

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



122nd MAINE LEGISLATURE

FIRST SPECIAL SESSION-2005

Legislative Document

No. 1690

H.P. 1197

House of Representatives, June 13, 2005

An Act To Authorize, Subject to State Referendum, a Tribal Commercial Track and Slot Machines in Washington County

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

Reference to the Committee on Legal and Veterans Affairs suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative MOORE of the Passamaquoddy Tribe.
Cosponsored by Senator RAYE of Washington.

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

2
4
6
8
10
12
14
16
18
20
22
24
26
28
30
32
34
36
38
40
42
44
46
48

PART A

Sec. A-1. 8 MRSA §271, sub-§9, as reallocated by RR 1997, c. 1, §7, is amended to read:

9. Previous year's dates. Beginning with licenses issued for calendar year 1996, notwithstanding any other provision of this chapter, every commercial track or tribal commercial track that is licensed for a specific calendar year must be assigned all of the race dates that it requests for that year if it conducted live racing on those dates during the immediately preceding calendar year. For the purposes of this section, a race date is the same from year to year if it is the closest calendar date that falls on the same day of the week.

Sec. A-2. 8 MRSA §275-A, sub-§12 is enacted to read:

12. Tribal commercial track. "Tribal commercial track" means a harness racing track, operated by a tribe federally recognized as a tribe in Maine as of January 1, 2005, that:

- A. Is located more than 90 miles from an existing commercial track that operates slot machines but within 45 miles of the operating tribe's Indian reservation as described in Title 30, chapter 601; and
- B. Conducts racing on more than 25 days each calendar year after being granted a license to conduct harness racing.

For purposes of this subsection, distance in miles is determined by measuring the distance from the center of the tribal commercial track along the most commonly used roadway as determined by the Department of Transportation.

Sec. A-3. 8 MRSA §275-C, sub-§2, as enacted by PL 1997, c. 390, §1, is amended to read:

2. Payments to agricultural fairs conducting live racing. A commercial track or tribal commercial track located within a 35-mile radius of an agricultural fair track may not present a simulcast on a day when the commercial track or tribal commercial track is not conducting live racing and the agricultural fair track is conducting live racing unless the commercial track or tribal commercial track pays the agricultural fair track 2% of the wagers made at the commercial track or tribal commercial track at the time live racing is being conducted at the agricultural fair track and 1% of the wagers on the other races

2 conducted on a day when live racing is being conducted at the
agricultural fair track.

4 **Sec. A-4. 8 MRSA §275-D, sub-§3**, as amended by PL 2003, c.
401, §12, is further amended to read:

6
8 **3. Notice to commercial racetracks or tribal commercial**
9 **tracks; objections.** An applicant shall send written notice of
10 its application for an off-track betting license to any
11 commercial racetrack or tribal commercial track in whose market
12 area the facility will be located and shall present proof to the
13 commission that it has provided the notice. The notice must
14 include all information contained in the application except
15 information described in subsection 2, paragraph Q. A
16 commercial racetrack or tribal commercial track shall notify the
17 commission within 30 days of receiving notice if the racetrack
18 objects to the location of the facility based on adverse impact
19 to the commercial track or tribal commercial track. The
20 commission shall suspend consideration of the application for the
21 30-day objection period. If the commission receives an objection
22 from a racetrack in whose market area the facility would be
23 located within the 30-day period, the commission shall reject the
24 application. If the commission does not receive an objection
25 within that period, the commission may proceed to consider the
26 application. For purposes of this subsection, the market area is
27 determined by measuring a distance of 50 miles from the center of
28 the racetrack along the most commonly used roadway adjacent to
29 the racetrack, as determined by the Department of Transportation,
30 drawing a circle around the center of the racetrack using that
50-mile measurement.

32 **Sec. A-5. 8 MRSA §275-D, sub-§6, ¶D**, as enacted by PL 1993, c.
33 388, §8, is amended to read:

34
35 D. No commercial racetrack, tribal commercial track or
36 off-track betting facility in whose market area the facility
37 would be located has filed a written objection to the
38 facility within the time period prescribed in subsections 3
39 and 4.

