

MAINE STATE LEGISLATURE

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124th MAINE LEGISLATURE

SECOND REGULAR SESSION-2010

Legislative Document

No. 1808

I.B. 5

House of Representatives, March 4, 2010

An Act To Allow a Casino in Oxford County

Transmitted to the Clerk of the 124th Maine Legislature by the Secretary of State on February 25, 2010 and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

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

2 **Sec. 1. 8 MRSA §1001, sub-§2,** as enacted by PL 2003, c. 687, Pt. A, §5 and
3 affected by Pt. B, §11, is amended to read:

4 **2. Associated equipment.** "Associated equipment" means any component part used,
5 or intended for use, in a slot machine or table game, including, but not limited to,
6 software, integrated circuit chips, printed wired assemblies, printed wired boards, printing
7 mechanisms, video display monitors and metering devices.

8 **Sec. 2. 8 MRSA §1001, sub-§5-A** is enacted to read:

9 **5-A. Casino.** "Casino" means a facility in Oxford County, other than a commercial
10 track, where gambling activities occur, including, but not limited to, the operation of slot
11 machines and table games.

12 **Sec. 3. 8 MRSA §1001, sub-§5-B** is enacted to read:

13 **5-B. Casino operator.** "Casino operator" means a person who is licensed under this
14 chapter to operate a casino.

15 **Sec. 4. 8 MRSA §1001, sub-§15,** as enacted by PL 2003, c. 687, Pt. A, §5 and
16 affected by Pt. B, §11, is amended to read:

17 **15. Gambling activity.** "Gambling activity" means off-track betting, pari-mutuel
18 wagering at a race track, high-stakes beano, beano, game games of chance or slot
19 machine or table game operation.

20 **Sec. 5. 8 MRSA §1001, sub-§16,** as enacted by PL 2003, c. 687, Pt. A, §5 and
21 affected by Pt. B, §11, is amended to read:

22 **16. Gambling facility.** "Gambling facility" means a race track, off-track betting
23 facility, high-stakes beano or beano facility, a game of chance facility ~~or~~, slot machine
24 facility or casino.

25 **Sec. 6. 8 MRSA §1001, sub-§17,** as enacted by PL 2003, c. 687, Pt. A, §5 and
26 affected by Pt. B, §11, is amended to read:

27 **17. Gambling services.** "Gambling services" means any goods or services provided
28 to an operator licensed under this chapter or at a gambling facility that are used directly in
29 connection with the operation of a slot machine or table game, including, but not limited
30 to, ~~slot machine~~ maintenance, security services or junket services, and excluding slot
31 machine or table game distribution by a slot machine distributor or table game distributor.

32 **Sec. 7. 8 MRSA §1001, sub-§20,** as enacted by PL 2003, c. 687, Pt. A, §5 and
33 affected by Pt. B, §11, is amended to read:

34 **20. Gaming employee.** "Gaming employee" means any person connected directly
35 with a gambling facility, including cashiers, change personnel, counting room personnel,

1 hosts, persons who extend credit or offer complimentary services, machine mechanics,
2 security personnel, supervisors or managers. "Gaming employee" also includes
3 employees of a slot machine distributor or table game distributor whose duties are
4 directly involved with repair or distribution of slot machines ~~or~~, gaming devices or table
5 games.

6 **Sec. 8. 8 MRSA §1001, sub-§21-A** is enacted to read:

7 **21-A. Gross table game income.** "Gross table game income" means the total value
8 of money, tokens, credits or similar objects or things of value used to actually play a table
9 game before payback is distributed to a player.

10 **Sec. 9. 8 MRSA §1001, sub-§27**, as enacted by PL 2003, c. 687, Pt. A, §5 and
11 affected by Pt. B, §11, is amended to read:

12 **27. Key executive.** "Key executive" means any executive of a licensee having
13 power to exercise a significant influence over decisions concerning the operation or
14 distribution of slot machines or table games.

15 **Sec. 10. 8 MRSA §1001, sub-§29-B** is enacted to read:

16 **29-B. Net table game income.** "Net table game income" means money, tokens,
17 credits or similar objects or things of value used to play a table game minus money,
18 credits or prizes paid out to winners.

19 **Sec. 11. 8 MRSA §1001, sub-§30**, as enacted by PL 2003, c. 687, Pt. A, §5 and
20 affected by Pt. B, §11, is amended to read:

21 **30. Nongambling services.** "Nongambling services" means any goods or services,
22 other than gambling services and slot machine or table game distribution by a slot
23 machine distributor or table game distributor, provided to an operator licensed under this
24 chapter or at a gambling facility, including, but not limited to, hotel concessions,
25 restaurant concessions or food service.

26 **Sec. 12. 8 MRSA §1001, sub-§38**, as enacted by PL 2003, c. 687, Pt. A, §5 and
27 affected by Pt. B, §11, is amended to read:

28 **38. Registration.** "Registration" means an approval or board action that authorizes a
29 company to be a holding company of a company that holds or applies for a slot machine
30 operator license ~~or~~, a casino operator license, a slot machine distributor license or a table
31 game distributor license or of other persons required to be licensed under this chapter.

32 **Sec. 13. 8 MRSA §1001, sub-§41**, as enacted by PL 2003, c. 687, Pt. A, §5 and
33 affected by Pt. B, §11, is amended to read:

34 **41. Slot machine facility.** "Slot machine facility" means a facility, not including a
35 casino, at which a slot machine operator operates slot machines.

36 **Sec. 14. 8 MRSA §1001, sub-§42**, as enacted by PL 2003, c. 687, Pt. A, §5 and
37 affected by Pt. B, §11, is amended to read:

1 **42. Slot machine operator.** "Slot machine operator" means a person, not including
2 a casino operator, who is licensed under this chapter to operate slot machines and
3 associated equipment in the State.

4 **Sec. 15. 8 MRSA §1001, sub-§43-A** is enacted to read:

5 **43-A. Table game.** "Table game" means a card game, dice game or other game of
6 chance, including, but not limited to, blackjack, poker, dice, craps, roulette, baccarat,
7 money wheels, wheel of fortune or any electronic facsimile of such a game located in a
8 casino. Table games are governed under this chapter and excluded from the definition of
9 "game of chance" in Title 17, section 330, subsection 2.

10 **Sec. 16. 8 MRSA §1001, sub-§43-B** is enacted to read:

11 **43-B. Table game distributor.** "Table game distributor" means a person who is
12 licensed under this chapter to distribute table games and associated equipment for use in
13 the State.

14 **Sec. 17. 8 MRSA §1001, sub-§44**, as enacted by PL 2003, c. 687, Pt. A, §5 and
15 affected by Pt. B, §11, is amended to read:

16 **44. Uniform location agreement.** "Uniform location agreement" means a written
17 agreement in a form prescribed by the board between a slot machine operator or casino
18 operator and a slot machine distributor or table game distributor that governs the terms
19 and conditions of that agreement, including the placement of slot machines or table
20 games on the premises of the slot machine operator or casino operator.

21 **Sec. 18. 8 MRSA §1003, sub-§1, ¶A**, as enacted by PL 2003, c. 687, Pt. A, §5
22 and affected by Pt. B, §11, is amended to read:

23 A. Regulate, supervise and exercise general control over the ownership and
24 operation of slot machines and table games, the distribution of slot machines and
25 table games and slot machine facilities and casinos;

26 **Sec. 19. 8 MRSA §1003, sub-§2, ¶I**, as enacted by PL 2003, c. 687, Pt. A, §5
27 and affected by Pt. B, §11, is amended to read:

28 I. Adopt rules to prevent undesirable conduct relating to the ownership, distribution
29 and operation of slot machines and table games and slot machine facilities and
30 casinos, including, but not limited to, the following:

31 (1) The practice of any fraud or deception upon a player of a slot machine or
32 table game or a licensee;

33 (2) The presence or location of a slot machine or table game in or at premises
34 that may be unsafe due to fire hazard or other public safety conditions;

35 (3) The infiltration of organized crime into the ownership, distribution or
36 operation of slot machines or table games and slot machine facilities or casinos;
37 and

1 (4) The presence of disorderly persons in a location where slot machines or table
2 games are in use;

3 **Sec. 20. 8 MRSA §1003, sub-§2, ¶Q**, as amended by PL 2005, c. 663, §4, is
4 further amended to read:

5 Q. Certify monthly to the department a full and complete statement of all slot
6 machine and table game revenue, credits disbursed by licensees, administrative
7 expenses and the allocation of slot machine and table game income for the preceding
8 month;

9 **Sec. 21. 8 MRSA §1003, sub-§2, ¶R**, as amended by PL 2005, c. 663, §5, is
10 further amended to read:

11 R. Submit by March 15th an annual report to the Governor and the joint standing
12 committee of the Legislature having jurisdiction over gambling affairs on slot
13 machine and table game revenue, credits disbursed by slot machine operators and
14 table game operators, administrative expenses and the allocation of slot machine and
15 table game income for the preceding year;

16 **Sec. 22. 8 MRSA §1003, sub-§3, ¶E**, as enacted by PL 2003, c. 687, Pt. A, §5
17 and affected by Pt. B, §11, is amended to read:

18 E. The location and hours of operation of slot machines and table games, types of
19 slot machines and table games permitted, methods of operation of slot machines and
20 table games and distribution and servicing of slot machines and table games and
21 associated equipment;

22 **Sec. 23. 8 MRSA §1003, sub-§3, ¶G**, as enacted by PL 2003, c. 687, Pt. A, §5
23 and affected by Pt. B, §11, is amended to read:

24 G. Minimum procedures for the exercise of effective control over the internal fiscal
25 affairs of slot machine operators, casino operators, slot machine distributors, table
26 game distributors, gambling services vendors and nongambling services vendors,
27 including provisions for the safeguarding of assets and revenues, the recording of
28 cash and evidence of indebtedness and the maintenance of reliable records, accounts
29 and reports of transactions, operations and events, including reports to the board;

30 **Sec. 24. 8 MRSA §1003, sub-§3, ¶H**, as enacted by PL 2003, c. 687, Pt. A, §5
31 and affected by Pt. B, §11, is amended to read:

32 H. Procedures for the annual audit of the books and records of slot machine
33 operators, casino operators, slot machine distributors, table game distributors and
34 gambling services vendors;

35 **Sec. 25. 8 MRSA §1003, sub-§3, ¶I**, as enacted by PL 2003, c. 687, Pt. A, §5
36 and affected by Pt. B, §11, is amended to read:

37 I. Establishment of a list of persons who are to be excluded or removed from any
38 slot machine facility or casino, including those persons who voluntarily request that
39 their names be included on the list of excluded persons. These rules must define the

1 standards for exclusion and removal and include standards regarding persons who are
2 career or professional offenders, as defined by rules of the board, whose presence in a
3 slot machine facility or casino would, in the opinion of the board, be inimical to the
4 interest of the State;

5 **Sec. 26. 8 MRSA §1004-A** is enacted to read:

6 **§1004-A. Surveillance and monitoring of table games**

7 **1. Casino facility requirements.** A casino operator shall arrange the facilities of its
8 casino in such a manner as to promote optimum security for the casino facility operations
9 and shall comply in all respects with rules of the board pertaining to security.

10 **2. Internal controls.** The following provisions govern internal procedures and
11 controls of a casino.

12 **A.** The casino operator shall submit to the board a description of its system of
13 internal procedures and administrative and accounting controls for table games
14 operations accompanied by a certification by its chief financial officer or equivalent
15 officer that the submitted procedures provide adequate and effective controls,
16 establish a consistent overall system of internal procedures and administrative and
17 accounting controls and conform to generally accepted accounting principles. An
18 applicant for licensure under section 1011, subsection 2-A shall make its initial
19 submission at least 30 business days before table game operations are to commence
20 unless otherwise directed by the board.

21 **B.** The casino must contain a count room and such other secure facilities as may be
22 required by the board for the counting and storage of cash, coins, tokens, checks,
23 plaques, gaming vouchers, coupons and other devices or items of value used in
24 wagering and approved by the board that are received in the conduct of gaming and
25 for the inspection, counting and storage of dice, cards, chips and other representatives
26 of value. A drop box or other device in which these items are deposited at the
27 gaming tables, and any area in which these boxes and devices are kept while in use,
28 must be equipped with a locking device to which there are 2 keys, one of which must
29 be under the exclusive control of the board and the other of which must be under the
30 exclusive control of the casino operator. These drop boxes and other devices may not
31 be brought into or removed from a casino room except at such times, in such places
32 and according to such procedures as the board may require.

33 **Sec. 27. 8 MRSA §1005, sub-§1,** as enacted by PL 2003, c. 687, Pt. A, §5 and
34 affected by Pt. B, §11, is amended to read:

35 **1. Powers.** In addition to powers conferred by any other provision of law, the
36 department may:

37 **A.** Without notice, and at any time during regular hours of operation, enter the
38 offices, facilities or other places of business of slot machine operators, casino
39 operators, slot machine distributors, table game distributors and gambling services
40 vendors to conduct administrative inspections to determine compliance with this
41 chapter and rules adopted under this chapter; and

1 B. Request the director to disable any slot machine or table game if the department
2 has a reasonable articulable suspicion that the slot machine or table game is being
3 operated in violation of this chapter or of any rule adopted under this chapter.

4 **Sec. 28. 8 MRSA §1006, sub-§4**, as enacted by PL 2005, c. 11, §1, is amended to
5 read:

6 **4. Monitoring and surveillance records and information.** Financial, statistical
7 and surveillance information obtained by the board or department from the central site
8 monitoring system or surveillance devices is confidential and may not be disclosed. The
9 board shall prepare and make publicly available monthly and annual reports on the results
10 of slot machine and table game operations using the information described in this
11 subsection pursuant to section 1003, subsection 2, paragraphs Q and R, as long as the
12 board takes appropriate measures to protect the confidentiality of specific information
13 designated as confidential by this section.

14 **Sec. 29. 8 MRSA §1011**, as amended by PL 2005, c. 663, §6, is further amended
15 to read:

16 **§1011. License to operate**

17 The board shall exercise authority over the licensing of all persons participating in the
18 operation, distribution and maintenance of slot machines and table games and slot
19 machine facilities and casinos and over the registration of slot machines and table games.

20 **1. Operator license required for slot machine facility.** A person may not operate
21 any slot machine in a slot machine facility in the State unless the person has been issued a
22 license to operate slot machines by the board. A slot machine operator license authorizes
23 a licensee to own or lease slot machines operated at a licensed gambling facility.

24 **1-A. Operator license required for casino.** A person may not operate both slot
25 machines and table games in the State unless the person has been issued a casino operator
26 license by the board. A casino operator license authorizes a licensee to own or lease slot
27 machines and table games operated at a casino.

28 **2. Persons eligible for slot machine operator license.** The board may accept
29 applications for a license to operate slot machines from any person who is licensed to
30 operate a commercial track that satisfies the following criteria:

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

34 B. The operation of slot machines at the commercial track is approved by the voters
35 of the municipality in which the commercial track to be licensed is located by
36 referendum election held at any time after December 31, 2002 and before December
37 31, 2003.

1 **2-A. Person eligible for casino operator license.** The board may accept an
2 application for a casino operator license to operate slot machines and table games at a
3 casino from any person if that person and casino satisfy the following criteria:

4 A. The casino is located on a parcel of land that is:

5 (1) No less than 50 acres in size; and

6 (2) Located not more than:

7 (a) Thirty miles from a Level I or Level II trauma center verified as such by
8 the American College of Surgeons or successor organization;

9 (b) Fifteen miles from the main office of a county sheriff;

10 (c) Twenty-five miles from the main office of a state police field troop;

11 (d) Thirty miles from an interchange of the interstate highway system;

12 (e) Ten miles from a fire station;

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

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

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

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

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

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

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

30 **3. Requirements for license; continued commercial track licensure.** The board
31 may not issue a license to operate a slot machines machine facility or a casino to any
32 person unless that person demonstrates compliance with the qualifications set forth in
33 sections 1016 and 1019. ~~A person who is granted a license to operate slot machines must~~
34 ~~maintain a license to operate a commercial track, without lapse, suspension or revocation~~
35 ~~for the duration of the slot machine operator's license.~~ To maintain eligibility for a slot
36 machine operator license, a licensed commercial track must at all times maintain a license
37 to operate a commercial track, without lapse, suspension or revocation, and a licensed
38 commercial track is not eligible for a license to operate table games but may apply for a
39 license to operate slot machines as long as the licensed commercial track satisfies the
40 requirements of this chapter.

