

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 1164

H.P. 769

House of Representatives, March 20, 2025

An Act to Create Economic Opportunity for the Wabanaki Nations Through Internet Gaming

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 RANA of Bangor.
Cosponsored by Senator MOORE of Washington and
Representatives: DANA of the Passamaquoddy Tribe, MACIAS of Topsham, MINGO of
Calais, ROEDER of Bangor, SATO of Gorham, Senators: HICKMAN of Kennebec, TALBOT
ROSS of Cumberland.

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

2 **Sec. 1. 8 MRSA §1205, sub-§1, ¶E**, as enacted by PL 2021, c. 681, Pt. J, §6, is
3 amended by amending subparagraph (3) to read:

4 (3) Has engaged in conduct in this State or any other jurisdiction that would
5 constitute a violation of this chapter; chapter 11 involving gambling; chapter 31;
6 chapter 33; chapter 39; Title 17, chapter 13-A or 62; Title 17-A, chapter 39; or
7 substantially similar offenses in other jurisdictions;

8 **Sec. 2. 8 MRSA §1210, sub-§1**, as enacted by PL 2021, c. 681, Pt. J, §6, is amended
9 to read:

10 **1. License required.** A person may not be employed by an operator to be engaged
11 directly in sports wagering-related activities or otherwise to conduct or operate sports
12 wagering without a valid occupational license issued by the director under this section. The
13 director shall issue an occupational license to a person who meets the requirements of this
14 section, section 1204 and section 1205. The director shall by rule establish a process for
15 issuance of occupational licenses that is, as far as possible, identical to the process for
16 occupational licenses issued under section 1409 and for licensing employees of a casino
17 under section 1015.

18 **Sec. 3. 8 MRSA §1210, sub-§5**, as enacted by PL 2021, c. 681, Pt. J, §6, is amended
19 to read:

20 **5. Exception.** An individual who is actively licensed under section 1015 as an
21 employee of a casino that has a facility sports wagering license or who is actively licensed
22 under section 1409 as an employee of an Internet gaming operator may obtain or renew a
23 license under this section without paying an initial license fee or a renewal license fee under
24 this section.

25 **Sec. 4. 8 MRSA c. 39** is enacted to read:

26 **CHAPTER 39**

27 **REGULATION OF INTERNET GAMING**

28 **§1401. Authorization of Internet gaming; license required**

29 Notwithstanding any provision of law to the contrary, the operation of Internet gaming
30 and ancillary activities are lawful when conducted in accordance with the provisions of this
31 chapter and the rules adopted under this chapter.

32 A person or entity may not engage in any activities in this State that require a license
33 under this chapter unless all necessary licenses have been obtained in accordance with this
34 chapter and rules adopted under this chapter.

35 **§1402. Definitions**

36 As used in this chapter, unless the context otherwise indicates, the following terms
37 have the following meanings.

1 **1. Adjusted gross Internet gaming receipts.** "Adjusted gross Internet gaming
2 receipts" means an operator's gross receipts from Internet gaming less the total of all
3 winnings paid to patrons, which includes the cash equivalent of any merchandise or thing
4 of value awarded as a prize, and less excise tax payments remitted to the Federal
5 Government.

6 **2. Commissioner.** "Commissioner" means the Commissioner of Public Safety.

7 **3. Department.** "Department" means the Department of Public Safety.

8 **4. Director.** "Director" means the director of the Gambling Control Unit within the
9 department.

10 **5. Internet gaming.** "Internet gaming" means a card game, dice game or other game
11 of chance approved by the director, including but not limited to blackjack, poker, dice,
12 craps, roulette or baccarat, offered through an approved mobile application or other digital
13 platform that involves, at least in part, the use of the Internet. "Internet gaming" does not
14 include a table game or slot machine under chapter 31; the sale of pari-mutuel pools
15 authorized under chapter 11; the operation of fantasy contests as defined in section 1101,
16 subsection 4; mobile sports wagering under chapter 35; or advance deposit wagering as
17 defined in section 1001, subsection 1-A. Internet gaming is not a game of chance under
18 Title 17, section 1831, subsection 5.

19 **6. License.** "License" means any license applied for or issued by the director under
20 this chapter, including but not limited to:

21 **A.** An Internet gaming license under section 1406 to permit an operator to operate
22 Internet gaming through an approved mobile application or other digital platform that
23 involves, at least in part, the use of the Internet;

24 **B.** A supplier license under section 1407 to sell goods and services to be used in
25 connection with Internet gaming, but not to directly accept wagers;

26 **C.** A management services license under section 1408 to manage Internet gaming on
27 behalf of an Internet gaming licensee; and

28 **D.** An occupational license under section 1409 to be employed by an Internet gaming
29 licensee to operate Internet gaming when the employee performs duties in furtherance
30 of or associated with the operation of Internet gaming.

31 **7. Operator.** "Operator" means a federally recognized Indian nation, tribe or band in
32 this State that conducts Internet gaming.

33 **8. Person.** "Person" means an individual or an entity, including but not limited to a
34 federally recognized Indian nation, tribe or band in this State.

35 **9. Wager.** "Wager" means a sum of money or thing of value risked on an uncertain
36 occurrence.

37 **§1403. Powers and duties of director**

38 **1. Powers and duties.** In administering and enforcing this chapter, the director:

39 **A.** Has the power to regulate the conduct of Internet gaming;

40 **B.** Shall determine the eligibility of a person to hold or continue to hold a license, shall
41 issue all licenses and shall maintain a record of all licenses issued under this chapter;

1 C. Shall levy and collect all fees, civil penalties and tax on adjusted gross Internet
2 gaming receipts imposed by this chapter, except as otherwise provided under this
3 chapter;

4 D. May sue to enforce any provision of this chapter or any rule of the director by civil
5 action or petition for injunctive relief;

6 E. May hold hearings, administer oaths and issue subpoenas or subpoenas duces tecum
7 in the manner provided by applicable law; and

8 F. May exercise any other powers necessary to effectuate the provisions of this chapter
9 and the rules of the director.