40
41 **Sec. A-6. 8 MRSA §275-N**, as amended by PL 2003, c. 401, §14,
42 is further amended to read:

43 **§275-N. Limitations on off-track betting facilities**

44
45 The commission may not allow interstate simulcasting or
46 license any off-track betting facility for any calendar year
47 unless during the preceding 2 calendar years there were at least
48 150 race dates on which live racing actually was conducted at the
49 commercial tracks or tribal commercial track. Interstate

2 simulcasting always must be allowed at any commercial track or
3 tribal commercial track that conducted at least 136 race dates
4 during the immediately preceding 2 calendar years or at an
5 existing commercial track as defined in section 275-A, subsection
6 1, paragraph B or tribal commercial track as defined in section
7 275-A, subsection 12 at which at least 35 race dates were
8 conducted during the preceding 2 years if the interstate
9 simulcasting at the commercial track or tribal commercial track
10 is conducted during the regular meeting. For the purposes of
11 this section, any race date that the commission determines was
12 canceled due to a natural or other disaster must be counted as a
13 race date. For the purposes of this section and for the purpose
14 of meeting the requirements of section 275-A, subsection 1, any
15 race date that is canceled at a commercial race track due to the
16 inability to meet the requirements of section 275-A, subsection
17 9-A because of a horse shortage, as verified by the state
18 steward, is counted as a race date.

19 **Sec. A-7. 8 MRSA §286, sub-§2, ¶¶A and B,** as enacted by PL
20 1997, c. 528, §46, are amended to read:

21 A. On exotic wagers:

- 22 (1) The state share is 2.248% for an off-track betting
23 facility located in the same municipality as a
24 commercial track or tribal commercial track and 2.578%
25 for all other facilities;
26
27 (2) The Sire Stakes Fund share is 1.551%;
28
29 (3) The Stipend Fund share is 1.169%;
30
31 (4) The Harness Racing Promotional Fund share is 0.25%;
32
33 (5) The horsemen's purse share is 7.871%;
34
35 (6) The track share is 7.922%; and
36
37 (7) The off-track betting facility share is 4.659%.

38 B. On regular wagers:

- 39 (1) The state share is 0.493% for an off-track betting
40 facility located in the same municipality as a
41 commercial track or tribal commercial track and 0.823%
42 for all other facilities;
43
44 (2) The Sire Stakes Fund share is 0.072%;
45
46 (3) The Stipend Fund share is 1.186%;
47
48
49
50

- 2 (4) The Harness Racing Promotional Fund share is 0.25%;
- 4 (5) The horsemen's purse share is 5.062%;
- 6 (6) The track share is 7.899%; and
- 8 (7) The off-track betting facility share is 2.718%.

10 **Sec. A-8. 8 MRSA §287, sub-§5**, as amended by PL 1999, c. 622,
12 §1, is further amended to read:

14 **5. Definition.** For the purposes of this section,
16 "improvements" means the amount paid out for new buildings or for
18 permanent improvements made to improve the facilities utilized by
20 the licensee for conducting its racing meetings; or the amount
22 expended in restoring property or in improving the facility or
24 any part of the facility that results in the addition,
26 replacement or substantial enhancement or restoration of a fixed
28 asset or of a movable asset that is important to efficient
30 operation of the racing meetings. In general, the amounts
32 referred to as improvements include amounts paid that add to the
34 value, improve or substantially prolong the useful life of the
36 racetrack and moveable assets utilized by the licensee for
38 conducting its racing meetings. Amounts paid or incurred for
routine repairs and maintenance of property, interest expense or
lease payments in connection with the capital improvements are
not improvements within the meaning of this section. In order to
qualify as an improvement, a substantial enhancement or
restoration of an asset must cost at least \$2,000 and must be an
expenditure that would qualify for depreciation under the United
States Internal Revenue Code. A moveable asset may be considered
important to the efficient operation of a race meeting if the
asset will remain at the commercial track or tribal commercial
track or at the offices of the licensee throughout its use and if
that asset is directly associated with running races,
accommodating patrons of the race meet, conducting pari-mutuel
wagering or paying purses.

40 **Sec. A-9. 8 MRSA §287, sub-§7**, as enacted by PL 1999, c. 622,
42 §2, is amended to read:

44 **7. Interim payments to commercial tracks or tribal**
46 **commercial track.** If during the course of any calendar year the
48 commission finds that wagers placed at facilities licensed under
50 this chapter for the year are likely to exceed \$35,000,000, it
may, if reasonably necessary for improvements to be effected
expeditiously, direct the Treasurer of State to make interim
payments to a commercial track or tribal commercial track in
amounts as the commission finds the commercial track or tribal

2 commercial track is likely to be entitled to receive under this
3 section. If a commercial track or tribal commercial track
4 receives interim payments under this subsection that exceed the
5 total amount the commercial track or tribal commercial track is
6 entitled to receive for the calendar year, the Treasurer of State
7 shall reimburse the General Fund for this excess by retaining
8 money otherwise due to that commercial track or tribal commercial
9 track pursuant to section 295.

10 **Sec. A-10. 8 MRSA §299, sub-§2**, as enacted by PL 2003, c. 687,
11 Pt. A, §4 and affected by Pt. B, §11, is amended to read:

12

13 **2. Distribution.** On May 30th, September 30th and January
14 30th, all amounts credited to the fund established by this
15 section as of the last day of the preceding month and not
16 distributed before that day must be distributed to each
17 commercial track licensed, including tribal commercial tracks,
18 under section 271, with each track receiving that amount of the
19 money available for distribution determined by multiplying that
20 amount times a fraction, the numerator of which is the total
21 number of live race days conducted by the commercial track during
22 the preceding time period and the denominator of which is the
23 total number of race days conducted by all commercial tracks
24 licensed under section 271 during that time period. The payment
25 in January must be adjusted so that for the prior 3 time periods
26 each commercial track receives that fraction of the total money
27 distributed over the full year from the fund established by this
28 section, the amount determined by multiplying the total amount of
29 money times a fraction, the numerator of which is the number of
30 live race days conducted by the commercial track during the
31 calendar year and the denominator of which is the total number of
32 race days conducted by all commercial tracks licensed under
33 section 271 during that calendar year.

34

35 **Sec. A-11. 8 MRSA §300, sub-§1**, as enacted by PL 2003, c. 687,
36 Pt. A, §4 and affected by Pt. B, §11, is amended to read:

37 **1. Fund created.** The Fund to Stabilize Off-track Betting
38 Facilities is established to provide revenues to those off-track
39 betting facilities licensed and in operation as of December 31,
40 2003. The fund must also provide revenues to an off-track
41 betting facility licensed and operating after December 31, 2003
42 within the market area of a tribal commercial track as long as
43 the tribal commercial track is licensed to operate and operates
44 slot machines.

45

46 **Sec. A-12. 8 MRSA §1001, sub-§43-A** is enacted to read:

47

48 **43-A. Tribal commercial track.** "Tribal commercial track"
49 has the same meaning as in section 275-A, subsection 12.

50

2 **Sec. A-13. 8 MRSA §1011, sub-§§2 and 3**, as enacted by PL 2003,
c. 687, Pt. A, §5 and affected by Pt. B, §11, are amended to read:

4
6 **2. Eligible persons.** The board may accept applications for
7 a license to operate slot machines from a person licensed to
8 operate a tribal commercial track if, by December 31, 2005, the
9 operation of slot machines is approved by an affirmative vote at
10 a regular meeting of the governing body or by referendum by the
11 voters of the municipality where the tribal commercial track is
12 located. The board may also accept applications for a license to
13 operate slot machines from any person who is licensed to operate
14 a commercial track that satisfies the following criteria:

16 A. The commercial track is located at or within a 5-mile
17 radius of the center of a commercial track that conducted
18 harness racing with pari-mutuel wagering on more than 25
19 days during calendar year 2002; and

20 B. The operation of slot machines at the commercial track
21 is approved by the voters of the municipality in which the
22 commercial track to be licensed is located by referendum
23 election held at any time after December 31, 2002 and before
24 December 31, 2003.

26 **3. Requirements for license; continued commercial track or**
27 **tribal commercial track licensure.** The board may not issue a
28 license to operate slot machines to any person unless that person
29 demonstrates compliance with the qualifications set forth in
30 sections 1016 and 1019. A person who is granted a license to
31 operate slot machines must maintain a license to operate a
32 commercial track or a tribal commercial track, without lapse,
33 suspension or revocation for the duration of the slot machine
34 operator's license.

36 **Sec. A-14. 8 MRSA §1012, first ¶**, as enacted by PL 2003, c.
37 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

38
39 An application for renewal of a slot machine operator
40 license must first be approved under this section by the
41 municipal officers of the municipality in which the commercial
42 track or tribal commercial track with slot machines is located
43 or, if the commercial track or tribal commercial track is in an
44 unincorporated place, the application must be approved by the
45 county commissioners of the county in which the commercial track
46 or tribal commercial track with slot machines is located.

48 **Sec. A-15. 8 MRSA §1012, sub-§1, ¶B**, as enacted by PL 2003, c.
687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

2 B. Municipal officers or county commissioners, as the case
4 may be, shall provide public notice of any hearing held
6 under this section by causing, at the applicant's prepaid
8 expense, a notice stating the name and place of the hearing
10 to appear on at least 3 consecutive days before the date of
12 the hearing in a daily newspaper having general circulation
in the municipality where the premises of the commercial
track or tribal commercial track with slot machines are
located or one week before the date of the hearing in a
weekly newspaper having general circulation in the
municipality where the premises are located.

14 **Sec. A-16. 8 MRSA §1012, sub-§2, ¶¶A and C**, as enacted by PL
2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, are amended
16 to read:

18 A. Noncompliance of the commercial track or tribal
20 commercial track licensed to operate slot machines with any
local zoning ordinance or other land use ordinance not
22 directly related to slot machine operations;

24 C. Repeated incidents of record of breaches of the peace,
disorderly conduct, vandalism or other violations of law on
26 or in the vicinity of the premises of the commercial track
or tribal commercial track with slot machines and caused by
28 persons patronizing or employed by the commercial track or
tribal commercial track licensed to operate slot machines;
and

30 **Sec. A-17. 8 MRSA §1012, sub-§3**, as enacted by PL 2003, c.
32 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

34 **3. Appeal to board.** Any applicant aggrieved by the
36 decision of the municipal officers or county commissioners under
this section may appeal to the board within 15 days of the
receipt of the written decision of the municipal officers or
38 county commissioners. The board shall hold a public hearing in
the city, town or unincorporated place where the premises of the
40 commercial track or tribal commercial track with slot machines
are situated. In acting on such an appeal, the board may
42 consider all licensure requirements and findings referred to in
subsection 2. If the decision appealed is an application denial,
44 the board may issue the license only if it finds by clear and
convincing evidence that the decision was without justifiable
46 cause.

48 **Sec. A-18. 8 MRSA §1016, sub-§1, ¶B**, as enacted by PL 2003, c.
50 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

2 B. The person has sufficient financial assets and
responsibility to meet any financial obligations imposed by
4 this chapter and, if applying for a slot machine operator
license or slot machine operator license renewal, has
6 sufficient financial assets and responsibility to continue
operation of a commercial track or tribal commercial track;

8 **Sec. A-19. 8 MRSA §1020, sub-§3, ¶¶A and B**, as enacted by PL
2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, are amended
10 to read:

12 A. The total number of slot machines registered in the
State may not exceed ~~1,500~~ 3,000; and

14 B. A slot machine operator may not operate more than 1,500
16 slot machines at any one commercial track or tribal
commercial track.

18 **Sec. A-20. 8 MRSA §1035**, as enacted by PL 2003, c. 687, Pt.
20 A, §5 and affected by Pt. B, §11, is amended to read:

22 **§1035. Location of slot machines**

24 Slot machines may be located only on the premises of a
commercial track or tribal commercial track.

26 **Sec. A-21. 8 MRSA §1036, sub-§2**, as amended by PL 2005, c.
28 109, §1 is further amended to read:

30 **2. Distribution from commercial track or tribal commercial**
track. A slot machine operator shall collect and distribute ~~39%~~
32 percentages of the total gross slot machine income from slot
machines operated by the slot machine operator to the board for
34 distribution by the board as follows:

36 A. Three percent of the total gross slot machine income
must be deposited to the General Fund for administrative
38 expenses of the board, including gambling addiction
counseling services, in accordance with rules adopted by the
40 board;

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

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

50

2 D. Three percent of the total gross slot machine income
must be forwarded by the board to the Treasurer of State,
4 who shall credit the money to the Agricultural Fair Support
Fund established in Title 7, section 77;

6 E. Ten percent of the total gross slot machine income must
be forwarded by the board to the State Controller to be
8 credited to the Fund for a Healthy Maine established by
Title 22, section 1511 and segregated into a separate
10 account under Title 22, section 1511, subsection 11, with
the use of funds in the account restricted to the purposes
12 described in Title 22, section 1511, subsection 6, paragraph
E;

14 F. Two percent of the total gross slot machine income must
be forwarded by the board to the University of Maine System
16 Scholarship Fund created in Title 20-A, section 10909. The
18 amount from a tribal commercial track allocated in
accordance with this paragraph must fund scholarships at the
20 University of Maine campuses in Washington County;

22 G. One percent of the total gross slot machine income must
be forwarded by the board to the board of trustees of the
24 Maine Community College System to be applied by the board of
trustees to fund its scholarships program under Title 20-A,
26 section 12716, subsection 1. The amount from a tribal
commercial track allocated in accordance with this paragraph
28 must fund scholarships at the community college in
Washington County;

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

40 I. Two percent of the total gross slot machine income must
be forwarded by the board to the Treasurer of State, who
42 shall credit the money to the Fund to Stabilize Off-track
Betting Facilities established by section 300, as long as a
44 facility has conducted off-track wagering operations for a
minimum of 250 days during the preceding 12-month period in
46 which the first payment to the fund is required. After 48
months of receiving an allocation of the total gross slot
48 machine income from a licensed operator, the percent of
total slot machine income forwarded to the Fund to Stabilize
50 Off-track Betting Facilities is reduced to 1% with the

2 remaining 1% to be forwarded to the State in accordance with
subsection 1; and

4 J. One percent of the total gross slot machine income must
be forwarded directly to the municipality in which the slot
6 machines are located;

8 K. One percent of the total gross slot machine income from
a tribal commercial track must be forwarded directly to the
10 Washington County Development Authority; and

12 L. One percent of the total gross slot machine income from
a tribal commercial track must be forwarded directly to the
14 career and technical education centers located in Washington
County.

16 **Sec. A-22. 17 MRSA §314-A, sub-§5-A** is enacted to read:

18 5-A. Games on nontribal land. Notwithstanding subsection
20 5, upon proper application, the department may issue a
high-stakes beano license to a federally recognized Indian tribe
22 to operate games on nontribal land in Washington County. The
department may issue a high-stakes beano license in accordance
24 with this section to all federally recognized Indian tribes in
the State jointly.

26 **Sec. A-23. Appropriations and allocations.** The following
28 appropriations and allocations are made.

30 **AGRICULTURE, FOOD AND RURAL RESOURCES,
DEPARTMENT OF THE**

32 **Harness Racing Commission 0320**

34 Initiative: Appropriates funds for a .310 full-time equivalent
36 State Racing Steward position, a .310 full-time equivalent State
Harness Racing Technician position and operating costs necessary
38 to regulate a new commercial track in Washington County.

40 GENERAL FUND	2005-06	2006-07
Positions - FTE COUNT	0.000	0.620
42 Personal Services	\$0	\$20,284
All Other	\$0	\$7,737
44		
GENERAL FUND TOTAL	\$0	\$28,021

46 **Harness Racing Commission 0320**

48 Initiative: Allocates funds for distribution of revenues to
50 various accounts.

2	OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
	All Other	\$0	\$1,819,384
4			
	OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$1,819,384
6			
	AGRICULTURE, FOOD AND RURAL RESOURCES, DEPARTMENT OF		
8	DEPARTMENT TOTALS	2005-06	2006-07
10	GENERAL FUND	\$0	\$28,021
	OTHER SPECIAL REVENUE FUNDS	\$0	\$1,819,384
12			
	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$1,847,405
14			
	FINANCE AUTHORITY OF MAINE		
16			
	Student Financial Assistance Programs	0653	
18			
	Initiative: Allocates funds for the University of Maine System		
20	Scholarship Fund.		
22			
	OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
	All Other	\$0	\$164,895
24			
	OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$164,895
26			
	FINANCE AUTHORITY OF MAINE		
28	DEPARTMENT TOTALS	2005-06	2006-07
30	OTHER SPECIAL REVENUE FUNDS	\$0	\$164,895
32	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$164,895
34			
	HARNESS RACING PROMOTIONAL BOARD		
36			
	Harness Racing Promotional Board	0873	
38			
	Initiative: Allocates funds to reflect the distribution of		
40	revenues which will be realized by the establishment of a new		
	commercial track in Washington County.		
42			
	OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
	All Other	\$0	\$413
44			
	OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$413
46			
	HARNESS RACING PROMOTIONAL BOARD		
48	DEPARTMENT TOTALS	2005-06	2006-07
50	OTHER SPECIAL REVENUE FUNDS	\$0	\$413

2	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$413
4	PUBLIC SAFETY, DEPARTMENT OF		
6	Gambling Control Board 2002		
8	Initiative: Provide funds for the costs of one additional		
10	Detective position, 2 additional Public Safety Inspector		
12	positions, background checks and operational costs necessary to		
	regulate the new slot machine facility.		
14	GENERAL FUND	2005-06	2006-07
14	POSITIONS - LEGISLATIVE COUNT	0.000	3.000
16	Personal Services	\$0	\$225,259
16	All Other	\$161,116	\$89,931
18	GENERAL FUND TOTAL	\$161,116	\$315,190
20	Gambling Control Board 2002		
22	Initiative: Provides allocations to allow the distribution of		
24	funds to the host municipality for the new slot machine facility		
26	to be located in Washington County, for the Washington County		
	Development Authority and for career and technical education		
	centers located in Washington County.		
28	OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
30	All Other	\$0	\$247,344
32	OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$247,344
34	PUBLIC SAFETY, DEPARTMENT OF		
34	DEPARTMENT TOTALS	2005-06	2006-07
36	GENERAL FUND	\$161,116	\$315,190
38	OTHER SPECIAL REVENUE FUNDS	\$0	\$247,344
40	DEPARTMENT TOTAL - ALL FUNDS	\$161,116	\$562,534
42	BOARD OF TRUSTEES OF THE MAINE COMMUNITY COLLEGE SYSTEM		
44	Maine Community College System - Board of Trustees 0556		
46	Initiative: Allocates funds for the scholarship program.		
48	OTHER SPECIAL REVENUE FUNDS	2005-06	2006-07
50	All Other	\$0	\$82,448
	OTHER SPECIAL REVENUE FUNDS TOTAL	\$0	\$82,448

2

SUMMARY

4

6 Part A contains L.D. 1573 as amended by Committee Amendment
A and enacted by the Legislature and vetoed by the Governor.

8

10 Part B requires the Act to be submitted to the legal voters
at the next statewide election in the month of November following
passage of this Act.



122nd MAINE LEGISLATURE

LD 1690

LR 2425(01)

An Act to Authorize, Subject to State Referendum, a Tribal Commercial Track and Slot Machines in Washington County

Fiscal Note for Original Bill
Sponsor: Rep. Moore of Passamaquoddy Tribe

Fiscal Note Required: Yes

Fiscal Note

Impact contingent on statewide referendum
Referendum costs - General Fund

	2005-06	2006-07	Projections 2007-08	Projections 2008-09
Net Cost (Savings)				
General Fund	(\$245,000)	(\$1,130,605)	(\$3,087,491)	(\$4,968,063)
Fund For Healthy Maine	\$0	(\$824,475)	(\$2,691,120)	(\$4,117,500)
Appropriations/Allocations				
General Fund	\$116,116	\$343,211	\$493,792	\$592,514
Other Special Revenue Funds	\$0	\$2,314,484	\$7,553,167	\$11,547,031
Revenue				
General Fund	\$361,116	\$1,473,816	\$3,581,283	\$5,560,577
Fund For Healthy Maine	\$0	\$824,475	\$2,691,120	\$4,117,500
Other Special Revenue Funds	\$0	\$2,314,484	\$7,553,167	\$11,547,031

Referendum Costs	Month/Year	Election Type	Question	Length
	Nov-05	General	Referendum	Standard

The Secretary of State's budget includes sufficient funds to accommodate one ballot of average length for the general election in November. If the number or size of the referendum questions increases the ballot length, an additional appropriation of \$8,000 or more may be required.

Fiscal Detail and Notes

With the exception of the statewide referendum election costs to the Secretary of State, all fiscal impacts identified for this bill are contingent upon voter approval in a statewide referendum, approval of the host municipal governance body and the successful licensure of one additional commercial racing track and one additional licensed slot machine facility with a total of 1,500 machines by the end of fiscal year 2008-09 beginning with 750 machines first on-line in February 2007. Presented below is a detailed estimate of revenues and subsequent distribution that may be generated if all necessary approvals are achieved. This estimate factors in the net effect on the facility currently pending full licensure.

<u>Summary of Slot Machine Revenue</u>	2005-06	2006-07	2007-08	2008-09
Total Slot Machine Revenue	\$0	\$82,447,500	\$269,112,000	\$411,750,000
89% Payback	\$0	\$73,378,275	\$239,509,680	\$366,457,500
General Fund Administration @ 1%	\$0	\$824,475	\$2,691,120	\$4,117,500
Gross Slot Income @ 10%	\$0	\$8,244,750	\$26,911,200	\$41,175,000
59% of Gross Slot Income to Licensee	\$0	\$4,864,400	\$15,877,608	\$24,293,250
41% of Gross Slot Income to State & Host Municipality	\$0	\$3,380,351	\$11,033,592	\$16,881,750

	2005-06	2006-07	2007-08	2008-09
<u>Required Distribution of Gross Slot Income (41% State & Host Municipality Share)</u>				
General Fund (3%)	\$0	\$247,343	\$807,336	\$1,235,250
Fund For Healthy Maine (10%)	\$0	\$824,475	\$2,691,120	\$4,117,500
Purse Supplements (10%)	\$0	\$824,475	\$2,691,120	\$4,117,500
Agricultural Fair Support Fund (3%)	\$0	\$247,343	\$807,336	\$1,235,250
University of Me System Scholarship Fund (FAME)(2%)	\$0	\$164,895	\$538,224	\$823,500
Sire Stakes Fund (3%)	\$0	\$247,343	\$807,336	\$1,235,250
Fund to Encourage Racing at Commercial Tracks (4%)	\$0	\$329,790	\$1,076,448	\$1,647,000
Fund to Stabilize Off-Track Betting Facilities (2%)	\$0	\$164,895	\$538,224	\$823,500
Washington County Development Authority (1%)	\$0	\$82,448	\$269,112	\$411,750
Washington County Career & Technical Education (1%)	\$0	\$82,448	\$269,112	\$411,750
Maine Community College System Scholarships (1%)	\$0	\$82,448	\$269,112	\$411,750
Host Municipalities (1%)	\$0	\$82,448	\$269,112	\$411,750

