

## Public Safety and Security Committee JOINT FAVORABLE REPORT

**Bill No.:** SB-146

AN ACT AUTHORIZING SPORTS WAGERING, ONLINE CASINO GAMING,

**Title:** ONLINE LOTTERY AND ONLINE KENO.

**Vote Date:** 3/24/2021

**Vote Action:** Joint Favorable Substitute

**PH Date:** 3/2/2021

**File No.:**

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

### SPONSORS OF BILL:

Public Safety and Security Committee

#### Co-Sponsors:

Sen. Catherine A. Osten, 19<sup>th</sup> Dist.

Rep. Holly H. Cheeseman, 37th Dist.

Sen. Saud Anwar, 3rd Dist.

Rep. Susan M. Johnson, 49th Dist.

Rep. Toni E. Walker, 93rd Dist.

Sen. Paul M. Formica, 20th Dist.

Rep. Mike France, 42nd Dist.

Sen. Norman Needleman, 33rd Dist.

Sen. Eric C. Berthel, 32nd Dist.

Sen. Jorge Cabrera, 17th Dist.

Sen. Heather S. Somers, 18th Dist.

Sen. Derek Slap, 5th Dist.

Sen. James J. Maroney, 14th Dist.

Rep. Kevin Ryan, 139th Dist.

Et Al.

#### REASONS FOR BILL:

This bill will authorize sports wagering, online casino gaming, online lottery and online keno in the State of Connecticut. By allowing sports wagering, online casino gaming, online lottery and online keno will provide additional revenue to the State of Connecticut. Connecticut will better be able to compete with its neighbors by allowing for sports wagering, online casino gaming, online lottery and online keno. This bill works with the tribes of Mashantucket Pequot Tribe and Mohegan Tribe of Indians of Connecticut.

#### Substitute Language

The substitute language removed provisions that authorize certain types of gaming in the state pursuant to agreements with the Mashantucket Pequot Tribe and the Mohegan Tribe of Indians of CT. It also gives specific amounts paid to municipalities from the Mashantucket Pequot and Mohegan Fund, in addition distributions to tourism and problem gambling activities, if sports wagering and online casino gaming are authorized by agreements with the tribes and legislation.

**RESPONSE FROM ADMINISTRATION/AGENCY:**

None Expressed

**NATURE AND SOURCES OF SUPPORT:**

**General Assembly, State of Connecticut, Signed by: Sen. Osten, Rep. Conley, Sen. Needleman, Rep. Ryan, Rep. Nolan, Rep. de la Cruz**

The above write in support of this bill. Connecticut's federally-recognized Native American Tribal Nations play a critically important role in creating jobs, driving regional tourism and generating much needed revenue for the state of Connecticut. Over 30 years, it has created thousands of jobs and over \$9 billion in revenue. With this bill, we embrace the modernization of the gaming industry in our great state. Working within the existing framework established by gaming compacts with these tribal nations this legislation permits operation of sports betting and internet gaming. This bill is a win-win for our tribal partners, the state of CT lottery and most of the citizens of our state.

**Rodney Butler, Tribal Chairman, Mashantucket Pequot Tribal Nation**

Mr. Butler is in support of this bill. This has been a long process over the last several years. The Public Safety Committee have more than any other a deep understanding and appreciation of the tribal/state relationship regarding CT overall gaming policy. We are willing, ready and able to implement sports betting and iGaming. Assuming legislature acts quickly to implement the governing framework, Foxwoods along with our partners at DraftKings can be up and running in a matter of months-as soon as BIA approval is granted.

**Holly Cheeseman, Representative, State of Connecticut**

Rep. Cheeseman is in support of this bill. In 2018 the Supreme Court ruled in Murphy v. National Collegiate Athletic Association that the Professional and Amateur Sports Protection Act violated the 10<sup>th</sup> Amendment of the U.S. Constitution. This ruling effectively removed federal level restrictions on sports wagering. Since then, numerous states, have passed legislation authorizing such wagers. Connecticut is well placed to follow suit, given our partnership with the Mashantucket Pequot and Mohegan Tribal Nations. This bill provides a comprehensive way forward on a number of other gaming opportunities while offering additional financial support to our towns and cities throughout Connecticut.

