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**Finance, Revenue and Bonding Committee
PUBLIC HEARING
April 2nd, 2018**

**S.B. No. 540 “AN ACT AUTHORIZING SPORTS WAGERING AND ONLINE
LOTTERY DRAW GAMES IN THE STATE”**

Testimony in Opposition of SB 540

To: Members of the Finance, Revenue and Bonding Committee

From: Shawn Driscoll (Government Relations and Public Affairs Associate)

Global Partners LP, based in Waltham, MA is a leading distributor and marketer for a variety of energy products in the Northeast and Mid-Atlantic. The company also owns a number of gas stations and convenience stores in Connecticut, including our Alltown and XtraMart brands. At these locations, Global has a front row seat when it comes to observing the strong, positive relationship that currently exists between the convenience store industry and the state’s lottery program. Global is strongly opposed to online lottery (SB 540) for three reasons:

- Providing over \$337 million in profit or direct local to Connecticut communities in FY 2016, we believe the state’s lottery program is already the envy of many other states. According to a recent study performed in 2016 by LendEDU, Connecticut currently ranks 9th in the United States in sales per capita, with an average spending of \$302 per person. Despite being the 30th most populous state, Connecticut actually ranked 19th in terms of overall sales (\$1.23 billion in FY 2016). The state’s current lottery setup is clearly working.
- In our view, the overall foot traffic in convenience stores would decrease significantly if online lottery was adopted. Since convenience stores operate on very slim margins, the draw of lottery tickets greatly influences the sale of other items while customers are in the store. This is paramount to our profitability - on average, 70% of our revenue comes from convenience store sales, while just 30% comes from gas sales. Furthermore, if players no longer had to enter a store to buy lottery tickets, the sales tax generated from these other items would also be jeopardized. If this dynamic is altered, we believe there will be a negative trickledown effect impacting the financial performance of individual convenience stores while also affecting the livelihood of many hardworking Connecticut residents.
- Lastly, there is substantial risk for the greater good. Minors with access to debit or credit cards will have easy exposure to the dangers of gambling. In-store lottery agents are specifically trained to ensure proper age verification so that the lottery is played safely and securely. Additionally, online lottery will provide adults battling gambling addiction issues the opportunity to play the



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lottery 24-7 from their phones instead of only when they are in convenience stores. It would be a shame to eliminate some of the current checks and balances that help mitigate gambling addiction issues.

In our opinion, there is no reason for the convenience store industry and the state's lottery program to do anything that would compromise its successful relationship. In fact, the Connecticut Lottery's website currently boasts that selling lottery products will bring in new business and increase profits by:

- Adding to impulse purchases
- Building loyalty for buying and cashing tickets at your location
- Boosting sales for your full line of products

Therefore, advertising these benefits, while also promoting online lottery, seems very hypocritical when it comes to helping convenience stores stay profitable.

I urge the Committee to oppose S.B. No. 540 "AN ACT AUTHORIZING SPORTS WAGERING AND ONLINE LOTTERY DRAW GAMES IN THE STATE".

Thank you for your time and consideration,
Shawn Driscoll