10 **2. Rules.** The director shall adopt rules governing the conduct of Internet gaming in
11 the State, which must, at a minimum, include the following:

12 A. The methods of operation of Internet gaming, including but not limited to the
13 permitted systems and methods of wagers; the use of credit and checks by persons
14 making wagers; the types of wagering receipts that may be used; the method of issuing
15 receipts; the protection of patrons placing wagers; and the promotion of social
16 responsibility and responsible gaming and display of information on resources for
17 problem gambling;

18 B. Standards for the adoption of comprehensive house rules governing Internet gaming
19 by operators and the approval of house rules by the director as required under section
20 1410;

21 C. Minimum design and security requirements for applications and digital platforms
22 for the acceptance of wagers by operators, including required methods for verifying
23 the age and identity of a person who places a wager with an operator, for verifying that
24 the person making the wager is physically located in the State and is not prohibited
25 from making a wager under section 1412 and for requiring the refund of any wager
26 determined to have been placed by a person prohibited from making a wager under
27 section 1412;

28 D. The types of interested parties from whom operators are prohibited from accepting
29 wagers under section 1412, subsection 3;

30 E. Minimum design, security, testing and approval requirements for Internet gaming
31 equipment, systems or services sold by suppliers licensed under section 1407;

32 F. Minimum requirements for a contract between a management services licensee
33 under section 1408 and an operator on whose behalf the management services licensee
34 conducts Internet gaming, including but not limited to requirements that the person
35 providing management services be licensed prior to entering a contract; that the
36 contract be approved by the director prior to the conduct of Internet gaming; that, if the
37 management services licensee contracts with more than one operator, the contract
38 include a condition requiring the management services licensee to employ a method
39 approved by the director for separately accounting for each operator's gross receipts
40 from Internet gaming and adjusted gross Internet gaming receipts; and that the contract
41 not authorize the person providing management services to receive more than 30% of
42 the operator's adjusted gross Internet gaming receipts, except that the director may
43 approve a contract authorizing the management services licensee to receive up to 40%
44 of the operator's adjusted gross Internet gaming receipts if the director determines that

1 the management services licensee has demonstrated that the fee is commercially
2 reasonable given the management services licensee's capital investments and the
3 operator's projected adjusted gross Internet gaming receipts;

4 G. Provisions allowing individuals to restrict themselves from Internet gaming upon
5 request by placing themselves on the list pursuant to section 1003, subsection 3,
6 paragraph I. The rules adopted under this paragraph must define the standards for
7 involuntary placement on the list and for removal from the list;

8 H. Minimum internal control standards for operators and management services
9 licensees, including but not limited to procedures for safeguarding assets and revenues;
10 the recording of cash and evidence of indebtedness; the maintenance of reliable
11 records, accounts and reports of transactions, operations and events; required audits;
12 and the content and frequency of reports of Internet gaming activities and revenues that
13 must be made to the director; and

14 I. Restrictions on the advertisement and marketing of Internet gaming, including but
15 not limited to prohibiting misleading, deceptive or false advertisements; requiring an
16 operator to disclose its status as a federally recognized Indian nation, tribe or band in
17 this State or a business entity wholly owned by a federally recognized Indian nation,
18 tribe or band in this State; and restricting, to the extent permissible, advertising that has
19 a high probability of reaching persons under 21 years of age or that is specifically
20 designed to appeal particularly to persons under 21 years of age.

21 **3. Rulemaking.** Rules adopted by the director pursuant to this chapter are routine
22 technical rules as defined in Title 5, chapter 375, subchapter 2-A.

23 **§1404. Application; criminal history record check**

24 **1. Application.** An application for a license or for renewal of a license required under
25 this chapter must be submitted on a form or in a format approved by the director. An
26 application submitted to the director must, at a minimum, include the following:

27 A. The full name, current address and contact information of the applicant;

28 B. Disclosure of each person that has control of the applicant as described in subsection
29 2;

30 C. Consent to permit the director to conduct a criminal history record check in
31 accordance with subsection 3 of the applicant and each person disclosed under
32 paragraph B in accordance with procedures established by the director;

33 D. For the applicant and each person disclosed under paragraph B, a record of previous
34 issuances and denials of or any adverse action taken against a gambling-related license
35 or application under this Title or in any other jurisdiction. For purposes of this
36 paragraph, "adverse action" includes, but is not limited to, a condition resulting from
37 an administrative, civil or criminal violation, a suspension or revocation of a license or
38 a voluntary surrender of a license to avoid or resolve a civil, criminal or disciplinary
39 action; and

40 E. Any additional information required by the director by rule.

41 **2. Persons that have control.** The following persons are considered to have control
42 of an applicant or a licensee:

1 A. Each corporate holding company, parent company or subsidiary company of a
2 corporate applicant or licensee and each person that owns 10% or more of the corporate
3 applicant or licensee and that has the ability to control the activities of the corporate
4 applicant or licensee or elect a majority of the board of directors of that corporate
5 applicant or licensee, except for a bank or other licensed lending institution that holds
6 a mortgage or other lien acquired in the ordinary course of business;

7 B. Each person associated with a noncorporate applicant or licensee that directly or
8 indirectly holds a beneficial or proprietary interest in the noncorporate applicant's or
9 licensee's business operation or that the director otherwise determines has the ability to
10 control the noncorporate applicant or licensee; and

11 C. Key personnel of an applicant or licensee, including any executive, employee or
12 agent, having the power to exercise significant influence over decisions concerning any
13 part of the applicant's or licensee's relevant business operation.

14 **3. Criminal history record check.** The director shall request a criminal history record
15 check in accordance with this subsection for each applicant for initial licensure and each
16 person required to be disclosed by the applicant for initial licensure under subsection 1,
17 paragraph B. The director may require a criminal history record check in accordance with
18 this subsection from a licensee seeking to renew a license, from any person the licensee is
19 required to disclose under subsection 1, paragraph B as part of the license renewal
20 application and from any person identified by the licensee under subsection 4. A criminal
21 history record check conducted pursuant to this subsection must include criminal history
22 record information obtained from the Maine Criminal Justice Information System
23 established in Title 16, section 631 and the Federal Bureau of Investigation.