Other Revenue Impacts:

License fees to the General Fund	\$200,000	\$399,250	\$74,500	\$199,500
Reimbursements to the General Fund	\$161,116	\$0	\$0	\$0
Commercial Racetrack Handle to the General Fund	\$0	\$2,748	\$8,327	\$8,327
Commercial Racetrack Handle to Other Special Revenue	\$0	\$5,951	\$18,031	\$18,031

Summary of Revenue Impacts

General Fund:				
- 1% of Total Slot Income	\$0	\$824,475	\$2,691,120	\$4,117,500
- 3% of Gross Slot Income	\$0	\$247,343	\$807,336	\$1,235,250
- Reimbursements	\$161,116	\$0	\$0	\$0
- License fees to the General Fund	\$200,000	\$399,250	\$74,500	\$199,500
- Commercial Racetrack Handle to the General Fund	\$0	\$2,748	\$8,327	\$8,327
General Fund Total	\$361,116	\$1,473,816	\$3,581,283	\$5,560,577

Fund for Healthy Maine:				
- Proceeds From Slot Machines	\$0	\$824,475	\$2,691,120	\$4,117,500
Fund for Healthy Maine - Total	\$0	\$824,475	\$2,691,120	\$4,117,500

Other Special Revenue Funds:				
- Agriculture, Food and Rural Resources	\$0	\$1,819,384	\$5,937,245	\$9,075,281
- Harness Racing Promotional Board	\$0	\$413	\$1,250	\$1,250
- Public Safety (Host Municipalities)	\$0	\$82,448	\$269,112	\$411,750
- FAME	\$0	\$164,895	\$538,224	\$823,500
- Maine Community College System	\$0	\$82,448	\$269,112	\$411,750
- Washington County Development Authority	\$0	\$82,448	\$269,112	\$411,750
- Washington County Career & Technical Education	\$0	\$82,448	\$269,112	\$411,750
Other Special Revenue Total	\$0	\$2,314,484	\$7,553,167	\$11,547,031

2005-06 2006-07 2007-08 2008-09

Summary of Expenditure Impacts

General Fund Appropriations:

- Agriculture, Food & Rural Resources ¹	\$0	\$28,021	\$57,686	\$59,798
- Public Safety ²	\$116,116	\$315,190	\$436,106	\$532,716
General Fund Total	\$116,116	\$343,211	\$493,792	\$592,514

Other Special Revenue Funds Allocations³:

- Agriculture, Food and Rural Resources	\$0	\$1,819,384	\$5,937,245	\$9,075,281
- Harness Racing Promotional Board	\$0	\$413	\$1,250	\$1,250
- Public Safety (Host Municipalities)	\$0	\$82,448	\$269,112	\$411,750
- FAME	\$0	\$164,895	\$538,224	\$823,500
- Maine Community College System	\$0	\$82,448	\$269,112	\$411,750
- Washington County Development Authority	\$0	\$82,448	\$269,112	\$411,750
- Washington County Career & Technical Education	\$0	\$82,448	\$269,112	\$411,750
Other Special Revenue Total	\$0	\$2,314,484	\$7,553,167	\$11,547,031

Notes;

¹ The Harness Racing Commission within the Department of Agriculture, Food and Rural Resources will require additional General Fund appropriations of \$28,021 in fiscal year 2006-07 for the costs of 2 part-time positions and operational costs necessary to regulate a new commercial track in Washington County

² The Gambling Control Board within the Department of Public Safety will require additional General Fund appropriations of \$303,551 and \$392,782 in fiscal years 2005-06 and 2006-07, respectively, for the costs of one additional Detective position, two additional Public Safety Inspector positions, background checks and operational costs necessary to regulate the new slot machine facility.

³ Allocations are included to authorize the distribution of the additional dedicated revenue.