**Paul Formica, Senator, State of Connecticut**

Sen. Formica is in support of this bill. Our legislature has been having a lot of conversation lately about "getting with the times" and I write to urge you to support these measures to introduce sports betting and online gaming as the latest efforts to stay relevant. CT is on the verge of being left in the dust of our neighbors in choosing whether to adapt alongside an industry who has had to move their operations from largely in-person to almost entirely online. Our state will be embarking on the toughest economic recovery it has seen in a lifetime, it is imperative CT is equipped with every possible tool to succeed. The bill continues to build on the strong bi-partisan partnership it has with the Tribes. The slot revenue from the two tribes is \$260 million annually and the state cannot afford to lose that.

The tribes also have philanthropic activities, creates tens of thousands of jobs and the two casino resorts are the two largest in the world and their history and love for their land and people cannot be lost. Connecticut jobs will be protected by investing in online technology and continuing the partnership with the Tribal Nations.

**Kathleen M. McCarty, Representative, State of Connecticut**

Rep. McCarty is in support of this bill. The devastating economic aspects of COVID-19 did not spare the gaming industry at the casinos, yet the Tribes steadfastly honored their commitment to the state by continuing to pay 25% of gross revenue which is approximately \$200 million for this fiscal year. SB 146 would honor the exclusivity agreement allowing sports betting and iGaming to fall under the scope of casino games run exclusively by the Tribes. This would add an additional \$40 million in revenue to the state

**Diana Goode, Executive Director, CT Council on Problem Gambling**

Ms. Goode supports with changes. There are many positive factors that go into the expansion of gaming and we are sure that several of the other testifiers will fully explain those benefits to the state. It is also important to understand that problem gambling affects real people and their families. Statistically speaking that means over 100,000 citizens and over 275,000 family members are impacted by problem gambling disorders every day. CCPG recommends several actions to be considered as part of a larger safety net. Details in posted testimony.

**Robert T. Simmelkjaer II, Chairperson, Board of Directors, Gregory Smith, CEO, Connecticut Lottery**

They are in support of this bill with CT Lottery as a primary operator. The time has come for the State of Connecticut to legalize sports betting and we ask the committee to include the Lottery as a primary operator. In the growing market, many states have turned to their lottery to operate sports betting. Lotteries have years of experience operating statewide networks and managing system operators, including offerings at casinos, social locations, traditional retailers and online.

**The following also submitted testimony in support of SB146 with changes:**

**Elizabeth Bolster, Lead Wardrobe Supervision, Yale Repertory Theatre/Yale School of Drama**

**Wendy Bury, Executive Director, Southeastern Connecticut Cultural Coalition**

**Christopher DeMatteo, Attorney & Counselor at Law, DeMatteo Legal Solutions**

**Neal Eskin, Senior Associate Athletic Director, University of Connecticut**

**Daniel Fitzmaurice, Executive Director, Arts Council of Greater New Haven**

**Joy Ford, Board Chair, Creative Art Workshops, New Haven**

**George McCloskey, Vice President, Standard Petroleum Company**

**Marie Feeley, VP, General Counsel and Secretary and Interim Director of Athletics, University of Hartford**

**Jeff Morris, VP of Public Affairs and Government Relations, Penn National Gaming**

**Jonathan Nabavi, Vice President, Public Policy & Government Affairs, NFL**

**The Players Association**

**Brett Thompson, Interim Executive Director, Connecticut Arts Alliance and Frank Burns, Executive Director, Connecticut Tourism Coalition**

**Jennifer Widness, President, The Connecticut Conference of Independent Colleges**

**Colleen M Murphy, Executive Director, Mary Schwind, Managing Director, Associate General Counsel, Statements of the Freedom of Information Commission**

**Rufus de Rham, Executive Director, Warner Theatre Torrington, CT**

**Katherine Kowalczyk, Director, The New Haven Documentary Film Festival**

There is more testimony that support with changes on the CGA website.