1 **4. Requirement for license; agreement with municipality where slot machines**
2 **are located.** A slot machine operator shall enter into an agreement with the municipality
3 where the slot machine operator's slot machines are located that provides for revenue
4 sharing or other compensation, including, but not limited to, a provision requiring the
5 preparation, in conjunction with the municipality, of a security plan for the premises on
6 which the slot machines are located. The revenue-sharing agreement must provide for a
7 minimum payment to the municipality of 3% of the net slot machine income derived from
8 the machines located in the municipality.

9 **5. Renewal.** Licenses to operate slot machines machine facilities or a casino may be
10 renewed upon application for renewal in accordance with this subchapter, subject to
11 board rules.

12 **Sec. 30. 8 MRSA §1012-A** is enacted to read:

13 **§1012-A. Local approval for renewal of casino operator license**

14 An application for renewal of a casino operator license must first be approved under
15 this section by the municipal officers of the municipality in which the casino is located or,
16 if the casino is in an unincorporated place, the application must be approved by the
17 county commissioners of the county in which the casino is located.

18 **1. Hearings.** Municipal officers or county commissioners, as the case may be, may
19 hold a public hearing for the consideration of a request for the renewal of a license to
20 operate a casino, except that, when an applicant has held a license for the prior 5 years
21 and a complaint has not been filed with the board against the applicant within that time,
22 the applicant may request a waiver of the hearing.

23 A. The board shall prepare and supply application forms for public hearings under
24 this subsection.

25 B. Municipal officers or county commissioners, as the case may be, shall provide
26 public notice of any hearing held under this section by causing, at the applicant's
27 prepaid expense, a notice stating the name and place of the hearing to appear on at
28 least 3 consecutive days before the date of the hearing in a daily newspaper having
29 general circulation in the municipality where the premises of the casino are located or
30 one week before the date of the hearing in a weekly newspaper having general
31 circulation in the municipality where the premises are located.

32 C. If municipal officers or county commissioners, as the case may be, fail to take
33 final action on an application for a renewal of a casino operator license within 60
34 days of the filing of an application, the application is considered approved and ready
35 for action by the board. For purposes of this paragraph, the date of filing of the
36 application is the date the application is received by the municipal officers or county
37 commissioners.

38 **2. Findings.** In granting or denying an application under this section, municipal
39 officers or the county commissioners shall indicate the reasons for their decision and
40 provide a copy to the applicant. A license may be denied on one or more of the following
41 grounds:

1 A. Conditions of record such as waste disposal violations, health or safety violations
2 or repeated parking or traffic violations on or in the vicinity of the premises of the
3 casino and caused by persons patronizing or employed by the casino or other such
4 conditions caused by persons patronizing or employed by the casino that
5 unreasonably disturb, interfere with or affect the ability of persons or businesses
6 residing or located in the vicinity of the casino to use their property in a reasonable
7 manner;

8 B. Repeated incidents of record of breaches of the peace, disorderly conduct,
9 vandalism or other violations of law on or in the vicinity of the premises of the casino
10 and caused by persons patronizing or employed by the casino; and

11 C. A violation of any provision of this chapter.

12 **3. Appeal to board.** Any applicant aggrieved by the decision of the municipal
13 officers or county commissioners under this section may appeal to the board within 15
14 days of the receipt of the written decision of the municipal officers or county
15 commissioners. The board shall hold a public hearing in the city, town or unincorporated
16 place where the premises of the casino are situated. In acting on such an appeal, the
17 board may consider all licensure requirements and findings referred to in subsection 2. If
18 the decision appealed is an application denial, the board may issue the license only if it
19 finds by clear and convincing evidence that the decision was without justifiable cause.

20 **4. Appeal to District Court.** Any person or governmental entity aggrieved by a
21 board decision under this section may appeal the decision to the District Court within 30
22 days of receipt of the written decision of the board. An applicant who files an appeal or
23 who has an appeal pending shall pay the license renewal fee the applicant would
24 otherwise pay. Upon resolution of the appeal, if the applicant's license renewal is denied,
25 the board shall refund the applicant the prorated amount of the unused license fee.

26 **Sec. 31. 8 MRSA §1013-A** is enacted to read:

27 **§1013-A. Licensing of table game distributors**

28 **1. License to distribute required.** A person may not distribute table games in the
29 State unless the person has been issued a license to distribute table games by the board.

30 **2. Requirements for license.** The board may issue a license to distribute table
31 games to an applicant that meets the qualifications set out in sections 1016 and 1019.

32 **Sec. 32. 8 MRSA §1015**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by
33 Pt. B, §11, is amended to read:

34 **§1015. Licensing of employees of slot machine and casino operators, slot machine**
35 **and table game distributors and gambling services vendors**

36 **1. License required.** A person may not be employed by a slot machine operator,
37 casino operator, slot machine distributor, table game distributor or gambling services
38 vendor unless the person is licensed to do so by the board or granted a waiver by the
39 board pursuant to subsection 3.

