



Senate

General Assembly

File No. 700

January Session, 2023

Senate Bill No. 1213

Senate, May 4, 2023

The Committee on Appropriations reported through SEN. OSTEN of the 19th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING THE MASHANTUCKET PEQUOT AND MOHEGAN FUND.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 3-55i of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2023*):

3 (a) (1) There is established the "Mashantucket Pequot and Mohegan
4 Fund" which shall be a separate nonlapsing fund. All funds received by
5 the state of Connecticut from the Mashantucket Pequot Tribe pursuant
6 to the joint memorandum of understanding entered into by and
7 between the state and the tribe on January 13, 1993, as amended on April
8 30, 1993, and any successor thereto, shall be deposited in the General
9 Fund. [During the fiscal year]

10 (2) For the fiscal years ending June 30, 2015, [and each fiscal year
11 thereafter] to June 30, 2025, inclusive, from the funds received by the
12 state from the tribe pursuant to said joint memorandum of
13 understanding, as amended, and any successor thereto, an amount

14 equal to the appropriation to the Mashantucket Pequot and Mohegan
15 Fund for Grants to Towns shall be transferred to the Mashantucket
16 Pequot and Mohegan Fund. [and shall be distributed by the Office of
17 Policy and Management, during said fiscal year, in accordance with the
18 provisions of section 3-55j] For the fiscal year ending June 30, 2026, and
19 each fiscal year thereafter, one hundred thirty-nine million three
20 hundred eighty thousand dollars of the funds deposited in the General
21 Fund pursuant to subdivision (1) of this subsection or received by the
22 state pursuant to the memorandum of understanding entered into by
23 and between the state and the Mohegan Tribe of Indians of Connecticut
24 on May 17, 1994, as amended from time to time, shall be transferred
25 from the General Fund to the Mashantucket Pequot and Mohegan Fund.
26 During each fiscal year, the Office of Policy and Management shall make
27 distributions of any funds transferred to the Mashantucket Pequot and
28 Mohegan Fund pursuant to this section in accordance with the
29 provisions of section 3-55j. The amount of the grant payable to each
30 municipality during any fiscal year, in accordance with [said] section 3-
31 55j, shall be reduced proportionately if the total of such grants exceeds
32 the amount of funds available for such year. The grant shall be paid in
33 three installments as follows: The Secretary of the Office of Policy and
34 Management shall, annually, not later than the fifteenth day of
35 December, the fifteenth day of March and the fifteenth day of June
36 certify to the Comptroller the amount due each municipality under the
37 provisions of section 3-55j and the Comptroller shall draw an order on
38 the Treasurer on or before the fifth business day following the fifteenth
39 day of December, the fifth business day following the fifteenth day of
40 March and the fifth business day following the fifteenth day of June and
41 the Treasurer shall pay the amount thereof to such municipality on or
42 before the first day of January, the first day of April and the thirtieth day
43 of June.

44 (b) The transfers from the General Fund to the Mashantucket Pequot
45 and Mohegan Fund required by subsection (a) of this section shall not
46 be reduced except upon (1) submission to the General Assembly by the
47 Governor of a certification of an emergency requiring such reduction;
48 and (2) a vote of at least two-thirds of the members of each house of the

49 General Assembly approving such reduction.

50 (c) The moneys available in the Mashantucket Pequot and Mohegan
51 Fund shall be paid to municipalities as specified in the general statutes
52 and biennial budget approved by the General Assembly.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2023	3-55i

APP *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$	FY 26 \$
Policy & Mgmt., Off.	GF - Cost	None	None	87.9 million

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 24 \$	FY 25 \$	FY 26 \$
Various Municipalities	Revenue Gain	None	None	See Below

Explanation

The bill results in an annual revenue gain to various towns beginning in FY 26 as the Mashantucket Pequot and Mohegan Grants to Towns will increase by approximately \$87.9 million, to a total of \$139.38 million (in FY 26 and annually thereafter). There will be a corresponding cost to the General Fund beginning in FY 26 to provide the funds necessary for this grant increase. Currently, 124 towns receive such grants.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future.

OFA Bill Analysis**SB 1213*****AN ACT CONCERNING THE MASHANTUCKET PEQUOT AND MOHEGAN FUND.*****SUMMARY:**

The bill increases the Mashantucket Pequot and Mohegan grant by approximately \$87.9 million for a new total of \$139.38 million beginning in FY 26.

The bill also prevents this grant amount from being reduced except by certification of an emergency from the Governor and a two-thirds vote from the members of the General Assembly.

EFFECTIVE DATE: July 1, 2023

BACKGROUND***Mashantucket Pequot and Mohegan Grant***

PA 93-388 established the Mashantucket Pequot and Mohegan Fund. This fund is a separate, nonlapsing fund containing revenue from casino gaming. Casino gaming revenue is deposited into the General Fund and then transferred to the fund, in an amount equal to the grants to be distributed. Money in this fund is distributed to municipalities according to various factors, including the value of state-owned property, private college and general hospitals, population, equalized net grand list, and per capita income. Host towns receive additional payments, and three tribes also receive grants.

Currently towns receive the same Pequot grant they received in FY 20. Since FY 16, the total grant amount has ranged from \$49.9 million to \$61.7 million. In FY 23, the appropriation for this grant was approximately \$51.5 million.

COMMITTEE ACTION

Appropriations Committee

Joint Favorable

Yea 52 Nay 0