

MAINE STATE LEGISLATURE

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N I N E T Y - F O U R T H L E G I S L A T U R E

Legislative Document

No. 1164

H. P. 1843

House of Representatives, March 2, 1949.

On motion of Mr. Jewett of Manchester House reconsidered reference and tabled pending reference. 1500 copies ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Jewett of Manchester.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
FORTY-NINE

AN ACT Creating a State Lottery Commission.

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

Sec. 1. R. S., c. 78-A, additional. The revised statutes are hereby amended by adding thereto a new chapter to be numbered 78-A, to read as follows:

‘CHAPTER 78-A.

State Lottery Commission.

Sec. 1. State lottery commission, created. There is hereby created a “state lottery commission” to be composed of 3 members to be appointed by the governor, subject to the approval of his council. These members shall consist of 1 member from the ministry, 1 member from the legal profession, and 1 from the public at large and no more than 2 shall be of the same political party. These members shall be appointed to serve for 1, 2 and 3, years respectively, and until their successors are appointed, approved and duly qualified and thereafter on the expiration of the term of any member, a member shall be appointed for a term of 3 years. In case of vacancy because of death, resignation or otherwise, a member shall be appointed in like manner for the remainder of the unexpired portion of

the term. The members shall elect one of their number to act as chairman of the commission. The chairman's position shall be a full-time job at a salary of \$6,000 per year. The other members shall receive \$25 per day, plus expenses at the effective rate of other state departments; however, yearly salary shall not exceed \$3,000.

Sec. 2. Duties of the commission. The "state lottery commission" is hereby empowered and directed to establish a state lottery or lotteries for the benefit of the state; the tickets of such lottery shall be numbered and the winners of the prizes are to be based on the balance of the United States clearing house treasury balance as printed in the newspapers. The prizes shall be awarded weekly and there shall be no prize of more than \$1,000, nor less than \$5. However, if the commission sees fit, it is empowered to run a special lottery to be drawn off in not less than 3 months and in such a lottery the prizes may be of any amount that the commission shall determine. The sale of tickets for each week must be reported at such a time as the commission shall determine in order that they can determine the amount of prize money that will be given and on what basis such as shall be published in the Monday morning papers.

Sec. 3. Sale of tickets. The commission is hereby authorized and directed to arrange for the sale of tickets for any state lottery under the following restrictions:

I. If any city, town or plantation, by their duly authorized officials elect to handle the sale of state lottery tickets, they shall retain 15% of the gross receipts for the benefit of the health and welfare departments in such cities, towns and plantations.

II. In such cities, towns and plantations as do not so elect as provided in subsection I, the commission may establish such agencies therein for the sale of state lottery tickets as it deems advisable, preference being given to disabled war veterans, not inconsistent however, with the desires of the duly authorized officials of said city, town or plantation. The agent shall retain 10% of the gross sales.

III. In order not to conflict with the postal laws concerning the use of the United States mail for transportation of lottery tickets, the state highway police shall, with the consent of that department, be the means of contact between the state lottery commission and the agencies selling the tickets. The state police department shall be reimbursed by the state lottery commission for their services at a reasonable rate, determined by an agreement between the state highway police department and lottery commission and governor and council.

Sec. 4. Sale to relief cases, minors, and employees of the lottery commission prohibited. All minors, all persons receiving relief from any state, local, county or federal agency or agencies, and all persons employed by the state lottery commission in the administration of the state lottery or lotteries are hereby prohibited from purchasing any ticket or tickets in any lottery conducted by the state, and are not eligible to receive prizes in such lottery or lotteries. If any minor, or any person receiving such relief, or any person who is employed by the state lottery commission should purchase a ticket or tickets in violation of this section and should that ticket or tickets be a winning number, such prize as may be due shall not be paid to that person, but it shall be placed in the surplus account of the lottery commission. Any person who wilfully and knowingly sells any state lottery tickets to a minor shall be punished by a fine of not more than \$1,000, or by imprisonment for not more than 10 months.

Sec. 5. State lottery account. The state controller is hereby directed and empowered to set up an account, to be known as the "state lottery account", to which shall be charged all expenses accruing to the state from the functioning of the state lottery commission, including the original appropriation provided for in section 7, and to which shall be credited all income derived from the sale of lottery tickets, sold under the authority provided for in this chapter.