1 **2. Requirements for license.** The board may issue an employee license to an
2 employee of a slot machine operator, casino operator, slot machine distributor, table
3 game distributor or gambling services vendor if the applicant meets the qualifications set
4 out in sections 1016 and 1019.

5 **3. Requirements for waiver.** Upon application by a slot machine operator, casino
6 operator, slot machine distributor, table game distributor or gambling services vendor, the
7 board may waive the employee license requirement under this section if the slot machine
8 operator, casino operator, slot machine distributor, table game distributor or gambling
9 services vendor demonstrates to the board's satisfaction that the public interest is not
10 served by the requirement of the employee license.

11 **Sec. 33. 8 MRSA §1016, sub-§1**, as enacted by PL 2003, c. 687, Pt. A, §5 and
12 affected by Pt. B, §11, is amended to read:

13 **1. Minimum qualifications.** Notwithstanding Title 5, chapter 341, and in addition
14 to any requirements imposed by rules adopted by the board, a person must satisfy the
15 following qualifications to be a slot machine operator, a casino operator, a slot machine
16 distributor, a table game distributor, a gambling services vendor or an employee of these
17 entities:

18 A. The person has completed the application form, promptly and truthfully
19 complied with all information requests of the board and complied with any applicable
20 rules adopted by the board;

21 B. The person has sufficient financial assets and responsibility to meet any financial
22 obligations imposed by this chapter and, if applying for a slot machine operator
23 license ~~or~~ casino operator license, slot machine operator license renewal ~~or~~ casino
24 operator license renewal, has sufficient financial assets and responsibility to continue
25 operation of a commercial track or casino;

26 C. The person has not knowingly or recklessly made a false statement of material
27 fact in applying for a license under this chapter or any gambling-related license in
28 any other jurisdiction;

29 D. In the case of a person applying to be a slot machine operator or casino operator,
30 the person has sufficient knowledge and experience in the business of operating slot
31 machines or casinos to effectively operate the slot machine facilities or casino to
32 which the license application relates in accordance with this chapter and the rules and
33 standards adopted under this chapter;

34 E. The person has not had a gambling-related license application denied or an
35 adverse action taken against a gambling-related license by authorities in this State or
36 any other jurisdiction. For purposes of this paragraph, "adverse action" includes, but
37 is not limited to, a condition resulting from an administrative, civil or criminal
38 violation, a suspension or revocation of a license or a voluntary surrender of a license
39 to avoid or resolve a civil, criminal or disciplinary action;

40 F. If the applicant is a business organization, the applicant is organized in this State,
41 although that business organization may be a wholly or partially owned subsidiary of

1 an entity that is organized pursuant to the laws of another state or a foreign country;
2 and

3 G. The person and all key executives are citizens or permanent residents of the
4 United States.

5 A person may not hold more than one class of license under this chapter unless the 2nd
6 license is an employee license under section 1015.

7 **Sec. 34. 8 MRSA §1018, sub-§1**, as amended by PL 2005, c. 663, §7, is further
8 amended to read:

9 **1. Fees.** The application fee for a license and the annual fee for a registered slot
10 machine or table game under this chapter are as set out in this subsection.

11 A. The initial registration fee for a registered slot machine is \$100. The annual
12 renewal fee is \$100 for each registered slot machine.

13 A-1. The initial registration fee for a registered table game is \$100. The annual
14 renewal fee is \$100 for each registered table game.

15 B. The initial application fee for a slot machine distributor license is \$200,000. The
16 annual renewal fee is \$75,000.

17 B-1. The initial application fee for a table game distributor license is \$5,000. The
18 annual renewal fee is \$1,000.

19 C. The initial application fee for a slot machine operator license is \$200,000. The
20 annual renewal fee is \$75,000 plus an amount, set by rules of the board, equal to the
21 cost to the board of licensing slot machine operators and determined by dividing the
22 costs of administering the slot machine operator licenses by the total number of slot
23 machine operators licensed by the board.

24 C-1. The initial application fee for a casino operator license is \$225,000. The annual
25 renewal fee is \$80,000 plus an amount, set by rules of the board, equal to the cost to
26 the board of licensing casino operators and determined by dividing the costs of
27 administering the casino operator licenses by the total number of casino operators
28 licensed by the board.

29 D. The annual application fee for a license for a gambling services vendor is
30 \$2,000.

31 E. The initial application fee for an employee license under section 1015 is \$250.
32 The annual renewal fee is \$25.

33 In addition to the application fee for a license or annual fee for a registered slot machine
34 or table game, the board may charge a one-time application fee for a license or
35 registration listed in paragraphs A to E in an amount equal to the projected cost of
36 processing the application and performing any background investigations. If the actual
37 cost exceeds the projected cost, an additional fee may be charged to meet the actual cost.
38 If the projected cost exceeds the actual cost, the difference may be refunded to the
39 applicant. All fees collected pursuant to this section must be deposited directly to the
40 General Fund, except that \$25,000 of the annual renewal fee for a slot machine operator
41 or casino operator must be deposited to the Gross Slot Income Other Special Revenue

1 Fund account within the Gambling Control Board to be transferred to the municipality in
2 which the slot machines are machine facility or casino is operated, in accordance with
3 subsection 2. All application and registration fees are nonrefundable and are due upon
4 submission of the application.