24 A. Criminal history record information obtained from the Maine Criminal Justice
25 Information System pursuant to this subsection must include a record of public criminal
26 history record information as defined in Title 16, section 703, subsection 8.

27 B. Criminal history record information obtained from the Federal Bureau of
28 Investigation pursuant to this subsection must include other state and national criminal
29 history record information.

30 C. An individual required to submit to a criminal history record check under this
31 subsection shall submit to having the individual's fingerprints taken. The State Police,
32 upon payment by the individual of the fee required under paragraph E, shall take or
33 cause to be taken the individual's fingerprints and shall immediately forward the
34 fingerprints to the Department of Public Safety, Bureau of State Police, State Bureau
35 of Identification. Any person who fails to transmit criminal fingerprint records to the
36 State Bureau of Identification pursuant to this paragraph is subject to the provisions of
37 Title 25, section 1550.

38 D. The Department of Public Safety, Bureau of State Police, State Bureau of
39 Identification shall conduct the state and national criminal history record checks
40 required under this subsection. Except for the portion of a payment, if any, that
41 constitutes the processing fee for a criminal history record check charged by the Federal
42 Bureau of Investigation, all money received by the State Police under this subsection
43 must be paid to the Treasurer of State, who shall apply the money to the expenses
44 incurred by the Department of Public Safety in the administration of this subsection.

1 E. The director shall by rule set the amount of the fee to be paid for each criminal
2 history record check required to be performed under this subsection.

3 F. The subject of a Federal Bureau of Investigation criminal history record check may
4 obtain a copy of the criminal history record check by following the procedures outlined
5 in 28 Code of Federal Regulations, Sections 16.32 and 16.33. The subject of a state
6 criminal history record check may inspect and review the criminal history record
7 information pursuant to Title 16, section 709.

8 G. State and national criminal history record information obtained by the director
9 under this subsection may be used only for the purpose of screening an applicant for a
10 license or a license renewal under this chapter.

11 H. All criminal history record information obtained by the director pursuant to this
12 subsection is confidential, is for the official use of the director only and may not be
13 disseminated by the director or disclosed to any other person or entity except as
14 provided in paragraph F.

15 I. The director, after consultation with the Department of Public Safety, Bureau of
16 State Police, State Bureau of Identification, shall adopt rules to implement this
17 subsection.

18 **4. Material change to application.** A person licensed under this chapter shall give
19 the director written notice within 30 days of any material change to any information
20 provided in the licensee's application for a license or renewal, including any change in the
21 identity of persons considered to have control of the licensee as described in subsection 2.

22 **5. Gambling Control Unit employees prohibited.** An employee of the Gambling
23 Control Unit within the department may not be an applicant for a license issued under this
24 chapter.

25 **§1405. Denial of license; administrative sanctions**

26 **1. Grounds for denial of license or imposition of administrative sanctions.** The
27 following are grounds for the director to deny a license or license renewal or for the
28 imposition of administrative sanctions, in accordance with this section, on a person licensed
29 under this chapter:

30 A. If the applicant or licensee has knowingly made a false statement of material fact
31 to the director;

32 B. If the applicant or licensee has not disclosed the existence or identity of other
33 persons that have control of the applicant or licensee as required by section 1404,
34 subsections 1 and 4;

35 C. If the applicant or licensee has had a license revoked by any government authority
36 responsible for regulation of gaming activities;

37 D. If the applicant, the licensee or a person having control of the applicant or licensee
38 under section 1404, subsection 2 is not of good moral character. In determining
39 whether the applicant, licensee or person is of good moral character, the director shall
40 consider qualities that include but are not limited to honesty, candor, trustworthiness,
41 diligence, reliability, observance of fiduciary and financial responsibility and respect
42 for the rights of others;

1 E. If the applicant, the licensee or a person having control of the applicant or licensee
2 under section 1404, subsection 2:

3 (1) Has, in any jurisdiction, been convicted of or pled guilty or nolo contendere to
4 a crime punishable by one year or more of imprisonment;

5 (2) Has, in any jurisdiction, been adjudicated of committing a civil violation or
6 been convicted of a criminal violation involving dishonesty, deception,
7 misappropriation or fraud;

8 (3) Has engaged in conduct in this State or any other jurisdiction that would
9 constitute a violation of this chapter; chapter 11 involving gambling; chapter 31;
10 chapter 33; chapter 35; Title 17, chapter 13-A or 62; Title 17-A, chapter 39; or
11 substantially similar offenses in other jurisdictions;

12 (4) Is a fugitive from justice, a drug user, a person with substance use disorder, an
13 undocumented noncitizen or a person who was dishonorably discharged from the
14 Armed Forces of the United States; or

15 (5) Is not current in filing all applicable tax returns and in the payment of all taxes,
16 penalties and interest owed to this State, any other state or the United States
17 Internal Revenue Service, excluding items under formal appeal;

18 F. If the applicant or licensee has not demonstrated to the satisfaction of the director
19 sufficient financial assets to meet the requirements of the licensed business or proposed
20 business and to meet any financial obligations imposed by this chapter;

21 G. If the applicant, the licensee or a person having control of the applicant or licensee
22 under section 1404, subsection 2 has not demonstrated financial responsibility. For the
23 purposes of this paragraph, "financial responsibility" means a demonstration of a
24 current and expected future condition of financial solvency sufficient to satisfy the
25 director that the applicant, the licensee or the person can successfully engage in
26 business without jeopardy to the public health, safety and welfare. Financial
27 responsibility may be determined by an evaluation of the total history concerning the
28 applicant, the licensee or the person, including past, present and expected condition
29 and record of financial solvency, business record and accounting and managerial
30 practices;

31 H. If the applicant or licensee has not met the requirements of this chapter; or

32 I. If the applicant or licensee has violated any provision of this chapter or of the rules
33 adopted under this chapter.

