliance. The group states a vehement opposition to the expansion of casino gambling in the state and strongly supports a comprehensive study by a "truly independent, objective party." The group submitted for the record a published report from the Council on Casinos in cooperation with the Institute for

American Values entitled *Why Casinos Matter: Thirty-One Evidence-Based Propositions from the Health and Social Sciences*. Individual testimony from Coalition members included:

- Michelle Mudrick, Legislative Advocate, CT Conference of United Church of Christ
- Rabbi James Prosnit, Senior Rabbi, Congregation B'nai Israel
- Frank J. Caggiano, Bishop, Diocese of Bridgeport
- Rev. Kent J. Siladi, Conference Minister, United Church of Christ
- Rev. Sara D. Smith, Esq., Chairperson, Council of Churches of Greater Bridgeport
- Rev. Kristen Provost Switzer, Pastor, Newtown Congregational Church
- Karen E. Ziel, Minister, Faith Formation and Leadership
- Christina Bennet, Communications Director, Family Institute of Connecticut
- Deborah Kirk, Director of Youth Ministries, United Church of Christ
- Pamela Arifian, Director, UCC Northeast Environmental Justice Center
- Karen Caffrey, Licensed Professional Counselor, Manchester, CT
- Rev. Jennifer Gingras, Monroe, CT
- Rev. Christopher P. Leighton, Bridgeport, CT
- Rev. Shannon Wall, Woodbury, CT
- Rev. Dr. Rochelle A. Stackhouse, Hamden, CT
- Margaret West, Easton, CT
- Lori Suzik, Broad Brook, CT
- Ellie Angerame, Bridgeport, CT
- Debra Mastroni-Kenyon, Bridgeport, CT
- John A. Dunn, Windsor, CT
- John M. Armstrong, Madison, CT
- Patrick Thibodeau, Enfield, CT

Davis, Gameen, Resident, Bridgeport, CT. Supports the study dictated by this bill. States that the last comprehensive study of gambling in the state was done by Spectrum Gaming in 2009 and it is vitally important to take a fresh look at the economic and social costs a casino would have on a city like Bridgeport. Davis is “beyond concerned” that the Bridgeport delegation is in support of entertaining a new casino in Bridgeport but have not done their due diligence in researching what the real impact would be. At a January 31, 2018 Community Conversation, for example, State Representatives Rosario, Santiago and Hennessey – as well as Senator Moore – conceded that none of them had read the 2009 state-sponsored study.

Clark, Pamela, Resident, CT. Supports the study as she believes that expanding casino gambling in the state would be a mistake, breaking the state contract with the Tribes and ending their revenue payments, hurting property values, negatively impacting local businesses, offering a false illusion of increased jobs, increasing gambling addiction, and likely increasing crime in the area.

NATURE AND SOURCES OF OPPOSITION:

None expressed for Proposed Substitute Bill No. 5306

Reported by: Joanna M. Heath, Assistant Clerk Date: 3/27/2018