5 **Sec. 35. 8 MRSA §1019, sub-§6**, as enacted by PL 2003, c. 687, Pt. A, §5 and
6 affected by Pt. B, §11, is amended to read:

7 **6. Proximity of licensed casinos and slot machine facilities.** A casino operator
8 license or slot machine operator license may not be issued under this chapter ~~at~~ to operate
9 any commercial track casino or slot machine facility located within 100 miles of a
10 licensed casino or slot machine facility.

11 **Sec. 36. 8 MRSA §1019, sub-§7** is enacted to read:

12 **7. Referendum and municipal vote.** After January 1, 2011, any proposed casino or
13 slot machine facility may not be issued a license unless it has been approved by a
14 statewide referendum vote and a vote of the municipal officers or municipality in which
15 the casino or slot machine facility is to be located.

16 **Sec. 37. 8 MRSA §1020, sub-§3**, as amended by PL 2005, c. 663, §9, is further
17 amended to read:

18 **3. Limits on total slot machines.** The board shall determine the number of slot
19 machines to be registered in the State. The board shall make this determination based
20 upon the minimum net slot machine income, when distributed pursuant to section 1036,
21 necessary to maintain the harness horse racing industry in this State, except that:

22 A. The total number of slot machines registered in the State may not exceed ~~1,500~~
23 3,000; and

24 B. A slot machine operator may not operate more than 1,500 slot machines at any
25 one commercial track and a casino operator may not operate more than 1,500 slot
26 machines at a casino.

27 **Sec. 38. 8 MRSA §1021** is enacted to read:

28 **§1021. Registration of table games**

29 **1. Registration required.** A table game may not be operated or distributed pursuant
30 to this chapter unless the table game is registered by the board and the casino operator
31 and the table game distributor are each licensed by the board.

32 **2. Requirements for registration.** To be registered, a table game:

33 A. May not have any means of manipulation that affect the random probabilities of
34 winning a game; and

35 B. Must have, in addition to the requirements of paragraph A, other such
36 characteristics as the board may establish by rule.

1 **3. Examination of table games.** The board shall, in cooperation with the
2 department, examine table games and associated equipment of table game distributors
3 seeking registration as required in this chapter. The board shall require the table game
4 distributor seeking examination and approval of the table game or associated equipment
5 to pay the anticipated cost of the examination before the examination occurs. After the
6 examination occurs, the board shall refund overpayments or charge and collect amounts
7 sufficient to reimburse the board for underpayments of actual cost. The board may
8 contract for the examinations of table games and associated equipment as required by this
9 section.

10 **4. Unregistered or noncompliant table games subject to confiscation.** A table
11 game that is not registered as required by this section or that does not comply with the
12 requirements of this chapter or rules adopted under this chapter is contraband and a public
13 nuisance and the table game and the table game's monetary contents, monetary proceeds
14 and associated equipment are subject to confiscation by any law enforcement officer.
15 Table games and any monetary contents, monetary proceeds and associated equipment
16 confiscated pursuant to this section are subject to forfeiture in accordance with the
17 procedures outlined in Title 17-A, section 959 or 960.

18 **Sec. 39. 8 MRSA §1031**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by
19 Pt. B, §11, is amended to read:

20 **§1031. Age limit on slot machine and table game use; access by minors; credit**
21 **prohibited**

22 **1. Minimum age.** A slot machine operator or casino operator may not permit a
23 person under 21 years of age to play a slot machine or table game.

24 **2. Placement of slot machines and table games.** A slot machine operator, casino
25 operator, slot machine distributor, table game distributor or gambling services vendor
26 shall prohibit persons under 21 years of age from any area in which a slot machine or
27 table game is located, except that a person 18 to 20 years of age may be present if that
28 person is a licensed employee under section 1015.

29 **3. Credit prohibited.** A slot machine operator or casino operator may not allow the
30 use of a credit card or debit card by a person to play a slot machine or table game.

31 **4. Table game wagering.** Each table game must be equipped with a sign indicating
32 the permissible minimum and maximum wagers pertaining to that table game. A casino
33 operator may not require any wager to be greater than the stated minimum or less than the
34 stated maximum, and any wager actually made by a patron and not rejected by a casino
35 operator prior to the commencement of play must be treated as a valid wager.

36 **Sec. 40. 8 MRSA §1032**, as amended by PL 2005, c. 663, §10, is further amended
37 to read:

1 **§1032. Payment of credits by slot machine or casino operator**

2 A slot machine operator or casino operator shall redeem credits for players who earn
3 credits on a slot machine or table game located on the premises of that slot machine
4 operator facility or casino in accordance with rules adopted by the board. A slot machine
5 operator or casino operator may not redeem a credit slip more than 365 days from the
6 date of issuance. The funds reserved for the payment of such a credit slip or expired
7 unclaimed jackpot must be retained by the slot machine operator or casino operator and
8 treated as gross slot machine income or gross table game income and do not constitute
9 property subject to the requirements of Title 33, chapter 41.

10 **Sec. 41. 8 MRSA §1033**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by
11 Pt. B, §11, is amended to read:

12 **§1033. Uniform location agreement**

13 Each slot machine or table game is subject to a uniform location agreement between
14 the slot machine distributor or table game distributor and the slot machine operator or
15 casino operator. A copy of the agreement must be submitted to the board for approval.
16 The uniform location agreement is the complete and sole agreement between the slot
17 machine operator or casino operator and the slot machine distributor or table game
18 distributor regarding slot machines and table games. No other agreement between the
19 slot machine operator or casino operator and the slot machine distributor or table game
20 distributor is legally binding.

