

Appropriations Committee JOINT FAVORABLE REPORT

Bill No.: SB-1213

AN ACT CONCERNING THE MASHANTUCKET PEQUOT AND MOHEGAN

Title: FUND.

Vote Date: 4/20/2023

Vote Action: Joint Favorable

PH Date: 3/24/2023

File No.: 700

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SPONSORS OF BILL:

Appropriations Committee

REASONS FOR BILL:

The bill changes the requirements for distribution of funds deposited into the Mashantucket Pequot and Mohegan fund and prohibits the money within the fund from being swept except with a declaration of an emergency by the Governor and a two-thirds vote of the General Assembly. The amount of money distributed to municipalities has declined over the years, as monies from the fund were used to address state budget deficits. The provisions of the bill would provide funding predictability to municipalities, thereby assisting cities and towns with the delivery of municipal services.

RESPONSE FROM ADMINISTRATION/AGENCY:

None expressed.

NATURE AND SOURCES OF SUPPORT:

[Rodney Butler, Chairman, Mashantucket Pequot Tribe](#): Chairman Butler testified that the tribal nation believes that protecting the Mashantucket Pequot and Mohegan grant fund from unnecessary cuts is crucial to ensuring municipalities continue to receive appropriate funding. He stated his strong support for the economic initiatives that benefit the state of Connecticut. In the past, the Pequot Fund distributed \$135 million to towns throughout the state. However, during times of deficit, revenue from the fund was reallocated to support other general fund necessities. With new revenues from sports betting and internet gaming coming in above and beyond projections, Chairman Butler believes that now is the time to restore the fund to

its previous levels. The tribe believes this is the right thing to do, as its employee base hails from almost every city and town in the state, and its vendor relationships are likewise far and wide.

[Randy Collins, Advocacy Manager, CT Conference of Municipalities:](#) Mr. Collins testified that the bill would restore the Mashantucket Pequot and Mohegan Fund to its original intent of providing financial assistance to towns and cities and offering needed revenue diversification by significantly increasing the amount of funding distributed under the Mashantucket Pequot and Mohegan Fund from \$51 million to \$139 million. He stated that the increased funding will provide needed non-property tax revenue to all municipalities and reduce some of the pressure on the regressive local property tax. He noted that the current amount appropriated to towns and cities is the lowest amount since the fund was created in 1994 when \$88 million was allocated to local municipalities. Additionally, CCM supports the language in Section 1(b) which would increase the predictability of this funding by requiring prohibiting the money within the fund from being swept except with a declaration of an emergency by the Governor and a two-thirds vote of the General Assembly.

[Betsy Gara, Executive Director, CT Council of Small Towns:](#) Ms. Gara submitted testimony in support of the bill, stating that given rising inflation and increased costs associated with delivering municipal services and programs, additional municipal aid is necessary to mitigating property tax increases. Ms. Gara's testimony included COST's support of the language in Section 1(b) of the bill which would prohibit the funding from being swept except pursuant to a declaration of an emergency by the Governor and a two-thirds affirmative vote of the state legislature.

[James Gessner, Chairman-The Mohegan Tribe:](#) Chairman Gessner submitted testimony in support of the bill. In his testimony, he offered that over the years, the Mashantucket Pequot and Mohegan Fund has distributed over \$2.4 billion to Connecticut cities and towns since the inception of the fund, helping to pay for critical services and programs. He wrote that given the revenue shared each year under the tribal compacts, combined with the new revenue from sports wagering and i-gaming, he strongly supports increasing the money distributed to Connecticut towns and encourage a higher percentage to be shared with the tribe's neighbors in southeastern Connecticut..

NATURE AND SOURCES OF OPPOSITION:

None expressed.

Reported by: Susan Keane

Date: 5/4/23