

Department of Consumer Protection/Gaming Division

Gaming Policy Board

Minutes of Meeting

May 24, 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: Commissioner Rubenstein suggested a change to the March 22, 2013 minutes, under the section Commissioner's Update. On motion made by Mr. Antonetti to amend the March 22, 2013 minutes seconded by Mr. Osswalt and unanimously voted, it was resolved that the minutes of March 22, 2013 be amended and accepted.

Time and Place of Next Meeting: The next Gaming Policy Board meeting will take place at 10:00am on Friday, June 21, 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 legislation stating that there are two separate bills pending in the legislature to eliminate the Gaming Policy Board; one of which has already passed the senate, the other has passed the House. He believes that only one of the bills will be acted on. The expectation is that the Governor will sign the bill which will be 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 February 2013 and March, 2013.

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

Off-Track Betting

- Six track approvals were completed in the month of February, 2013.
- Six track approvals were completed in the month of March, 2013.
- The Department continues to move forward with the review of Sportech's request to expand their telephone betting or advance deposit wagering. The expanded service will not be available until final testing and approval by the Department.

Lottery

- Two instant ticket games received preliminary approval and four games received final approval in February, 2013. Two instant ticket games received preliminary approval and three games received final approval in March, 2013.

Foxwoods

- In February, 2013, Foxwoods had 17 cash jackpots that paid over \$25,000. There were three Jackpots that paid over \$100,000.00.
- In March, 2013, Foxwoods had 37 cash jackpots that paid over \$25,000. There were three Jackpots that paid over \$100,000.00 one was a WAP.
- As of the end of February, 2013, Foxwoods had a total of 6,135 slot machines on the floor.
- As of the end of March, 2013, Foxwoods had a total of 6,128 slot machines on the floor.

Mohegan Sun Casino

- For the month of February, 2013, Mohegan Sun had 7 jackpots that paid \$50,000 or more, two that paid over \$100,000, and both were WAP.
- For the month of March, 2013, Mohegan Sun had 16 jackpots that paid \$50,000 or more, two that paid over \$100,000.
- As of the end of February, 2013, Mohegan Sun had a total of 5,543 slot machines on the floor.
- As of the end of March, 2013, Mohegan Sun had a total of 5,543 slot machines on the floor.

The Board received a copy of the Casino Licensing Report for February, March and April. The report was modified for April to reflect the number of applications processed based on the conversation at the Board meeting in February.

In addition to the packet, the Board also received from the Casino Unit of the State Police a summary report for the months of February, March and April. Mr. Ryan recently spoke with Lt. Timothy Madden, who is the new Commanding Officer of the Casino Unit. As you can see from the reports the format has changed, according to Sgt. Todd Harbeck, they are no longer reporting on individual arrests made but they are reporting by general classifications. Lt. Madden replaced Lt. Michael Thomas in April, 2013 and Lt. Michael Thomas replaced Lt. Francis Conroy in January, 2013.

Mr. Ryan will forward information on the size of Tribal Police Force at next meeting and Mr. Virnelli will forward projections for casino activity.

Accounting & Gaming Auditing Division/Frank Virnelli:

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

He continued by providing an update:

Connecticut

The Mashantucket Pequot Tribal National has signed a partnership agreement with GameAccount Network to offer free on-line casino-style games. They plan to have the site operating later this year. Mohegan Sun already offers free on-line poker through its partnership with Bally Technologies.

Massachusetts

In March, the Massachusetts Gaming Commission released draft licensing regulations and standards for evaluating applications. The commission has June 6 for the target date for them to be made official following the comment and review period.

Mohegan Sun announced a partnership with Boston-based developer Finard Properties to help build a retail development in Palmer in conjunction with the proposed casino.

David Nunes, who had been issued a cease and desist order by his partners, is now back on the team trying to get a casino in Milford. Nunes is the Chief Development Officer. This is the group that the Mashantucket Pequots joined in February. This casino is competing with Suffolk Downs (Ceasars Entertainment) in Boston and Wynn in Everett.

In April, the mayor of Springfield decided that the city would sign an agreement with MGM Resorts International. The city council must still approve this decision as well as the voters in a referendum. Even if all of that happens, MGM would be only one of three entities (Mohegan Sun in Palmer and Hard Rock International in West Springfield being the others). MGM had been competing with Penn National Gaming in Springfield.

All is not necessarily lost for Penn National, however, The Gaming Commission has opened up the southeastern region to potential commercial casinos and announced that developers who are rejected in other parts of the state could present proposals in the southeast without having to reapply.

New Hampshire

The state senate voted in favor of a bill that would allow one casino with up to 5,000 video slot machines and 150 table games. The House, which has never voted in favor of a casino, voted down the same bill. There are potential amendments that could help passage in the future, but it appears that will not happen in the next few weeks as the state budget is debated. New governor Maggie Hassan is a strong proponent of a casino.

New Jersey

The Division of Gaming Enforcement released a draft of proposed on-line gambling regulations. Although the draft is already available to the public, the official two-month comment period begins on June 3, 2013. Among the provisions are requirements to deter underage and problem gambling, to ensure players are located within New Jersey and to provide funding limits.

Nevada On-line

Starting on April 30, 2013, Ultimate Poker began offering legal on-line poker to players situated within the state of Nevada. It is being touted as the first fully legal on-line game in the US.

License Services – Charitable Program/Viola Pietrandrea:

Ms. Pietrandrea gave a brief update on Charitable Games activity for the months of February and March, 2013.

In April of last year, the sale and distribution of sealed tickets was transitioned over from the Department of Consumer Protection to a new manufacturer and distributor system.

At the present time, the Department receives monthly requests for sealed ticket game approvals from the ticket manufacturers prior to their sale and distribution to authorized distributors. To date, they have approved 184 sealed ticket games containing over 1,100 different prize payout structures. Although there are numerous games and prize structures approved, the distributors only buy games they feel the permittees will be interested in, and they purchase them in small quantities in order to achieve a faster game turnover rate. In comparison prior to the transition, the Department was under contract with a single manufacturer and approved and ordered approximately 10 sealed ticket games per year, with each game containing only 1 prize payout structure. These games were ordered in much larger quantities and were sold over a period of several months to a year or more, producing a slower turnover rate of games than there is now.

Legal Division/Anne Stiber:

Ms. Stiber noted that the Board has received the monthly hearing report for the month of March and offered to answer any questions. Ms. Stiber updated the Board on the licensing system. The transition of the licensing system to eLicensing has been completed and besides for some minor problems, the conversion went smoothly.

New Business:

Mr. Antonetti brought up the issue of problem gambling and asked if we were involved in any way to help with this issue. Mr. Ryan stated that he chairs the committee referred to as the Connecticut Coalition on Responsible Gambling which consists of the casinos, OTB, Lottery and the Connecticut Council on Problem Gambling. They meet quarterly to discuss issues in gaming that are coming up but the main focus of the group is to ensure that the gaming being offered is being offered responsibly.

Adjournment:

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

Respectfully submitted,

Donna Rector, Secretary
Gaming Policy Board