21 **Sec. 42. 8 MRSA §1034**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by
22 Pt. B, §11, is amended to read:

23 **§1034. Disclosure of other contracts and agreements**

24 A slot machine operator or casino operator must submit to the board all contracts or
25 agreements the slot machine operator or casino operator establishes with a slot machine
26 distributor, table game distributor, licensed gambling services vendor or a key executive.

27 **Sec. 43. 8 MRSA §1035**, as amended by PL 2007, c. 611, §11, is further amended
28 to read:

29 **§1035. Location of slot machines**

30 Slot machines may be located only on the premises of a commercial track or the
31 premises of a casino. For the purposes of this section, "premises of a commercial track"
32 means property owned by the person who owns the property on which a commercial track
33 is located and that is either within 200 feet of the outside edge of the racing oval or, if the
34 commercial track was owned by a municipality when a license to operate slot machines in
35 association with that commercial track was issued, within 2,000 feet of the center of the
36 racing oval.

37 **Sec. 44. 8 MRSA §1035-A** is enacted to read:

1 **§1035-A. Location of table games**

2 Table games may be located only on the premises of a casino.

3 **Sec. 45. 8 MRSA §1036, sub-§2-A** is enacted to read:

4 **2-A. Distribution from casino of slot machine income.** A casino operator shall
5 collect and distribute 46% of the net slot machine income from slot machines operated by
6 the casino operator to the board for distribution by the board as follows:

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

11 B. Four percent of the net slot machine income must be forwarded by the board to
12 the University of Maine System Scholarship Fund created in Title 20-A, section
13 10909;

14 C. Three percent of the net slot machine income must be forwarded by the board to
15 the Board of Trustees of the Maine Community College System to be applied by the
16 board of trustees to fund its scholarships program under Title 20-A, section 12716,
17 subsection 1;

18 D. Four percent of the net slot machine income must be forwarded by the board to
19 the Treasurer of State, who shall distribute the funds to the tribal governments of the
20 Penobscot Nation and the Passamaquoddy Tribe;

21 E. Three percent of the net slot machine income must be deposited to the General
22 Fund for administrative expenses of the board, including gambling addiction
23 counseling services, in accordance with rules adopted by the board;

24 F. Two percent of the net slot machine income must be forwarded directly to the
25 municipality in which the casino is located;

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

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

32 I. One percent of the net slot machine income must be credited by the board to the
33 Sire Stakes Fund created in section 281;

34 J. One percent of the net slot machine income must be forwarded directly to the
35 county in which the casino is located to pay for mitigation of costs resulting from
36 gaming operations; and

37 K. One percent of the net slot machine income must be forwarded by the board to the
38 Treasurer of State, who shall credit the money to the Department of Agriculture,
39 Food and Rural Resources to fund dairy farm stabilization pursuant to Title 7, section
40 3153-B.

1 If a recipient of net slot machine income in paragraph D, H or I owns or receives funds
2 from a slot machine facility or casino, other than the casino in Oxford County or the slot
3 machine facility in Bangor, then the recipient may not receive funds under this
4 subsection, and those funds must be retained by the Oxford County casino operator.

5 **Sec. 46. 8 MRSA §1036, sub-§2-B** is enacted to read:

6 **2-B. Distribution from casino of table game income.** A casino operator shall
7 collect and distribute 16% of the net table game income from table games operated by the
8 casino operator to the board for distribution by the board as follows:

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

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

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

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

21 **Sec. 47. 8 MRSA §1036, sub-§3,** as enacted by PL 2003, c. 687, Pt. A, §5 and
22 affected by Pt. B, §11, is amended to read:

23 **3. Failure to deposit funds.** A slot machine operator or casino operator who
24 knowingly or intentionally fails to comply with this section commits a Class C crime. In
25 addition to any other sanction available by law, the license of ~~that person~~ the operator
26 may be revoked by the board and the slot machines or table games operated by that slot
27 machine operator or casino operator may be disabled, and the slot machines or table
28 games, slot machines' or table games' proceeds and associated equipment may be
29 confiscated by the board and are subject to forfeiture under Title 17-A, section 959 or
30 960.

31 **Sec. 48. 8 MRSA §1041, sub-§2,** as enacted by PL 2003, c. 687, Pt. A, §5 and
32 affected by Pt. B, §11, is amended to read:

33 **2. Location.** A slot machine operator or casino operator shall maintain all records
34 required by this chapter or by rules adopted under this chapter at the operator's primary
35 business office within this State or on the premises where the slot machine or table game
36 is operated. A slot machine distributor or table game distributor shall maintain these
37 records at the distributor's primary business office within this State. The primary
38 business office must be designated by the license holder in the license application. All
39 records must be open to inspection and audit by the board or its designee and a license
40 holder may not refuse the board or its designee the right to inspect or audit the records.

1 Refusal to permit inspection or audit of the records constitutes grounds for revocation or
2 suspension of the license or registration.

