

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND AND ELEVEN

—
H.P. 1044 - L.D. 1418

**An Act To Allow Table Games at a Facility Licensed To Operate Slot
Machines on January 1, 2011**

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 8 MRSA §1001, sub-§5-A, as enacted by IB 2009, c. 2, §2, is amended to read:

5-A. Casino. "Casino" means a facility ~~in Oxford County, other than a commercial track~~ licensed in accordance with this chapter, where gambling activities occur, including, but not limited to, the operation of slot machines and table games.

Sec. 2. 8 MRSA §1011, sub-§2-A, as enacted by IB 2009, c. 2, §29, is amended to read:

2-A. Persons eligible for casino operator license. The board may accept an application for a casino operator license to operate slot machines and table games at a casino from a commercial track licensed to operate a slot machine facility on January 1, 2011 for the same location where slot machines were operated on January 1, 2011 and any person if that person and casino satisfy the following criteria:

A. The casino is located on a parcel of land in Oxford County that is:

- (1) No less than 50 acres in size; and
- (2) Located not more than:
 - (a) Thirty miles from a Level I or Level II trauma center verified as such by the American College of Surgeons or successor organization;
 - (b) Fifteen miles from the main office of a county sheriff;
 - (c) Twenty-five miles from the main office of a state police field troop;
 - (d) Thirty miles from an interchange of the interstate highway system;
 - (e) Ten miles from a fire station;

(f) Ten miles from a facility at which harness racing was conducted pursuant to a license from the State Harness Racing Commission for the 2009 racing year; and

(g) One-half mile from a state highway as defined in Title 23, section 1903, subsection 15.

For the purposes of this paragraph, distances are determined by measuring along the most commonly used roadway, as determined by the Department of Transportation;

B. The criteria adopted through rulemaking by the board regarding the licensing of the operation of slot machines and table games;

C. The operation of a casino is approved by the voters of the municipality in which the casino to be licensed is located in a referendum election or by a vote of the municipal officers in the municipality in which the casino is to be licensed and located held at any time after October 1, 2009 and on or before December 31, 2011;

D. The person owns a facility that is within 10 miles of the proposed casino at which harness racing was conducted pursuant to a license from the State Harness Racing Commission for the 2009 racing year; and

E. The slot machines and table games are located and operated in the casino.

Sec. 3. 8 MRSA §1011, sub-§3, as amended by IB 2009, c. 2, §29, is further amended to read:

3. Requirements for license; continued commercial track licensure. The board may not issue a license to operate a slot machine facility or a casino to any person unless that person demonstrates compliance with the qualifications set forth in sections 1016 and 1019. To maintain eligibility for a slot machine operator license or a casino operator license under subsection 2-A issued to a commercial track with slot machines, a licensed commercial track must at all times maintain a license to operate a commercial track, without lapse, suspension or revocation, ~~and a licensed commercial track is not eligible for a license to operate table games but may apply for a license to operate slot machines as long as the licensed commercial track satisfies the requirements of this chapter.~~

Sec. 4. 8 MRSA §1018, sub-§1, ¶C-1, as enacted by IB 2009, c. 2, §34, is amended to read:

C-1. The initial application fee for a casino operator license is \$225,000, except that the initial application fee for an applicant that is a commercial track that was licensed to operate slot machines as of January 1, 2011 is \$25,000. The annual renewal fee is \$80,000 plus an amount, set by rules of the board, equal to the cost to the board of licensing casino operators and determined by dividing the costs of administering the casino operator licenses by the total number of casino operators licensed by the board. In addition, a casino operator shall pay an initial gaming table fee of \$100,000 for the privilege to operate each gaming table for a period of 20 years as long as the casino operator is licensed. Each gaming table is also subject to an annual gaming table renewal fee of \$1,000. The gaming table fees authorize the casino operator to conduct any authorized table game at the gaming table during the 20-year period. A casino licensed in accordance with section 1011, subsection 2-A, paragraph A is not

required to pay the gaming table fees until after one calendar year of table game operation. Fees collected in accordance with this paragraph must be deposited to the Gambling Control Board administrative expenses Other Special Revenue Funds account, which is a nonlapsing dedicated account.