**The following support this bill:**

**Trevor Hayes, Head of Government Relations, William Hill US**

**Jack Maloney, Shea's Pizzeria & Sports Bar, Manchester, CT**

**Andrew Winchell, Director of Government Affairs, FanDuel Group, Inc.**

**Ted Taylor, President of Sportech Venues, Inc.**

**Steve Sigel, Executive Director, Garde Arts Center**

#### **NATURE AND SOURCES OF OPPOSITION:**

**Les Bernal, National Director, Stop Predatory Gambling**

Les Bernal is in opposition to the bill. The non-profit based in Washington, D.C., Stop Predatory Gambling is a national social reform network of individuals and partner groups with members of more than 1 million citizens, who believe people are worth more than money. There are several reasons why these gambling bills are not in the public interest. Mr. Bernal includes these reasons in his testimony. They include epidemic of child gambling and the tax dollars derived from citizen gambling losses to commercialized sports betting and other forms of state-sanctioned gambling represent a form of systemic racial discrimination if not by intent then by effect.

**Susan J. Bevan, Resident**

Ms. Bevan strongly opposes this bill. We do not need the peril the financial stability of our residents by offering more of the highly addictive and personally devastating impact of gambling on those who can least afford it.

**John Carroll, Resident**

Mr. Carroll writes in opposition to the bill. As one who has personally witnessed the disease of compulsive gambling, do not pass these bills. Compulsive gambling has a deep, lasting adverse effect on a portion of the Connecticut population: emotionally, financially, martially, medically, and employment wise. Much of this is "under the radar" with CT legislators who may only be looking at the revenue.

**Yoga Kammili and Jacob Luecke, Medical Students, UConn School of Medicine**

Yoga Kammili and Jacob Luecke write that though they understand the benefits to the state revenue, gambling is addictive. Problem gambling affects the lives of our future patients and their loved ones. Adolescents are increasingly susceptible to problem gambling, this is due to inherent developmental and cognitive immaturity. We may find ourselves in a treatment stalemate with adolescent populations in the management of gambling disorders.

**Michele Mudrick, Legislative Advocate, Southern New England Conference United Church of Christ, Director of the Coalition Against Casino Expansion in Connecticut**

Ms. Mudrick is in opposition to this bill. We have joined together in a non-partisan alliance to urge that no new casinos be built in our state and that there be no further expansion of gambling in CT. Commercialized gambling lures you into gambling as you are going to win money, but this financial exchange is mathematically rigged against you, so you lose money. All of God's children deserve opportunities to live and thrive in their communities and putting a casino in a community and expanding gambling is not a way people can thrive.

**Patrick Thibodeau, Resident**

Mr. Thibodeau is opposed to this bill. Online gambling raises unique privacy, data collection and equity issues. If this legislation is on track for approval there should be privacy protections for online gambling, realize gambling is a health issue and there should be reporting to state authorities anonymized demographic information about their customers, as well as problem gambling rates, by city, town, zip code or neighborhood. Do not approve these bills.

**Michele Vannelli, Resident**

Ms. Vannelli is opposed to this bill. She has always been opposed to gambling of any kind in Connecticut. Do not look at these bills as the goose that will lay golden eggs, look at the big picture and the long-term ramifications.

**Yale University**

Yale University is opposed to this bill. Yale opposes this bill as drafted. Any legalization of college sports betting would change the character of the competition and present serious risks to its integrity. Yale firmly believes it is in the best interest of students and student-athletes to oppose this legislation as drafted.

**The following also submitted opposition**

**Martha Diamant, Resident**

**Carla Dietz, Reverend, MA, M. Div.**

**Ralph C. Jones, Jr.**

**Reported by: Bonnie Gray, Asst. Clerk**

**Date: 4/1/2021**