



# 126th MAINE LEGISLATURE

LD 31

LR 47(02)

## An Act To Increase Gaming Opportunities for Charitable Fraternal and Veterans' Organizations

**Fiscal Note for Bill as Amended by Committee Amendment " "**

**Committee: Veterans and Legal Affairs**

**Fiscal Note Required: Yes**

### Fiscal Note

Contingent future biennium cost increase - General Fund

Contingent future biennium cost increase - Other Special Revenue Funds

Contingent current biennium revenue increase - General Fund

Contingent current biennium revenue increase - Other Special Revenue Funds

#### Fiscal Detail and Notes

This legislation allows the Gambling Control Board to accept applications for slot machine operator licenses, beginning January 1, 2015, from veterans' organizations. Documentation of approval of the voters of the municipality must be submitted with the application. The Board may license up to 50 slot machines during the first year, with 150 total slot machines allowed.

Presented below is an estimate of the potential revenues that may be generated from new slot machine facilities and the subsequent distribution of those revenues. This fiscal note assumes 50 veterans' organizations would be licensed with a total of 150 slot machines, generating annual revenue of \$48,298 for the State's General Fund and \$156,568 for various other funds. The Gambling Control Board, Other Special Revenue Funds account would also receive license fees of \$30,000 in the first year and \$23,750 for license renewals in subsequent years. Annual state costs associated with an inspector, an auditor and other related expenses are estimated to be \$171,523.

	Annual Estimate
Summary of Slot Machine Facility Revenue	
Gross Slot Income (total value of money, tokens, credits, other value used to play a slot machine)	\$3,354,000
Player Payback - Slot Income	\$2,750,280
Net Slot Income	\$603,720
Share of Net Income for Distribution - 30%	\$181,116
Operator Share of Net Income - 70%	\$422,604

	Annual Estimate
State Revenues by Fund	
General Fund - Slot Machines	<u>\$48,298</u>
Total General Fund Revenue	\$48,298

Gambling Control Board - Slot Machines	\$60,372
Gambling Control Board - License Fees (\$30,000 the 1st year)	<u>\$23,750</u>
Subtotal	\$84,122
Gambling Addiction Prevention and Treatment Fund	\$12,074
Municipalities	<u>\$60,372</u>
Total Other Special Revenue Funds Revenue	<u>\$156,568</u>
Total Revenue All Funds	<u><u>\$204,866</u></u>
Summary of Expenditure Impacts to the State	
General Fund	
- Public Safety	\$87,401
Other Special Revenue Funds	
- Public Safety	<u>\$84,122</u>
Total Expenditures	<u><u>\$171,523</u></u>