Sec. 5. 8 MRSA §1019, sub-§6, as amended by IB 2009, c. 2, §35, is further amended to read:

6. Proximity of licensed casinos and slot machine facilities. A casino operator license or slot machine operator license may not be issued under this chapter to operate any casino or slot machine facility located within 100 miles of a licensed casino or slot machine facility. This subsection does not prohibit a commercial track that was licensed to operate slot machines on January 1, 2011 from obtaining a casino operator license for the same facility where slot machines were operated as of January 1, 2011.

Sec. 6. 8 MRSA §1019, sub-§7, as enacted by IB 2009, c. 2, §36, is amended to read:

7. Statewide and county referendum; municipal vote. After January 1, 2011, any proposed casino or slot machine facility may not be issued a license unless it has been approved by a statewide referendum vote and a vote of the municipal officers or municipality in which the casino or slot machine facility is to be located, except that a commercial track licensed to operate slot machines on January 1, 2011 is only required, as a condition to obtain a casino license, to receive approval to operate a casino by means of a referendum of the voters of the county in which the commercial track is located.

Sec. 7. 8 MRSA §1036, sub-§1, as amended by PL 2005, c. 663, §11, is further amended to read:

1. Distribution for administrative expenses of board. A slot machine operator licensed under section 1011, subsection 2 or a casino operator that is a commercial track that was licensed to operate slot machines under section 1011, subsection 2 on January 1, 2011 shall collect and distribute 1% of gross slot machine income to the Treasurer of State for deposit in the General Fund for the administrative expenses of the board.

Sec. 8. 8 MRSA §1036, sub-§2, as amended by PL 2009, c. 462, Pt. H, §1 and c. 622, §2, is further amended to read:

2. Distribution of net slot machine income from casino with commercial track. A slot machine operator licensed under section 1011, subsection 2 or a casino operator that is a commercial track that was licensed to operate slot machines under section 1011, subsection 2 on January 1, 2011 shall collect and distribute 39% of the net slot machine income from slot machines operated by the slot machine operator to the board for distribution by the board as follows:

A. Three percent of the net slot machine income must be deposited to the General Fund for administrative expenses of the board in accordance with rules adopted by the board, except that of the amount calculated pursuant to this paragraph, the

following amounts must be transferred annually to the Gambling Addiction Prevention and Treatment Fund established by Title 5, section 20006-B:

- (1) For the fiscal year beginning July 1, 2011, \$50,000;
- (2) For the fiscal year beginning July 1, 2012, \$50,000; and
- (3) For the fiscal year beginning July 1, 2013 and for each fiscal year thereafter, \$100,000;

B. Ten percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the fund established in section 298 to supplement harness racing purses;

C. Three percent of the net slot machine income must be credited by the board to the Sire Stakes Fund created in section 281;

D. Three percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Agricultural Fair Support Fund established in Title 7, section 91;

E. Ten percent of the net slot machine income must be forwarded by the board to the State Controller to be credited to the Fund for a Healthy Maine established by Title 22, section 1511 and segregated into a separate account under Title 22, section 1511, subsection 11, with the use of funds in the account restricted to the purposes described in Title 22, section 1511, subsection 6, paragraph E. For the fiscal years ending June 30, 2010, June 30, 2011 and June 30, 2012, the amount credited annually by the State Controller to the Fund for a Healthy Maine under this paragraph may not exceed \$4,500,000 annually and any funds in excess of \$4,500,000 annually during these fiscal years must be credited as General Fund undedicated revenue;

F. Two percent of the net slot machine income must be forwarded by the board to the University of Maine System Scholarship Fund created in Title 20-A, section 10909;

G. One percent of the net slot machine income must be forwarded by the board to the board of trustees of the Maine Community College System to be applied by the board of trustees to fund its scholarships program under Title 20-A, section 12716, subsection 1;

H. Four percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Fund to Encourage Racing at Maine's Commercial Tracks, established in section 299; however, the payment required by this paragraph is terminated when all commercial tracks have obtained a license to operate slot machines in accordance with this chapter;

