

Department of Consumer Protection/Gaming Division

Gaming Policy Board

Minutes of Meeting

March 22, 2013

at

**165 Capitol Avenue, Room #126
Hartford, CT 06106**

Members: Richard Antonetti; Edward F. Osswalt.

Staff: William Rubenstein, Commissioner; Donna Rector, Secretary; Frank R. Virnelli, Jr.; Anne K. Stiber; William E. Ryan; Viola Pietrandrea.

Call to Order: Richard Antonetti called the meeting to order at 10:00am.

Approval of Minutes: On motion made by Mr. Osswalt, seconded by Mr. Antonetti and unanimously voted, it was resolved that the minutes of January 25, 2013 be accepted as distributed.

Time and Place of Next Meeting: The next Gaming Policy Board meeting will take place at 10:00am on Friday, May 24, 2013 at the Department of Consumer Protection, 165 Capitol Avenue, Hartford in Room 126.

Commissioner's Update/William M. Rubenstein:

Commissioner Rubenstein gave an update on the legislative proposal both by the department and by the governor's office to eliminate the Gaming Policy Board that was heard at a public hearing on Monday, March 18, 2013. The committee JF the bill to recommend to the floor that the Gaming Policy Board be eliminated. Provision for elimination is also contained in the Governor's budget bill and if the general assembly approves, it should become effective July 1, 2013.

Gaming Regulation Program/William Ryan:

Mr. Ryan noted the Board has received the approved changes to the Off-Track Betting (OTB) hours of operation for December 2012 and January, 2013.

Mr. Ryan gave a brief synopsis of the activity conducted by the Gaming Regulation Program for the months of December 2012 and January, 2013.

Off-Track Betting

- Eighteen track approvals were completed in the month of December, 2012.
- Nine track approvals were completed in the month of January, 2013.
- The Department continues to move forward with the review of Sportech's request to expand their telephone betting or advance deposit wagering (adw). The expanded service will not be available until final testing and approval by the department.

Lottery

- Four instant ticket games received preliminary approval and three games received final approval in December, 2012. Two instant ticket games received preliminary approval and six games received final approval in January, 2013. In addition, approval sales began for Super Draw #6. There was a slight change to the prize structure for the game. There is an unlimited number of tickets for sale in the game and the prize will be 50% of the total sales and there will be only one prize awarded. Ticket prize is \$5.00 compared to \$10.00 in previous Super Draw games. The drawing will take place on March 17, 2013.

Mr. Ryan also reported that Maryanne Naylor, Lottery Supervisor will be retiring Effective April 1, 2013 with 35 years of state service.

Foxwoods

- In December, 2012, Foxwoods had 12 cash jackpots that paid over \$25,000. There were two Jackpots that paid over \$100,000.00, one was a WAP.
- In January, 2013, Foxwoods had 14 cash jackpots that paid over \$25,000. There were no Jackpots that paid at/over \$100,000.00.
- As of the end of December, 2012, Foxwoods had a total of 6,229 slot machines on the floor.
- As of the end of January, 2013, Foxwoods had a total of 6,216 slot machines on the floor.

Mohegan Sun Casino

- For the month of December, 2012, Mohegan Sun had 9 jackpots that paid \$50,000 or more. One that paid over \$100,000, one was WAP.
- For the month of January, 2013, Mohegan Sun had 13 jackpots that paid \$50,000 or more. Three that paid over \$100,000.
- As of the end of December, 2012, Mohegan Sun had a total of 5,560 slot machines on the floor.
- As of the end of January, 2013, Mohegan Sun had a total of 5,532 slot machines on the floor.

In addition you have a report from Joseph Peplau with the Licensing statistics through the month of February. During the next Gaming Policy Board Meeting Mr. Ryan will report on the months that were missed and the months due for Gaming Surveillance and Enforcement.

Accounting & Gaming Auditing Division/Frank Virnelli:

Mr. Virnelli noted that the Board has received the monthly statistical reports for December 2012 & January 2013 and offered to answer questions, if any.

He continued by providing an update:

Massachusetts

Eleven entities submitted the \$400,000 fee to be considered as a licensee for a casino or slots facility. Each entity will be subjected to a background check. The Mohegan tribe is one of four that is pursuing a casino license in the West region. The Mohegan's would like to build in Palmer. The other three, Penn National Gaming, MGM and Hard Rock have sites in Springfield in mind. There are three in the Greater Boston area: the Suffolk Downs/Caesars Entertainment group (East Boston), Wynn LLC (Everett) and Crossroads, Massachusetts (developer David Nunes, Milford; which subsequently announced it has taken on Foxwoods as a full partner). Plainridge Racecourse (Plainville) and Raynham Park (Raynham) are hoping to obtain the lone slots-only license. A potential rival for either license are Rush Street Gaming (Chicago-based casino investor Neil Bluhm) and PPE Casino Resorts (Maryland-based The Cordish Companies, owner of a Baltimore area casino; Danvers Liberty Tree Mall?).

Governor Patrick and the Mashpee Wampanoag Tribe have signed a new compact. The tribe would pay the state as little as 15% and as much as 21% of gambling revenue, depending on how much competition there is to the tribe's casino. The state legislature must vote on the compact; if it votes in favor, then the federal Bureau of Indian Affairs would have 45 days to approve it (they rejected first attempt). Reportedly, the governor and the tribe had the BIA vet the agreement, but nothing is official yet. On the other hand, the Massachusetts Gaming Commission may decide in the coming weeks to allow commercial interests have the opportunity to obtain the license in the Southeast due to concerns that that region may be left out if they wait too long for the tribe's process to conclude.

New Jersey

The on-line gambling bill was signed into law by Governor Chris Christie in late February. The law allows Atlantic City casinos to offer on-line versions of their games within the state. It is unclear when actual wagering would begin as regulations must be adopted and licenses issued. At Governor Christie's insistence, the law has a ten-year sunset clause.

Regulations allowing wagering on fantasy sports at Atlantic City casinos will go into effect on April 22, 2013.

License Services – Charitable Program/Viola Pietrandrea:

Ms. Pietrandrea gave a brief update on Charitable Games activity for the months of December, 2012 and January, 2013.

The months of December and January were busy for Charitable Games. During this period, organizations and firms submitted their registration and permit renewals for approval. A significant number of bingo and sealed ticket permit renewals were approved and issued prior to their expiration. Furthermore, all equipment dealers, distributors and manufacturers renewed their registrations prior to the end of the calendar year. These registrations and permits are valid from January 1st through December 31st.

While it was a busy period with the renewals, it was a noticeably slower period for receiving sealed ticket game approval requests from the sealed ticket game products manufacturers. In speaking with several of the manufacturers, the holiday season is typically a slower period for them, so they tend to

submit fewer games for approval. Once past the holiday season, the number of requests received each month for sealed ticket game approvals went back to normal. Mr. Antonnetti asked if there were field inspectors for bazaars. Ms. Pietrandrea answered that they don't have a staff of inspectors that do routine inspections but that they do have one employee that will do an inspection when requested periodically.

Legal Division/Anne Stiber:

Ms. Stiber noted that the Board has received the monthly hearing and Freedom of Information reports for the month of February and offered to answer any questions. Ms. Stiber stated that they are continuing to work on the various gaming regulations and just started working on the bazaar and raffle regulations. Commissioner Rubenstein stated that the CAVU System that is used for licensing is now moving the Gaming paralegals and Legal Division to utilize this online system to manage the caseload more efficiently.

Adjournment:

On motion made by Mr. Osswalt, the meeting adjourned at 10:32am.

Respectfully submitted,

Donna Rector, Secretary
Gaming Policy Board