



**Special Meeting
of the Legislative and Games Committee of the
Connecticut Lottery Corporation**

Held on
Wednesday, August 7, 2019 at 10:00 a.m.
at the
Connecticut Lottery Corporation
777 Brook Street
Rocky Hill, Connecticut 06067

Committee Members: Margaret Morton, Chair of the Legislative and Games Committee; Meghan Culmo; James Heckman; and Manny Langella (all via teleconference).

Staff Members: Gregory Smith, President and CEO; Michael Hunter; Matthew Stone; Andrew Walter; Annmarie Daigle; and Bryan Figueroa.

Guests: William Ryan, Director of Gaming Division at the Department of Consumer Protection; and Lynda Brandt, Audit Supervisor, Gaming Division, Department of Consumer Protection.

Call to Order: Ms. Morton called the meeting to order at 10:03 a.m.

I. Approval of March 26, 2019 Legislative and Games Meeting Minutes:

On a motion by Mr. Langella and seconded by Mr. Heckman, the minutes from the March 26, 2019 Special Legislative and Games Committee Meeting were approved.

II. Review and Possible Action Re: New Game Initiative:

Mr. Hunter described in detail the concept of “Instant Win Terminal Games,” which have been sold in the United States since 2004 by nineteen different lotteries under various names, but best known as “Fast Play”. Mr. Hunter discussed: the game style; how they are similar to an instant ticket but are printed from the lottery terminal; the lead time needed for the vendor to develop and test the game; and examples of different price points and prize structures. He answered various questions by Committee members.

Ms. Culmo joined the meeting at 10:13 a.m.

On a motion made by Ms. Morton and seconded by Mr. Heckman, it was:

Resolved, that the Legislative and Games Committee recommends to the Board of Directors that the Board of Directors allow the CLC to move forward in developing a System Requirement Specification for Instant Win Terminal Games with its vendor, Scientific Games and the Department of Consumer Protection.

The motion passed unanimously.

III. Capitol Update:

Mr. Walter provided an update to the Committee with regard to a proposal in the state budget that just passed to fund Debt-Free Community College with internet lottery. He noted that a feasibility study of internet lottery is due early February and that CLC expects to work with the Administration, Office of Policy and Management, the Department of Consumer Protection, as well as the Attorney General's office, as a valuable resource as those entities evaluate and issue their report.

Mr. Walter also discussed a proposal that would give the tribes rights to a small venture in Bridgeport, as well as exclusivity over sports betting and e-sports. CLC would have very limited iLottery for draw games, with a maximum of six drawings per day. It is not likely that this concept would be the vehicle on which to call a special session.

Recently, another concept was raised to sell the XL Center in Hartford to the tribes for the purpose of a small gambling facility or sportsbook, and in exchange, the tribes would abandon the East Windsor casino. This concept brings the same exclusivity problems, with MGM, the OTBs and the CLC being completely uninvolved. Currently, the tribes are against this idea, as they are unwilling to abandon the East Windsor concept at this time.

Mr. Walter also mentioned recent conversations with the Connecticut Energy Marketers Association, who represents many of the CLC's convenience store retailers, as well as with the OTBs.

IV. Review Sales Performances

Mr. Smith gave a high-level overview on the corporation's sales performance for FY19. The Lottery set the bar high with total revenues at \$1.334 billion while returning a record-breaking \$370 million to the General Fund, an increase of about \$25 million over the prior year. Mr. Smith spoke briefly on the success of KENO, which also had a stellar year with an increase of \$17 million year-over-year to finish at \$103 million for FY19. The CLC is building on that momentum and proactively recruiting social venues such as bars and restaurants while also focusing on placing more KENO monitors into establishments.

V. Adjournment:

On a motion made by Ms. Culmo and seconded by Mr. Langella, the meeting adjourned at 10:32 a.m.

Respectfully Submitted:

Matthew Stone
Corporate Secretary
Connecticut Lottery Corporation