34 **2. Denial of initial license or renewed license; notice; hearing.** The director may
35 deny an application for a license or for renewal of a license for the reasons set forth in
36 subsection 1. The director shall notify the applicant or the licensee in writing of the
37 decision and of the opportunity to request a hearing conducted by the commissioner.

38 If the applicant or licensee fails to request a hearing within 30 days of the date that the
39 notice was mailed under this subsection, the director may issue a final decision denying the
40 application for a license or for renewal of a license. If the applicant or licensee makes a
41 timely request for a hearing, the commissioner shall conduct an adjudicatory hearing in
42 accordance with Title 5, chapter 375, subchapter 4. The director's decision to deny the

1 license or license renewal stands until the commissioner issues a decision to uphold, modify
2 or overrule the director's decision.

3 After hearing, if the commissioner finds grounds for denying a license or license renewal
4 under subsection 1, the commissioner may deny the application for a license or for renewal
5 of a license.

6 **3. Investigation of complaints; notice; hearing.** The director or the director's
7 designee shall investigate a complaint on the director's own motion or upon receipt of a
8 written complaint regarding noncompliance with or violation of this chapter or of any rules
9 adopted under this chapter. Following the investigation, the director may mail the licensee
10 a notice of violation informing the licensee of the administrative sanction under subsection
11 4 the director proposes to impose and of the licensee's opportunity to request a hearing.

12 If the licensee fails to request a hearing within 30 days of the date that a notice was mailed
13 under this subsection, the director may issue a final decision imposing the sanction
14 proposed in the notice. If the licensee makes a timely request for a hearing, the
15 commissioner shall conduct an adjudicatory hearing in accordance with Title 5, chapter
16 375, subchapter 4. If, after the hearing, the commissioner finds that the factual basis of the
17 complaint is true and is of sufficient gravity to warrant further action, the commissioner
18 may impose an administrative sanction under subsection 4.

19 **4. Administrative sanctions.** The director or the commissioner may, pursuant to
20 subsection 3, impose the following administrative sanctions on a licensee:

21 A. A written reprimand;

22 B. Conditions of probation of a license;

23 C. A license suspension;

24 D. A license revocation; or

25 E. A civil penalty of up to \$25,000 per violation of any provision of this chapter or
26 rule adopted pursuant to this chapter.

27 **5. Appeals.** A person aggrieved by the final decision of the commissioner under
28 subsection 2 or 3 may appeal the commissioner's decision to the Superior Court in
29 accordance with Title 5, chapter 375, subchapter 7.

30 **§1406. Internet gaming license**

31 **1. Issuance of license.** The director shall issue an Internet gaming license upon finding
32 that the applicant meets all requirements of this section, sections 1404 and 1405 and rules
33 adopted under this chapter. The provisions of Title 30, Part 5 apply to the issuance of
34 licenses under this chapter. The director shall by rule establish a process for issuance of an
35 Internet gaming license under this chapter that is, to the extent practicable, identical to the
36 process for a mobile sports wagering license under section 1207.

37 **2. Eligibility; transfer to wholly owned entity.** To be eligible to receive an Internet
38 gaming license, an applicant must be a federally recognized Indian nation, tribe or band in
39 this State. Each federally recognized Indian nation, tribe or band in this State may receive
40 only one Internet gaming license under this section. An Internet gaming license may not
41 be transferred or assigned, except that a federally recognized Indian nation, tribe or band
42 in this State may transfer its Internet gaming license to a business entity with a principal

1 place of business in the State that is wholly owned by that federally recognized Indian
2 nation, tribe or band.

3 **3. Authority to conduct Internet gaming; management services permitted.** An
4 Internet gaming license granted by the director pursuant to this section grants a licensee
5 lawful authority to conduct Internet gaming in which wagers are placed by persons who
6 are physically located in the State through any applications or digital platforms approved
7 by the director within the terms and conditions of the license and any rules adopted under
8 this chapter. An Internet gaming licensee may contract with no more than one management
9 services licensee under section 1408.

10 **4. Fees.** The fee for an initial or renewed Internet gaming license is \$50,000 and must
11 be retained by the director for the costs of administering this chapter. In addition to the
12 license fee, the director may charge a processing fee for an initial or renewed license in an
13 amount equal to the projected cost of processing the application and performing any
14 background investigations. If the actual cost exceeds the projected cost, an additional fee
15 may be charged to meet the actual cost. If the projected cost exceeds the actual cost, the
16 difference may be refunded to the applicant or licensee.

17 **5. Term of license.** Except as provided in subsection 6, a license granted or renewed
18 under this section is valid for one year unless sooner revoked by the director or the
19 commissioner under section 1405.

20 **6. Temporary license.** An applicant for an Internet gaming license may submit with
21 the application a request for a temporary license. A request for a temporary license must
22 include the initial license fee under subsection 4. If the director determines that the
23 applicant meets the requirements established by rule for a temporary license and has paid
24 the initial license fee and the director is not aware of any reason the applicant is ineligible
25 for a license under this section, the director may issue a temporary Internet gaming license.
26 A temporary license issued under this subsection is valid for the length of the term of the
27 license under subsection 5 or until a final determination on the Internet gaming license
28 application is made, whichever is sooner. If after investigation the director determines that
29 the applicant is eligible for an Internet gaming license under this chapter, the director shall
30 issue the initial Internet gaming license, at which time the temporary license terminates.
31 The initial Internet gaming license is valid for one year from the date that the temporary
32 license was issued by the director. Internet gaming conducted under authority of a
33 temporary license must comply with the operator's house rules adopted under section 1410.

34 **7. Occupational license required.** An Internet gaming licensee, including a
35 temporary licensee under subsection 6, may conduct Internet gaming only through persons
36 holding a valid occupational license under section 1409.

