

**An Act to Implement the Recommendations of the Government Oversight Committee Regarding Bureau of Alcoholic Beverages and Lottery Operations Reporting Requirements**

Pursuant to 3 MRSA §997, sub-§2, be it enacted by the People of the State of Maine as follows:

**Sec. 1.** 8 MRSA §372, sub-§2 paragraph H is amended to read:

2. Powers and duties. The director shall have the following powers and duties:

H. Certify monthly to the ~~Treasurer of State, the commission and the commissioner~~ a full and complete statement of lottery revenues, prize disbursements and other expenses for the preceding month; ~~submit an annual report, subject to the approval of the commission, that must include a full and complete statement of lottery revenues, prize disbursements and expenses, to the Governor and the Legislature, together with recommendations for changes in this chapter;~~

**Sec. 2.** 8 MRSA §372, sub-§2 paragraph K is enacted to read:

K. Submit an annual report, subject to the approval of the commission, to the Governor, the joint standing committee having jurisdiction over lottery matters and the joint standing committee having jurisdiction over appropriations and financial affairs. The report shall be submitted by February 15th each year and shall include:

- (1) a description of the decisions made and actions taken by the State Liquor and Lottery Commission for the preceding year relevant to lottery operations;
- (2) a full and complete statement of lottery revenues, prize disbursements and expenses for the preceding year with a detailed statement of the expenditures made to promote lottery sales through marketing, advertisement and recruitment;
- (3) a historical view of the account used to manage lottery operations and from which transfers are made to the General Fund;
- (4) a description of the lottery marketing and advertising activities for the preceding year including a listing of the radio and television stations used for advertising and the amount of advertising activity and budget associated with each; and
- (5) any recommendations for changes in this chapter.

The joint standing committee with jurisdiction over lottery matters may submit to the Legislature any legislation based on the report.

**Sec. 3.** 28-A MRSA §83-B, sub-§11 is amended to read:

11. Certification. Certify monthly to the ~~Treasurer of State and the~~ commissioner a complete statement of expenses and revenues collected in accordance with the licensing and enforcement functions of the bureau. ~~The bureau shall submit an annual report that includes a complete statement of expenses and revenues collected in accordance with the licensing and enforcement functions of the bureau to the Governor and the joint standing committee of the Legislature having jurisdiction over alcoholic beverage matters, together with recommendations for changes to this Title~~

**Sec. 4.** 28-A MRSA §83-C, sub-§7 is amended to read:

**7. Certification.** Certify monthly to the ~~Treasurer of State and the~~ commissioner a complete statement of revenues from and expenses for the sale of spirits by the bureau ~~and submit an annual report that includes a complete statement of the revenues and expenses of the bureau to the Governor and the joint standing committee of the Legislature having jurisdiction over alcoholic beverage matters, together with recommendations for changes to this Title;~~

**Sec. 5.** 28-A MRSA §84, sub-§5 is amended to read:

**5. Certification.** Certify monthly to the ~~Treasurer of State and the~~ Commissioner of Administrative and Financial Services a complete statement of revenues and expenses for liquor sales for the preceding month ~~and submit an annual report that includes a complete statement of the revenues and expenses for the bureau to the Governor and the Legislature, together with recommendations for changes in this Title; and~~

**Sec. 6.** 28-A MRSA §84, sub-§7 is enacted to read:

7. Submit an annual report to the Governor, the joint standing committee having jurisdiction over alcoholic beverage matters and the joint standing committee having jurisdiction over appropriations and financial affairs. The report shall be submitted by February 15th each year and shall include:

A. a complete statement of the revenues and expenses for the bureau;

B. a complete statement of expenses and revenues collected in accordance with the licensing and enforcement functions of the bureau as certified to the commissioner in accordance with 28-A MRSA §83-B, sub-§11;

C. a complete statement of revenues from and expenses for the sale of spirits by the bureau as certified to the commissioner in accordance with 28-A MRSA §83-C, sub-§7;

D. a report on expenditures in accordance with 28-A MRSA §83-C, sub-§9 ;

E. a complete statement of revenues and expenses for liquor sales for the preceding month as certified to the commissioner in accordance with 28-A MRSA §84, sub-§5; and (is this any different than C. above?)

(5) any recommendations for changes in this chapter.

The joint standing committee with jurisdiction over alcoholic beverage matters may submit to the Legislature any legislation based on the report.

### **Summary**

This bill implements recommendations of the Government Oversight Committee based on the report on Maine State Lottery issued by the Office of Program Evaluation and Government Accountability in April 2017. The bill removes the requirement for BABLO to certify certain financial information to the State Treasurer monthly as the State Treasurer has not been receiving, and has no need for, this reporting. The bill also specifies a submission date for BABLO's annual report to the Legislature and the committees to which the report should be submitted. The bill also requires enhanced reporting to the Legislature on lottery activities in regards to finances, lottery commission actions and decisions, and lottery marketing and advertising efforts, thereby enhancing transparency, accountability and legislative oversight. Additionally, the bill amends several provisions related to BABLO monthly certification and annual reporting requirements on its alcoholic beverage operations as necessary to make them consistent with the amended requirements for lottery operations. Lastly, as requested by the joint standing committee with jurisdiction over lottery and alcoholic beverage matters, the bill provides authority for that committee to introduce legislation based on BABLO's annual report(s).