I. Two percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Fund to Stabilize Off-track Betting Facilities established by section 300, as long as a facility has conducted off-track wagering operations for a minimum of 250 days during the preceding 12-month period in which the first payment to the fund is required. After 48 months of receiving an allocation of the net slot machine income from a licensed operator, the percent of net slot machine income forwarded to the Fund to Stabilize Off-track

Betting Facilities is reduced to 1% with the remaining 1% to be forwarded to the State in accordance with subsection 1; and

J. One percent of the net slot machine income must be forwarded directly to the municipality in which the slot machines are located.

Sec. 9. 8 MRSA §1036, sub-§2-B, as enacted by IB 2009, c. 2, §46, is amended to read:

2-B. Distribution from casino of table game income. A casino operator licensed in accordance with section 1011, subsection 2-A, paragraph A shall collect and distribute 16% of the net table game income from table games operated by the casino operator to the board for distribution by the board as follows:

A. Ten percent of the net table game income must be forwarded directly by the board to the Treasurer of State, who shall credit the money to the Department of Education, to be used to supplement and not to supplant funding for essential programs and services for kindergarten to grade 12 under Title 20-A, chapter 606-B;

B. ~~Three percent of the net table game income must be deposited to the General Fund for administrative expenses of the board, including gambling addiction counseling services, in accordance with rules adopted by the board~~ Three percent of the net table game income must be deposited to the Gambling Control Board administrative expenses Other Special Revenue Funds account, which is a nonlapsing dedicated account;

C. Two percent of the net table game income must be forwarded directly to the municipality in which the table games are located; and

D. One percent of the net table game income must be forwarded directly to the county in which the table games are located to pay for mitigation of costs resulting from gaming operations.

Sec. 10. 8 MRSA §1036, sub-§2-C is enacted to read:

2-C. Distribution of table game income from casino with a commercial track. A casino operator that is a commercial track and was licensed to operate slot machines on January 1, 2011 shall collect and distribute 16% of the net table game income from table games operated by the casino operator to the board for distribution by the board as follows:

A. Nine percent of the net table game income must be deposited to the General Fund for administrative expenses of the board, including gambling addiction counseling services, in accordance with rules adopted by the board;

B. Three percent of the net table game income must be deposited to the Gambling Control Board administrative expenses Other Special Revenue Funds account, which is a nonlapsing dedicated account;

C. Two percent of the net table game income must be forwarded directly to the municipality in which the table games are located; and

D. Two percent of net table game income must be deposited into an account held by the board for distribution to charitable nonprofit organizations that were eligible to

conduct beano games and games of chance in accordance with Title 17, chapters 13-A and 62. The account is nonlapsing and no distributions may be made from the account before July 1, 2013.

Sec. 11. Legislation defining eligibility of charitable nonprofit organizations to receive funds. The Joint Standing Committee on Veterans and Legal Affairs shall report out legislation to the Second Regular Session of the 125th Legislature defining the eligibility of charitable nonprofit organizations to receive funds from the account held by the Department of Public Safety, Gambling Control Board pursuant to the Maine Revised Statutes, Title 8, section 1036, subsection 2-C, paragraph D for the purposes of mitigating the reduction of charitable donations from revenues from gaming conducted in accordance with Title 17, chapters 13-A and 62 due to the expansion of gaming conducted under Title 8, chapter 31.

Sec. 12. Referendum. Notwithstanding any law to the contrary, the Secretary of State shall prepare and furnish to each city, town and plantation in Penobscot County for the statewide election held in November 2011 all ballots, returns and copies of this Act necessary to conduct the county referendum required pursuant to the Maine Revised Statutes, Title 8, section 1019, subsection 7. The question that appears on the ballot must be:

"Do you favor the addition of table games at a commercial track located in this county that was licensed to operate slot machines on January 1, 2011?"

The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature.

In House of Representatives, 2011

Read twice and passed to be enacted.

..... Speaker

In Senate, 2011

Read twice and passed to be enacted.

..... President

Approved 2011

..... Governor