



130th MAINE LEGISLATURE

LD 585

LR 1337(03)

An Act To Restore to the Penobscot Nation and Passamaquoddy Tribe the Authority To Exercise Jurisdiction under the Federal Tribal Law and Order Act of 2010

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Judiciary

Fiscal Note Required: Yes

Fiscal Note

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)				
General Fund	\$0	(\$1,038,877)	(\$251,541)	(\$933,785)
Appropriations/Allocations				
General Fund	\$0	\$207,023	\$281,112	\$222,200
Other Special Revenue Funds	\$0	\$1,000	\$1,000	\$1,000
Revenue				
General Fund	\$0	\$1,245,900	\$532,653	\$1,155,985
Other Special Revenue Funds	\$0	\$127,025	\$32,844	\$37,036

Correctional and Judicial Impact Statements

This bill may increase the number of civil suits filed in the court system. The additional workload associated with the minimal number of new cases filed in the court system does not require additional funding at this time. The collection of additional filing fees may increase General Fund revenue by minor amounts.

Fiscal Detail and Notes

This bill authorizes the Gambling Control Unit (GCU) within the Department of Public Safety to regulate mobile sports wagering in the State and directs that 10% of gross sports wagering facility revenue be credited to the State as follows: 1% to the GCU for administrative expenses; 1% to the Gambling Addiction and Prevention Treatment Fund; 0.55% to Purse Supplements; 0.55% to the Sire Stakes Fund; 0.4% to the Agricultural Fair Promotion Fund established in the bill and the remainder (6.5% of facility wagering and mobile wagering) to the General Fund. The bill also directs that 16% of gross sports wagering mobile revenue be credited to the State as follows: 1% to the GCU for administrative expenses; 1% to the Gambling Addiction and Prevention Treatment Fund; 0.55% to the State Harness Racing Commission to be distributed to entities that conduct live harness racing in the State; 0.55% to Purse Supplements; 0.55% to the Sire Stakes Fund; 0.4% to the Agricultural Fair Promotion Fund established in the bill and the remainder (12.5% of facility wagering and mobile wagering) to the General Fund. Facility and mobile operators will retain the remainder of the gross.

Based on assumptions contained in the May 2017 Oxford Economics' "Economic Impact of Legalized Sports Betting" report using the criteria of convenient availability for mobile wagering, General Fund revenues are estimated to be \$652,050 in fiscal year 2022-23 and Other Special Revenue Funds revenues are estimated to be \$129,375 in fiscal year 2022-23.

This bill includes General Fund appropriations to the Department of Public Safety of \$207,023 in fiscal year 2022-23 for one Public Safety Manager II position, one Public Safety Inspector I 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 General Funds revenue of \$638,500 in fiscal year 2022-23. License fee revenue assumes eight facility sports wagering licenses, four mobile sports wagering licenses, eleven management services licenses, fifty 1-year occupational licenses and fifty 3-year occupational licenses.

The bill exempts income earned and sales made by tribal members on Indian territory or trust land from income and sales taxes and will reduce General Fund revenue by \$44,650 in fiscal year 2022-23 and \$152,000 in fiscal year 2023-24. It would also reduce Local Government Fund revenue by \$2,350 in fiscal year 2022-23 and \$8,000 in fiscal year 2023-24. The bill also exempts wild blueberries grown on tribal lands from the blueberry tax and will reduce Other Special Revenue Funds revenue by \$95,000 beginning in fiscal year 2023-24. The Department of Administrative and Financial Services will require a one-time General Fund appropriation of \$66,000 in fiscal year 2023-24 for computer programming to add lines to the individual, fiduciary and corporate income tax returns.

The bill creates the Maliseet Sales Tax Fund and the Penobscot Sales Tax Fund to collect and remit sales tax collected on Indian territory or tribal lands and provides baseline allocations of \$500 to each fund beginning in fiscal year 2022-23.

The Maine Indian Tribal-State Commission will incur additional costs as a result of the requirements of this bill. While the Commission has sufficient budgeted resources to cover these costs in the current 2022-2023 biennium as a result of one-time funding included in PL 2021, c. 398, ongoing costs from the bill could require additional funding in the 2024-2025 biennium.

Any additional costs to departments and agencies from the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources.