

MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 1447

H.P. 999

House of Representatives, April 13, 2017

**An Act To Recognize and Provide for the Right of the Houlton Band
of Maliseet Indians To Operate a Casino on Houlton Band Trust
Land Exempt from Certain Gaming Laws**

(EMERGENCY)

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

A handwritten signature in cursive script that reads "R. B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative BEAR of the Houlton Band of Maliseet Indians.

1 **Emergency preamble. Whereas,** acts and resolves of the Legislature do not
2 become effective until 90 days after adjournment unless enacted as emergencies; and

3 **Whereas,** the Supreme Court of the United States decided in California v. Cabazon
4 Band of Mission Indians, 480 U.S. 202 (1987), that when a state allows regulated
5 off-reservation gaming, it may not prohibit gaming on tribal lands; and

6 **Whereas,** an additional license for a gaming facility in Aroostook County or
7 Washington County located close to the border entry with Canada is recommended in the
8 final report of Whitesand Gaming, Market Feasibility Study of Expanded Gaming in
9 Maine (August 2014); and

10 **Whereas,** the additional revenue provided by this legislation is needed as soon as
11 possible in order to be used by the Houlton Band of Maliseet Indians for social and
12 economic programs that support the self-sufficiency and self-determination of the
13 Houlton Band of Maliseet Indians; and

14 **Whereas,** in the judgment of the Legislature, these facts create an emergency within
15 the meaning of the Constitution of Maine and require the following legislation as
16 immediately necessary for the preservation of the public peace, health and safety; now,
17 therefore,

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

19 **Sec. 1. 8 MRSA §1011, sub-§2-C** is enacted to read:

20 **2-C. Houlton Band of Maliseet Indians eligible for casino operator license.**
21 Notwithstanding subsection 2-B, the board may accept an application for a casino
22 operator license from the Houlton Band of Maliseet Indians to operate 350 slot machines
23 and 10 table games at a casino on Houlton Band Trust Land as defined in Title 30, section
24 6203, subsection 2-A located on the North Road property of the Houlton Band of
25 Maliseet Indians in the Town of Houlton in Aroostook County. Notwithstanding any
26 other provision of law, the Houlton Band of Maliseet Indians may not be charged a fee
27 for a casino operator license or a fee to operate slot machines and table games.

28 **Sec. 2. 8 MRSA §1019, sub-§6,** as amended by PL 2011, c. 417, §5, is further
29 amended to read:

30 **6. Proximity of licensed casinos and slot machine facilities.** A casino operator
31 license or slot machine operator license may not be issued under this chapter to operate
32 any casino or slot machine facility located within 100 miles of a licensed casino or slot
33 machine facility. This subsection does not prohibit a commercial track that was licensed
34 to operate slot machines on January 1, 2011 from obtaining a casino operator license for
35 the same facility where slot machines were operated as of January 1, 2011.
36 Notwithstanding this subsection, a casino operator license may not be issued under
37 section 1011, subsection 2-C to operate a casino located within 70 miles of a licensed
38 casino or slot machine facility.

1 **Sec. 3. 8 MRSA §1019, sub-§7**, as amended by PL 2011, c. 417, §6, is further
2 amended to read:

3 **7. Statewide and county referenda; municipal vote.** After January 1, 2011, any
4 proposed casino or slot machine facility may not be issued a license unless it has been
5 approved by a statewide referendum vote and a vote of the municipal officers or
6 municipality in which the casino or slot machine facility is to be located, except that a
7 commercial track licensed to operate slot machines on January 1, 2011 is only required,
8 as a condition to obtain a casino license, to receive approval to operate a casino by means
9 of a referendum of the voters of the county in which the commercial track is located.
10 Notwithstanding this subsection, a casino proposed by the Houlton Band of Maliseet
11 Indians is exempt from approval by a statewide referendum vote and a vote of the
12 municipal officers of the municipality or the municipality in which the casino is located if
13 the casino is located on Houlton Band Trust Land previously designated to be used by the
14 Houlton Band of Maliseet Indians for gaming purposes by the Federal Government.

15 **Sec. 4. 8 MRSA §1020, sub-§3, ¶A**, as amended by PL 2011, c. 585, §8, is
16 further amended to read:

17 A. Except for slot machines used for training and educational purposes at
18 postsecondary institutions as provided by section 1011, subsection 1-B, the total
19 number of slot machines registered in the State may not exceed ~~3,000~~ 3,350; and

20 **Sec. 5. 8 MRSA §1036, sub-§2-A**, as amended by PL 2013, c. 118, §2, is further
21 amended to read:

22 **2-A. Distribution from casino of slot machine income.** A casino operator, except
23 a casino operator licensed under section 1011, subsection 2-C, shall collect and distribute
24 46% of the net slot machine income from slot machines operated by the casino operator
25 to the board for distribution by the board as follows:

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

30 B. Four percent of the net slot machine income must be forwarded by the board to
31 the University of Maine System Scholarship Fund created in Title 20-A, section
32 10909 and to the Board of Trustees of the Maine Maritime Academy to be applied by
33 the board of trustees to fund its scholarship program. The slot machine income under
34 this paragraph must be distributed as follows:

35 (1) The University of Maine System share is the total amount of the distribution
36 multiplied by the ratio of enrolled students in the system to the total number of
37 enrolled students both in the system and at the Maine Maritime Academy; and

38 (2) The Maine Maritime Academy share is the total amount of the distribution
39 multiplied by the ratio of enrolled students at the academy to the total number of
40 enrolled students both in the system and at the academy;

- 1 C. Three percent of the net slot machine income must be forwarded by the board to
2 the Board of Trustees of the Maine Community College System to be applied by the
3 board of trustees to fund its scholarships program under Title 20-A, section 12716,
4 subsection 1;
- 5 D. Four percent of the net slot machine income must be forwarded by the board to
6 the Treasurer of State, who shall distribute the funds to the tribal governments of the
7 Penobscot Nation and the Passamaquoddy Tribe;
- 8 E. Three percent of the net slot machine income must be deposited to the General
9 Fund for administrative expenses of the board, including gambling addiction
10 counseling services, in accordance with rules adopted by the board;
- 11 F. Two percent of the net slot machine income must be forwarded directly to the
12 municipality in which the casino is located;
- 13 G. One percent of the net slot machine income must be forwarded by the board to the
14 Treasurer of State, who shall credit the money to the Agricultural Fair Support Fund
15 established in Title 7, section 91;
- 16 H. One percent of the net slot machine income must be forwarded by the board to the
17 Treasurer of State, who shall credit the money to the fund established in section 298
18 to supplement harness racing purses;
- 19 I. One percent of the net slot machine income must be credited by the board to the
20 Sire Stakes Fund created in section 281;
- 21 J. One percent of the net slot machine income must be forwarded directly to the
22 county in which the casino is located to pay for mitigation of costs resulting from
23 gaming operations;
- 24 L. Beginning July 1, 2013, 1/2 of 1% of the net slot machine income must be
25 forwarded by the board to the Treasurer of State, who shall credit the money to the
26 Maine Milk Pool, Other Special Revenue Funds account within the Department of
27 Agriculture, Conservation and Forestry to help fund dairy farm stabilization pursuant
28 to Title 7, sections 3153-B and 3153-D; and
- 29 M. Beginning July 1, 2013, 1/2 of 1% of the net slot machine income must be
30 forwarded by the board to the Treasurer of State, who shall credit the money to the
31 Dairy Improvement Fund established under Title 10, section 1023-P.

32 If a recipient of net slot machine income in paragraph D, H or I owns or receives funds
33 from a slot machine facility or casino, other than the casino in Oxford County, a casino
34 operated by the Houlton Band of Maliseet Indians or the slot machine facility in Bangor,
35 then the recipient may not receive funds under this subsection, and those funds must be
36 retained by the Oxford County casino operator.

37 **Sec. 6. 8 MRSA §1036, sub-§§2-D and 2-E** are enacted to read:

38 **2-D. Distribution of slot machine income from casino operated by Houlton Band**
39 **of Maliseet Indians.** A casino operator licensed in accordance with section 1011,
40 subsection 2-C shall collect and distribute 25% of the net slot machine income from slot

1 machines operated by the casino operator to the board for distribution by the board as
2 follows:

3 A. Three percent of the net slot machine income must be forwarded by the board to
4 the University of Maine System Scholarship Fund created in Title 20-A, section
5 10909;

6 B. Two percent of the net slot machine income must be forwarded by the board to
7 the Board of Trustees of the Maine Community College System to be applied by the
8 board of trustees to fund its scholarships program under Title 20-A, section 12716,
9 subsection 1;

10 C. Ten percent of the net slot machine income must be forwarded by the board to the
11 Treasurer of State, who shall distribute the funds equally and directly to each of the
12 tribal governments of the Penobscot Nation, the Passamaquoddy Tribe and the
13 Aroostook Band of Micmac Indians;

14 D. Five percent of the net slot machine income must be deposited to the General
15 Fund for administrative expenses of the board, including gambling addiction
16 counseling services, in accordance with rules adopted by the board;

17 E. Three percent of the net slot machine income must be forwarded directly to the
18 Town of Houlton; and

19 F. Two percent of the net slot machine income must be forwarded directly to the
20 county in which the casino is located to pay for mitigation of costs resulting from
21 gaming operations.

22 Net slot machine income retained by the Houlton Band of Maliseet Indians must be used
23 by the tribal government for social and economic programs that support the
24 self-sufficiency and self-determination of the Houlton Band of Maliseet Indians.

25 **2-E. Distribution of table game income from casino operated by Houlton Band**
26 **of Maliseet Indians.** A casino operator licensed in accordance with section 1011,
27 subsection 2-C shall collect and distribute 15% of the net table game income from table
28 games operated by the casino operator to the board for distribution by the board as
29 follows:

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

33 B. Two percent of the net table game income must be divided equally and forwarded
34 directly to all off-track betting gaming operations, all charitable organization gaming
35 operations and all veterans' organization gaming operations that are lawfully
36 registered and operating in this State no later than 90 days after the effective date of
37 this paragraph;

38 C. Four percent of the net table game income must be forwarded directly to the
39 Town of Houlton to offset any costs that may be considered to have resulted from any
40 Maliseet tribal gaming operations in Aroostook County; and

