



129th MAINE LEGISLATURE

LD 553

LR 69(02)

An Act To Ensure Proper Oversight of Sports Betting in the State

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Veterans and Legal Affairs

Fiscal Note Required: Yes

Fiscal Note

| | FY 2019-20 | FY 2020-21 | Projections FY 2021-22 | Projections FY 2022-23 |
|-----------------------------------|---------------|---------------|---------------------------|---------------------------|
| Net Cost (Savings) | | | | |
| General Fund | (\$1,311,000) | (\$2,622,000) | (\$5,244,000) | (\$5,244,000) |
| Appropriations/Allocations | | | | |
| Other Special Revenue Funds | \$217,258 | \$317,576 | \$510,972 | \$514,463 |
| Revenue | | | | |
| General Fund | \$1,311,000 | \$2,622,000 | \$5,244,000 | \$5,244,000 |
| Other Special Revenue Funds | \$565,250 | \$193,250 | \$837,250 | \$383,250 |

Correctional and Judicial Impact Statements

Increases the number of civil cases filed in the court system. No estimate of the number of new cases is made. The collection of additional filing fees and fine revenue may increase General Fund and other dedicated revenue by minor amounts.

Fiscal Detail and Notes

This bill authorizes the Gambling Control Unit (GCU) within the Department of Public Safety, to regulate sports wagering in the State and directs that 10% of gross sports wagering facility revenue and 16% of gross sports wagering mobile revenue be credited to the General Fund, 1% be credited to the GCU for administrative expenses and 1% be credited to the Gambling Addiction and Prevention Treatment Fund. Facility and mobile operators will retain the remainder of the gross. General fund revenue of \$1,311,00 in fiscal year 2019-20 and \$2,622,000 in fiscal year 2020-21 and Other Special Revenue Funds revenue of \$95,000 in fiscal year 2019-20 and \$190,000 in fiscal year 2020-21 is estimated to be generated from sports wagering. The estimate prorates assumptions contained in the May 2017, Oxford Economics' "Economic Impact of Legalized Sports Betting" report, using the criteria of moderate availability for in-person sports wagering and convenient availability for mobile wagering.

This bill includes Other Special Revenue Funds allocations to the Department of Public Safety of \$122,258 in fiscal year 2019-20 and \$127,576 in fiscal year 2020-21 for one Public Safety Manager II position and associated All Other costs. The bill creates facility sports wagering licenses, mobile sports wagering licenses, supplier licenses, management services licenses and employee occupational licenses. License fees are estimated to generate Other Special Revenue Funds revenue of \$470,250 in fiscal year 2019-20 and \$3,250 in fiscal year 2020-21. License fee revenue assumes that two casinos and one commercial racetrack will have both facility and mobile sports betting, four off-track betting facilities will have facility betting only, one off-track betting facility will have a facility and a mobile license and six online vendors and two Indian tribes will only seek mobile licenses.

This bill also includes Other Special Revenue Funds allocations to the Department of Health and Human Services of \$95,000 in fiscal year 2019-20 and \$190,000 in fiscal year 2020-21 to allow expenditure of sports betting revenue. Additional costs to the Department of Public Safety associated with performing criminal history background checks can be absorbed within existing budgeted resources.