Sec. 6. Allocation of funds. The net profit received by the state under the provisions of this chapter shall be allocated, appropriated and used as follows:

I. Unless otherwise provided for by the 94th legislature, the remainder of the bonus due to the Spanish-American veterans shall be paid from the first profits received under the provisions of this chapter.

II. After the condition under subsection I has been met, the next moneys to be paid shall be paid to those veterans of World War I who did not file their claim in time. This subsection is also under the condition that these were not otherwise provided for by the 94th legislature.

III. When conditions of subsections I and II have been met, all profits of the state lottery commission shall be set aside for the payment of State of Maine World War II veterans bonus certificates. A certificate shall be issued to each veteran of World War II, who at the time of entry into the service was a resident of Maine and who served at least 90 days between the dates of December 8, 1941 and August 14, 1945.

Exceptions: No certificate shall be issued to any person who was dishonorably discharged. However, certificates shall be issued to any persons who through no fault of his own received a medical discharge before serving 90 days. These certificates shall have a face value of \$100, and shall have a maturity value of \$200, and shall become mature in 10 years. As funds become available veterans can apply for the certificate to be paid; these certificates increasing in value at the rate of \$10 per year. If more apply for payment than there is money available, payment shall be made in the order of the need for the money.

IV. When the conditions of subsection III have been fulfilled the profits from the state lottery shall be divided as follows:

A. 50% to a fund for the relief of veterans of any war. This money shall be used as a revolving fund, however, up to 50% of the current year's revenue to this fund, may be used as direct relief if the committee handling the fund at that time sees fit. The committee that shall handle this fund is to be determined by the governor and council.

B. 25% to a fund for state aid to hospitals.

C. 25% to the child welfare fund.

V. The net amount received by the state under the provisions of this chapter shall be allocated, appropriated and used as follows:

A. 10% thereof for the administration of said state lottery should any part thereof not be needed for such purposes, such part shall be placed in the same account as described in paragraph C.

B. 40% thereof for prizes to be awarded in the conducting of said state lottery.

C. 50% thereof shall be set aside for the payments of the benefits as previously described in this section.

Sec. 7. Appropriation. The governor and his council are hereby authorized and directed to appropriate such moneys as are necessary for the expenses of beginning the operation of the aforesaid state lottery or lotteries, and such expenses as may accrue from time to time, which amounts are to be debited to the state lottery account.'

Sec. 2. R. S., c. 126, § 1, amended. Section 1 of chapter 126 of the revised statutes is hereby amended to read as follows:

'Sec. 1. Pool selling; penalty; exception. Whoever engages or participates in pool selling, except by authority of the state lottery commission,

or aids or abets the same by his presence ~~unless the same is authorized by law~~ shall be punished by a fine of not more than \$2,000 and by imprisonment for not more than 2 years.'

Sec. 3. R. S., c. 126, § 20-A, additional. Chapter 126 of the revised statutes is hereby amended by adding thereto a new section to be numbered 20-A, to read as follows:

'Sec. 20-A. Exceptions. The provisions of the 3 preceding sections shall not apply to the state lottery commission or any acts done by them or others under the authority of the act creating the said commission.'

Sec. 4. Referendum. This act shall be submitted for approval or rejection to the duly qualified voters of the state of Maine at an election to be held on the 2nd Monday of September, 1949. The municipal officers of the cities, towns and plantations in this state are hereby empowered and directed to notify the inhabitants of their respective cities, towns and plantations to meet in manner prescribed by law for calling and holding biennial meetings of said inhabitants for the election of senators and representatives to give in their votes upon this act, and the question shall be: "Shall the act creating a state lottery commission, as submitted by the 94th legislature to the people, be accepted?" and the inhabitants of said cities, towns and plantations shall vote by ballot on said question, those in favor of the act expressing it by making a cross or check mark within the square opposite the word "Yes" upon the ballots and those opposed to the act by making a cross or check mark within the square opposite the word "No" upon their ballots, and the ballots shall be received, sorted, counted, and declared in open ward, town and plantation meetings, and returns made to the office of the secretary of state in the same manner as votes for governor and members of the legislature, and the governor shall forthwith make known the fact by his proclamation and thereupon this act shall become law. The secretary of state shall prepare and furnish to the several cities, towns and plantations ballots and blank returns in conformity with the foregoing act, accompanied by a copy thereof.