

OFFICE OF FISCAL ANALYSIS

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sSB-858

AN ACT CONCERNING THE MASHANTUCKET PEQUOT AND MOHEGAN FUND.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Policy & Mgmt., Off.	MP&MF - Savings	None	52,541,796

Note: MP&MF=Mashantucket Pequot and Mohegan Fund

Municipal Impact:

Municipalities	Effect	FY 26 \$	FY 27 \$
Various Municipalities	Revenue Loss	None	52,541,796
Ledyard; Montville	Potential Revenue Gain	Up to \$1.2 million	Up to \$1.2 million

Explanation

The bill maintains the current funding level of the Mashantucket Pequot and Mohegan Fund grant (MPMF) through FY 26 but does not specify a funding source in FY 27. This will result in a revenue loss to towns in FY 27 and a corresponding savings to the Office of Policy and Management (OPM) in FY 27 associated with not paying out the grant.¹

The bill also requires an additional payment of \$1.2 million to be paid to Ledyard and Montville (\$600,000 each) beginning in FY 26 from the Mashantucket Pequot and Mohegan Grants to Towns if the state revokes taxation of non-Indian property on reservation land. This results in a potential revenue gain to Ledyard and Montville and

¹ In FY 26, this grant is estimated to be \$52.5 million.

corresponding cost to the General Fund to provide the funds necessary for this grant increase.

The Out Years

The bill also results in an annual revenue gain to various municipalities beginning in FY 28 associated with an increase of approximately \$86.9 million, to a total of \$139.38 million for the MPMF grant.

This results in a corresponding cost to the General Fund in FY 28 to provide the funds necessary for this grant increase.² Currently, 124 towns receive such grants.

² Current law requires the amount equal to the grant total to be transferred from the General Fund to the Mashantucket Pequot and Mohegan Fund (MP & MF). The funds are then distributed by OPM from the MP & MF.