37 **§1407. Supplier license**

38 **1. Issuance of license; eligibility.** The director shall issue a supplier license upon
39 finding that the applicant meets all requirements of this section, sections 1404 and 1405
40 and rules adopted under this chapter. The director shall by rule establish a process for
41 issuance of a supplier license under this chapter that is, to the extent practicable, identical
42 to the process for a supplier license under section 1208.

43 **2. Equipment.** An applicant for a supplier license shall demonstrate that the
44 equipment, systems or services that the applicant plans to offer to an operator conform to

1 standards established by rule by the director. The director may accept approval by another
2 jurisdiction that is specifically determined by the director to have similar equipment
3 standards as evidence the applicant meets the standards established by the director by rule.

4 **3. Authority to supply operators.** A supplier license granted by the director pursuant
5 to this section grants a licensee lawful authority to sell or to lease Internet gaming
6 equipment, systems or services to operators in the State within the terms and conditions of
7 the license and any rules adopted under this chapter.

8 **4. Fees.** The fee for an initial or renewed supplier license is \$10,000 and must be
9 retained by the director for the costs of administering this chapter. In addition to the license
10 fee, the director may charge a processing fee for an initial or renewed license in an amount
11 equal to the projected cost of processing the application and performing any background
12 investigations. If the actual cost exceeds the projected cost, an additional fee may be
13 charged to meet the actual cost. If the projected cost exceeds the actual cost, the difference
14 may be refunded to the applicant or licensee.

15 **5. Term of license.** Except as provided in subsection 6, a license granted or renewed
16 under this section is valid for one year unless sooner revoked by the director or the
17 commissioner under section 1405.

18 **6. Temporary license.** An applicant for a supplier license may submit with the
19 application a request for a temporary license. A request for a temporary license must
20 include the initial license fee under subsection 4. If the director determines that the
21 applicant is qualified under subsection 1, meets the requirements established by rule for a
22 temporary license and has paid the initial license fee and the director is not aware of any
23 reason the applicant is ineligible for a license under this section, the director may issue a
24 temporary supplier license. A temporary license issued under this subsection is valid for
25 the length of the term of the license under subsection 5 or until a final determination on the
26 supplier license application is made, whichever is sooner. If after investigation the director
27 determines that the applicant is eligible for a supplier license under this chapter, the director
28 shall issue the initial supplier license, at which time the temporary license terminates. The
29 initial supplier license is valid for one year from the date that the temporary license was
30 issued by the director.

31 **7. Inventory.** A supplier licensee shall submit to the director a list of all Internet
32 gaming equipment, systems and services sold or leased to, delivered to or offered to an
33 operator in this State as required by the director, all of which must be tested and approved
34 by an independent testing laboratory approved by the director. An operator may continue
35 to use supplies acquired from a licensed supplier if the supplier's license subsequently
36 expires or is otherwise revoked, unless the director finds a defect in the supplies.

37 **§1408. Management services license**

38 **1. Issuance of license; eligibility.** The director shall issue a management services
39 license upon finding that the applicant meets all requirements of this section, sections 1404
40 and 1405 and rules adopted under this chapter and that the applicant has sufficient
41 knowledge and experience in the business of operating Internet gaming to effectively
42 conduct Internet gaming in accordance with this chapter and the rules adopted under this
43 chapter. The director shall by rule establish a process for issuance of a management
44 services license under this chapter that is, to the extent practicable, identical to the process
45 for a management services license under section 1209.

1 **2. Authority to enter contract with operator.** A management services licensee may
2 contract with an operator to manage Internet gaming operations on behalf of the operator
3 in accordance with rules adopted under this chapter.

4 **3. Contract approval; material change in written contract.** A person may not
5 contract with an operator to conduct Internet gaming on behalf of the operator unless the
6 person is licensed under this section and the director approves the written contract. A
7 management services licensee shall submit to the director any proposed material change to
8 the written contract that has been approved by the director under this subsection. A
9 management services licensee may not transfer, assign, delegate or subcontract any portion
10 of the management services licensee's responsibilities under the contract or any portion of
11 the management services licensee's right to compensation under the contract to any other
12 person who does not hold a management services license.

13 **4. Fees.** The fee for an initial or renewed management services license is \$10,000 and
14 must be retained by the director for the costs of administering this chapter. In addition to
15 the license fee, the director may charge a processing fee for an initial or renewed license in
16 an amount equal to the projected cost of processing the application and performing any
17 background investigations. If the actual cost exceeds the projected cost, an additional fee
18 may be charged to meet the actual cost. If the projected cost exceeds the actual cost, the
19 difference may be refunded to the applicant or licensee.

20 **5. Term of license.** Except as provided in subsection 6, a license granted or renewed
21 under this section is valid for one year unless sooner revoked by the director or the
22 commissioner under section 1405.

23 **6. Temporary license.** An applicant for a management services license may submit
24 with the application a request for a temporary license. A request for a temporary license
25 must include the initial license fee under subsection 4. If the director determines that the
26 applicant is qualified under subsection 1, meets the requirements established by rule for a
27 temporary license and has paid the initial license fee and the director is not aware of any
28 reason the applicant is ineligible for a license under this section, the director may issue a
29 temporary management services license. A temporary license issued under this subsection
30 is valid for the length of the term of the license under subsection 5 or until a final
31 determination on the management services license application is made, whichever is
32 sooner. If after investigation the director determines that the applicant is eligible for a
33 management services license under this chapter, the director shall issue the initial
34 management services license, at which time the temporary license terminates. The initial
35 management services license is valid for one year from the date that the temporary license
36 was issued by the director.

37 **§1409. Occupational license**

38 **1. License required.** A person may not be employed by an operator to be engaged
39 directly in Internet gaming-related activities or otherwise to conduct or operate Internet
40 gaming without a valid occupational license issued by the director under this section. The
41 director shall issue an occupational license to a person who meets the requirements of this
42 section, section 1404 and section 1405. The director shall by rule establish a process for
43 issuance of occupational licenses that is, to the extent practicable, identical to the process
44 for occupational licenses issued under section 1210 and for licensing employees of a casino
45 under section 1015.

1 **2. Authority to be employed in Internet gaming.** An occupational license authorizes
2 the licensee to be employed by an operator in the capacity designated by the director while
3 the license is active. The director may establish, by rule, job classifications with different
4 requirements to recognize the extent to which a particular job has the ability to affect the
5 proper operation of Internet gaming.

6 **3. Application and fee.** Except as provided in subsection 5, an applicant shall submit
7 any required application forms established by the director and pay a nonrefundable
8 application fee of \$250. The fee may be paid on behalf of an applicant by the operator. Fees
9 paid under this subsection must be retained by the director for the costs of administering
10 this chapter.

11 **4. Renewal fee and form.** An occupational licensee must pay a fee of \$25 to renew
12 the license for a one-year term or a fee of \$50 to renew the license for a 3-year term. The
13 fee may be paid on behalf of the occupational licensee by the operator. In addition to a
14 renewal fee, an occupational licensee must annually submit a renewal application on a form
15 or in a format approved by the director. Fees paid under this subsection must be retained
16 by the director for the costs of administering this chapter.

17 **5. Exception.** An individual who is actively licensed under section 1015 as an
18 employee of a casino that has a facility sports wagering license or who is actively licensed
19 under section 1210 as an employee of a facility sports wagering licensee or mobile sports
20 wagering licensee may obtain or renew a license under this section without paying an initial
21 license fee or a renewal license fee under this section.

22 **§1410. Internet gaming house rules**

23 **1. Adoption of house rules.** An operator shall adopt comprehensive house rules for
24 game play governing Internet gaming transactions with its patrons. House rules must be
25 approved by the director prior to implementation and meet the minimum standards
26 established by the director by rule, including but not limited to requiring that the house
27 rules specify the amounts to be paid on winning wagers, the circumstances under which the
28 operator will void a wager and treatment of errors, late wagers and related contingencies.

29 **2. Advertisement of house rules.** The house rules, together with any other
30 information the director determines to be appropriate, must be advertised as required by
31 the director by rule and must be made readily available to patrons.

32 **§1411. Access to premises and equipment**

33 A licensee under this chapter shall permit the director, the department or a designee of
34 the director unrestricted access, during regular business hours, including access to locked
35 or secured areas, to inspect any facility and any equipment, prizes, records or other items
36 to be used in the operation of Internet gaming.

37 **§1412. Persons prohibited from making wagers**

38 An operator and a management services licensee conducting Internet gaming on behalf
39 of an operator may not accept a wager from the following persons:

40 **1. Persons under 21 years of age.** A person who has not attained 21 years of age;

41 **2. Operators and employees.** An operator or management services licensee;
42 directors, officers and employees of an operator or management services licensee; or a
43 relative living in the same household as any of these persons. This subsection does not

1 prohibit a relative living in the same household as a director, officer or employee of an
2 operator or management services licensee from making a wager with an unaffiliated
3 operator or management services licensee;

4 **3. Interested parties.** A person with an interest in the outcome of the Internet gaming
5 event identified by the director by rule;

6 **4. Unauthorized persons.** A person on a list established by rule by the director under
7 section 1403, subsection 2, paragraph G of persons who are not authorized to make wagers;

8 **5. Third parties.** A person making a wager on behalf of or as the agent or custodian
9 of another person; and

10 **6. Regulatory staff.** An employee of the Gambling Control Unit within the
11 department.

12 **§1413. Abnormal wagering activity**

13 **1. Duty to report.** An operator shall, as soon as practicable, report to the director any
14 information relating to abnormal wagering activity or patterns that may indicate a concern
15 with the integrity of the Internet gaming event.

16 **2. Cooperation efforts.** An operator shall use commercially reasonable efforts to
17 cooperate with investigations conducted by law enforcement agencies, including but not
18 limited to using commercially reasonable efforts to provide or facilitate the provision of
19 wagering information.

20 **3. Information confidentiality.** The director and operators shall maintain the
21 confidentiality of information provided by entities involved in the Internet gaming event
22 for purposes of investigating or preventing the conduct described in this section, unless
23 disclosure is otherwise required by the director or by law or unless the entity consents to
24 disclosure.

25 **4. Information use and disclosure.** With respect to any information provided by an
26 operator to an entity involved in the Internet gaming event relating to conduct described in
27 this section, the entity:

28 A. May use such information only for integrity-monitoring purposes and may not use
29 the information for any commercial or other purpose; and

30 B. Shall maintain the confidentiality of the information, unless disclosure is otherwise
31 required by the director or by law or unless the operator consents to disclosure, except
32 that the entity may make disclosures necessary to conduct and resolve integrity-related
33 investigations and may publicly disclose such information if necessary to maintain the
34 actual or perceived integrity of the Internet gaming event. Prior to any public
35 disclosure that would identify the operator by name, the entity shall provide that
36 operator with notice of the disclosure and an opportunity to object to the disclosure.

37 **§1414. Security, maintenance and sharing of wagering records**

38 **1. Records maintenance.** An operator shall maintain for 3 years after an Internet
39 gaming event occurs at least the following records of all wagers placed with respect to that
40 Internet gaming event:

41 A. Personally identifiable information of each person placing a wager;

42 B. The amount and type of each wager;

- 1 C. The time each wager was placed;
- 2 D. The location of each wager, including the Internet protocol address if applicable;
- 3 E. The outcome of each wager; and
- 4 F. Instances of abnormal wagering activity.

5 An operator shall make the records required to be maintained under this subsection
6 available for inspection upon request of the director or as required by court order.

7 **2. Anonymized information.** An operator shall use commercially reasonable efforts
8 to maintain, in real time and at the account level, anonymized information regarding a
9 person who places a wager; the amount and type of the wager; the time the wager was
10 placed; the location of the wager, including the Internet protocol address if applicable; the
11 outcome of the wager; and records of abnormal wagering activity. The director may
12 request that information in the form and manner required by rule. Nothing in this
13 subsection requires an operator to provide any information that is prohibited by federal or
14 state law, including without limitation laws and rules relating to privacy and personally
15 identifiable information.

16 **3. Records monitoring.** If an entity involved in the Internet gaming event has notified
17 the director that access to the information described in subsection 2 for wagers placed on
18 Internet gaming events of that entity is necessary to monitor the integrity of that Internet
19 gaming event, and the entity represents to the director that it specifically uses that data for
20 the purpose of monitoring the integrity of the Internet gaming event, an operator shall share,
21 in a commercially reasonable frequency, form and manner, with the entity or its designee
22 the same information the operator is required to maintain under subsection 2 with respect
23 to the Internet gaming event. An entity and its designee may use information received
24 under this subsection only for integrity-monitoring purposes and may not use information
25 received under this subsection for any commercial or other purpose. Nothing in this
26 subsection requires an operator to provide any information if prohibited by federal or state
27 law, including without limitation laws and rules relating to privacy and personally
28 identifiable information.

29 **4. Security.** An operator shall use commercially reasonable methods to maintain the
30 security of wagering data, customer data and other confidential information from
31 unauthorized access and dissemination. Nothing in this chapter precludes the use of
32 Internet-based or so-called cloud-based hosting of that data and information or disclosure
33 as required by law.

34 **§1415. Interception of Internet gaming winnings to pay child support debt**

35 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
36 following terms have the following meanings.

37 A. "Child support debt" means child support debt that has been liquidated by judicial
38 or administrative action.

39 B. "Department" means the Department of Health and Human Services.

40 C. "Licensee" means an operator or a management services licensee under section
41 1408.

1 D. "Registry operator" means the department or an entity with which the department
2 enters into a contract to maintain the registry pursuant to subsection 3.

3 E. "Winner" means an Internet gaming patron to whom cash is returned as winnings
4 for placement of a wager.

5 **2. Interception.** A licensee shall intercept Internet gaming winnings to pay child
6 support debt in accordance with this section.

7 **3. Registry.** The department shall create and maintain, or shall contract with a private
8 entity to create and maintain, a secure, electronically accessible registry containing
9 information regarding individuals with outstanding child support debt. The department
10 shall regularly enter into the registry information including:

11 A. The name and social security number of each individual with outstanding child
12 support debt;

13 B. The account number or identifier assigned by the department to the outstanding
14 child support debt;

15 C. The amount of the outstanding child support debt; and

16 D. Any other information necessary to effectuate the purposes of this section.

17 **4. Electronic access to information; procedures.** A licensee shall electronically
18 access the registry in accordance with this subsection.

19 A. Before making a payout of winnings of an amount equal to or greater than the
20 amount for which the licensee is required to file a Form W-2G or substantially
21 equivalent form with the United States Internal Revenue Service, the licensee shall
22 obtain the name, address, date of birth and social security number of the winner and
23 shall electronically submit this information to the registry operator.

24 B. Upon receipt of information pursuant to paragraph A, the registry operator shall
25 electronically inform the licensee whether the winner is listed in the registry. If the
26 winner is listed in the registry, the registry operator shall inform the licensee of the
27 amount of the winner's outstanding child support debt and the account number or
28 identifier assigned to the outstanding child support debt and shall provide the licensee
29 with a notice of withholding that informs the winner of the right to an administrative
30 hearing.

31 C. If the registry operator informs the licensee that the winner is not listed in the
32 registry or if the licensee is unable to obtain information from the registry operator on
33 a real-time basis after attempting in good faith to do so, the licensee may make payment
34 to the winner.

35 D. If the registry operator informs the licensee that the winner is listed in the registry,
36 the licensee may not make payment to the winner unless the amount of the payout
37 exceeds the amount of outstanding child support debt, in which case the licensee may
38 make payment to the winner of the amount of winnings that is in excess of the amount
39 of the winner's outstanding child support debt.

40 **5. Lien against winnings.** If the registry operator informs a licensee pursuant to this
41 section that a winner is listed in the registry, the department has a valid lien upon and claim
42 of lien against the winnings in the amount of the winner's outstanding child support debt.

1 **6. Withholding of winnings.** The licensee shall withhold from any winnings an
2 amount equal to the amount of the lien created under subsection 5 and shall provide a notice
3 of withholding to the winner. Within 7 days after withholding an amount pursuant to this
4 subsection, the licensee shall transmit the amount withheld to the department together with
5 a report of the name, address and social security number of the winner, the account number
6 or identifier assigned to the debt, the amount withheld, the date of withholding and the
7 name and location of the licensee.

8 **7. Licensee costs.** Notwithstanding subsection 6, the licensee may retain \$10 from an
9 amount withheld pursuant to this section to cover the cost of the licensee's compliance with
10 this section.

11 **8. Administrative hearing.** A winner from whom an amount was withheld pursuant
12 to this section has the right, within 15 days of receipt of the notice of withholding, to request
13 from the department an administrative hearing. The hearing is limited to questions of
14 whether the debt is liquidated and whether any post-liquidation events have affected the
15 winner's liability. The administrative hearing decision constitutes final agency action.

16 **9. Authorization to provide information.** Notwithstanding any provision of law to
17 the contrary, the licensee may provide to the department or registry operator any
18 information necessary to effectuate the intent of this section. The department or registry
19 operator may provide to the licensee any information necessary to effectuate the intent of
20 this section.

21 **10. Confidentiality of information.** The information obtained by the department or
22 registry operator from a licensee pursuant to this section and the information obtained by
23 the licensee from the department or registry operator pursuant to this section are
24 confidential and may be used only for the purposes set forth in this section. An employee
25 or prior employee of the department, the registry operator or a licensee who knowingly or
26 intentionally discloses any such information commits a civil violation for which a fine not
27 to exceed \$1,000 may be adjudged.

28 **11. Effect of compliance; noncompliance.** A licensee, the department and the
29 registry operator are not liable for any action taken in good faith to comply with this section.
30 A licensee who fails to make a good faith effort to obtain information from the registry
31 operator or who fails to withhold and transmit the amount of the lien created under
32 subsection 5 is liable to the department for the greater of \$500 and the amount the person
33 was required to withhold and transmit to the department under this section, together with
34 costs, interest and reasonable attorney's fees.

35 **12. Biennial review.** The department shall include in its report to the Legislature
36 under section 1066 the following information:

37 **A. The number of names of winners submitted by licensees to the registry operator**
38 **pursuant to this section in each of the preceding 2 calendar years;**

39 **B. The number of winners who were found to be listed in the registry in each of the**
40 **preceding 2 calendar years;**

41 **C. The amount of winnings withheld by licensees pursuant to this section in each of**
42 **the preceding 2 calendar years; and**

1 D. The amount of withheld winnings refunded to winners as the result of
2 administrative hearings requested pursuant to this section in each of the preceding 2
3 calendar years.

4 **§1416. Allocation of funds**

5 **1. Tax imposed; allocation of funds.** An operator shall collect and distribute 16% of
6 adjusted gross Internet gaming receipts to the director to be forwarded by the director to
7 the Treasurer of State for distribution as follows:

8 A. Two percent of the adjusted gross Internet gaming receipts must be deposited in the
9 Gambling Control Unit administrative expenses Other Special Revenue Funds account,
10 which is a nonlapsing dedicated account;

11 B. Three percent of the adjusted gross Internet gaming receipts must be deposited in
12 the Gambling Addiction Prevention and Treatment Fund established by Title 5, section
13 20006-B;

14 C. Three percent of the adjusted gross Internet gaming receipts must be deposited in
15 the E-9-1-1 fund under Title 25, section 2927, subsection 2-B;

16 D. Three percent of the adjusted gross Internet gaming receipts must be deposited in
17 the Opioid Use Disorder Prevention and Treatment Fund established under Title 5,
18 section 20010;

19 E. Two percent of the adjusted gross Internet gaming receipts must be deposited in the
20 Emergency Housing Relief Fund established under Title 30-A, section 4765; and

21 F. Three percent of the adjusted gross Internet gaming receipts must be deposited in
22 the Maine Veterans' Homes Stabilization Fund established under Title 37-B, section
23 613.

24 **2. Due dates; late payments.** The director may adopt rules establishing the dates on
25 which payments required by this section are due. All payments not remitted when due must
26 be paid together with interest on the unpaid balance at a rate of 1.5% per month.

27 **§1417. Applicability of other laws**

28 **1. Authorized conduct.** The provisions of Title 17, chapter 62 and Title 17-A, chapter
29 39 do not apply to Internet gaming conducted in accordance with this chapter and the rules
30 adopted under this chapter.

31 **2. Unlicensed conduct.** A person who engages in an activity for which a license is
32 required under this chapter and who does not possess the required license to engage in that
33 activity is subject to any criminal or civil penalties that may be imposed pursuant to Title
34 17-A, chapter 39.

35 **3. Unauthorized conduct by licensees.** In addition to any penalties that may be
36 imposed pursuant to section 1405, a licensee who conducts Internet gaming in violation of
37 this chapter or the rules adopted under this chapter is subject to any criminal or civil
38 penalties that may be imposed pursuant to Title 17-A, chapter 39.

39 **Sec. 5. 17 MRSA §1831, sub-§5,** as amended by PL 2017, c. 284, Pt. KKKKK,
40 §8, is further amended by amending the first blocked paragraph to read:

41 For the purposes of this subsection, "an event the result of which is determined by chance"
42 includes but is not limited to a shuffle of a deck of cards, a roll of a die or dice or a random

1 drawing or generation of an object that may include, but is not limited to, a card, a die, a
2 number or simulations of any of these. A shuffle of a deck of cards, a roll of a die, a random
3 drawing or generation of an object or some other event the result of which is determined
4 by chance that is employed to determine impartially the initial order of play in a game,
5 contest, scheme or device does not alone make a game, contest, scheme or device a game
6 of chance. For purposes of this chapter, beano, bingo ~~and~~, table games as defined in Title
7 8, section 1001, subsection 43-A and Internet gaming as defined in Title 8, section 1402,
8 subsection 5 are not games of chance.

9 **Sec. 6. 17-A MRSA §951**, as amended by PL 2021, c. 681, Pt. J, §7, is further
10 amended to read:

11 **§951. Inapplicability of chapter**

12 Any person licensed or registered by the Gambling Control Unit as provided in Title
13 17, chapter 13-A or chapter 62; or authorized to operate or conduct a raffle pursuant to Title
14 17, section 1837-A or licensed to operate sports wagering pursuant to Title 8, chapter 35
15 or Internet gaming pursuant to Title 8, chapter 39 is exempt from the application of the
16 provisions of this chapter insofar as that person's conduct is within the scope of the license
17 or registration.

18 **Sec. 7. 25 MRSA §1542-A, sub-§1, ¶CC** is enacted to read:

19 CC. Who is required to have a criminal history record check under Title 8, section
20 1404.

21 **Sec. 8. 25 MRSA §1542-A, sub-§3, ¶BB** is enacted to read:

22 BB. The State Police shall take or cause to be taken the fingerprints of the person
23 named in subsection 1, paragraph CC at the request of that person or the director of the
24 Gambling Control Unit within the Department of Public Safety and upon payment of
25 the fee established by the director of the Gambling Control Unit pursuant to Title 8,
26 section 1404, subsection 3.

27 **SUMMARY**

28 This bill authorizes each federally recognized Indian nation, tribe or band in this State
29 to operate Internet gaming pursuant to a license from the Gambling Control Unit within the
30 Department of Public Safety. Only a federally recognized Indian nation, tribe or band in
31 this State is eligible to obtain a license and operate Internet gaming. The licensing structure
32 follows the law governing sports wagering.