3 **Sec. 49. 8 MRSA §1054**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by
4 Pt. B, §11, is amended to read:

5 **§1054. Criminal violations**

6 A person commits a Class C crime if that person knowingly or intentionally:

7 **1. Tampering with slot machine or table game.** Manipulates or intends to
8 manipulate the outcome, payback or operation of a slot machine or table game by
9 physical tampering or any other means;

10 **2. Interference.** Interferes with the board's ability to monitor compliance with this
11 chapter;

12 **3. Operation or distribution without license.** Operates or distributes a slot
13 machine or table game in this State without a license;

14 **4. Operation or distribution of unregistered slot machine or table game.**
15 Operates or distributes a slot machine or table game that is not registered in this State;

16 **5. Possession of tools for purpose of tampering with slot machine or table game.**
17 Possesses or makes any tool, implement, instrument or other article that is adopted,
18 designed or commonly used for manipulating the outcome, payback or operation of a slot
19 machine or table game with intent to use that tool, implement, instrument or other article
20 to commit the manipulation of a slot machine or table game;

21 **6. Failure to disclose contracts and agreements.** Violates section 1034;

22 **7. Underage use of slot machine or table game.** Violates section 1031, subsection
23 1;

24 **8. Failure to deposit funds.** Violates section 1036, subsection 2; or

25 **9. Failure to grant access to premises, equipment and records.** Violates section
26 1042.

27 **Sec. 50. 17 MRSA §330, sub-§2**, as repealed and replaced by PL 1995, c. 674,
28 §1, is amended to read:

29 **2. Game of chance.** "Game of chance" means any game, contest, scheme or device
30 in which:

31 A. A person stakes or risks something of value for the opportunity to win
32 something of value;

33 B. The rules of operation or play require an event the result of which is determined
34 by chance, outside the control of the contestant or participant; and

1 C. Chance enters as an element that influences the outcome in a manner that can not
2 be eliminated through the application of skill.

3 For the purposes of this subsection, "an event the result of which is determined by
4 chance" includes but is not limited to a shuffle of a deck or decks of cards, a roll of a die
5 or dice or a random drawing or generation of an object or objects that may include, but
6 are not limited to, a card or cards, a die or dice, a number or numbers or simulations of
7 any of these. A shuffle of a deck or decks of cards, a roll of a die or dice, a random
8 drawing or generation of an object or objects or some other event the result of which is
9 determined by chance that is employed to determine impartially the initial order of play in
10 a game, contest, scheme or device does not alone make a game, contest, scheme or device
11 a game of chance. For purposes of this chapter, beano and bingo and table games as
12 defined in Title 8, section 1001, subsection 43-A are not games of chance.

13 SUMMARY

14 This initiated bill authorizes a casino at a single site in Oxford County. The municipal
15 officers or the voters of any municipality in which the site is located must approve the
16 casino for the operation of the gaming facility. The location of the casino must satisfy
17 certain criteria regarding the distance of the casino from health and safety infrastructure.
18 To be eligible for a casino license an applicant must own a facility that is within 10 miles
19 of the proposed casino at which harness racing was conducted pursuant to a license from
20 the State Harness Racing Commission for the 2009 racing year. The casino is authorized
21 to contain slot machines and table games, including card games, dice games and other
22 games of chance, including, but not limited to, blackjack, poker, dice, craps, roulette,
23 baccarat, money wheels, wheel of fortune or any electronic facsimile of such a game.
24 The initiated bill increases the total number of slot machines that may be registered in the
25 State from 1,500 to 3,000 and provides that a casino operator may not operate more than
26 1,500 slot machines at a casino. The initiated bill provides for regulation of the casino by
27 the Department of Public Safety, Gambling Control Board.

28 The initiated bill requires the casino operator to collect and distribute to the State
29 46% of the net slot machine income and 16% of the net table game income. The money
30 paid to the State from the net slot machine income must be used for the following
31 purposes:

32 1. Twenty-five percent of the net slot machine income must be directed to the
33 Department of Education to be used for funding kindergarten to grade 12 essential
34 programs and services;

35 2. Four percent of the net slot machine income must be directed to the University of
36 Maine System Scholarship Fund;

37 3. Three percent of the net slot machine income must be directed to the Maine
38 Community College System for its scholarships program;

39 4. Four percent of the net slot machine income must be directed to the tribal
40 governments of the Penobscot Nation and Passamaquoddy Tribe;

1 5. Three percent of the net slot machine income must be directed to the Gambling
2 Control Board for administrative expenses, including gambling addiction counseling
3 services;

4 6. Two percent of the net slot machine income must be directed to the municipality in
5 which the casino is located;

6 7. One percent of the net slot machine income must be directed to the Agricultural
7 Fair Support Fund;

8 8. One percent of the net slot machine income must be directed to supplement harness
9 racing purses;

10 9. One percent of the net slot machine income must be directed to the Sire Stakes
11 Fund;

12 10. One percent of the net slot machine income must be directed to the county in
13 which the casino is located to pay for mitigation of costs resulting from gaming
14 operations; and

15 11. One percent of the net slot machine income must be directed to the Department of
16 Agriculture, Food and Rural Resources to fund dairy farm stabilization.

17 The money paid to the State from the net table game income must be used for the
18 following purposes:

19 1. Ten percent of the net table game income must be directed to the Department of
20 Education to be used for funding kindergarten to grade 12 essential programs and
21 services;

22 2. Three percent of the net table game income must be directed to the Gambling
23 Control Board for administrative expenses of the board, including gambling addiction
24 counseling services;

25 3. Two percent of the net table game income must be directed to the municipality in
26 which the table games are located; and

27 4. One percent of the net table game income must be directed to the county in which
28 the table games are located to pay for mitigation of costs resulting from gaming
29 operations.