

MAINE STATE LEGISLATURE

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Maine Citizen's Guide to the Referendum Election

Tuesday, November 4, 2008



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In Accordance with
the May 5, 2008 and September 3, 2008
Proclamations of the Governor and the
Act Passed by the 123rd Legislature
at the First Special Session

Matthew Dunlap
Secretary of State

Appropriation 010-29A-4213-012

NOV 14 2008

State of Maine
Office of the Secretary of State
Augusta, Maine 04333

Dear Fellow Citizen,

The information in this booklet is intended to help voters learn about the questions that will appear on the November 4, 2008 Referendum Election ballot. Referendum elections are an important part of the heritage of public participation in Maine. I hope you will help keep our democracy strong by reviewing this information and then casting your ballot.

For information about how and where to vote, please contact your local municipal clerk or call Maine's Division of Elections at 624-7650. Information is also available online at www.maine.gov/sos.

Inside this booklet, you will find:

- ♦ each of the three referendum questions;
- ♦ the legislation each question represents;
- ♦ a summary of the intent and content of the legislation;
- ♦ an explanation of the significance of a "yes" or "no" vote;
- ♦ an analysis of the debt service on the bond issue; and
- ♦ an estimate of the fiscal impact of each referendum question on state revenues, appropriations and allocations.

The Department of the Secretary of State, the Attorney General, the State Treasurer and the Office of Fiscal and Program Review have worked together to prepare this booklet. We hope you find it helpful and we encourage you to exercise your right to vote.

Sincerely,

A handwritten signature in black ink, appearing to read 'Matthew Dunlap', with a stylized flourish at the end.

Matthew Dunlap
Secretary of State

Features in this Guide

Chapter 316 of the Public Laws of 2005, passed by the First Special Session of the 122nd Legislature, added several features to the Guide.

In addition to the Intent and Content summaries prepared by the Office of the Attorney General, and the Treasurer's Statement and analysis of the debt service on the bond issue, this Guide also includes an estimate of the fiscal impact of each statewide referendum on state revenues, appropriations and allocations. The fiscal impact estimate must summarize the aggregate impact that each ballot measure will have on the General Fund, the Highway Fund, Other Special Revenue Funds and the amounts distributed by the state to local units of government.

The Guide may also include public comments in support for or in opposition to each ballot measure. As required by this law, a person filing a public comment for publication must pay a fee of \$500 to the Secretary of State. Fees filed with public comments will be deposited in the Public Comment Publication Fund. The money in this fund must be used for the purpose of publishing the Secretary of State's Guide to the Referendum Election.

Pursuant to Chapter 316 of the Public Laws of 2005, the Secretary of State adopted rules regarding the publication of public comment by proponents and opponents of ballot measures. Chapter 520, Rules Regarding Publication of Public Comments on Statewide Referenda, are available on the Secretary of State's web site at:

<http://www.maine.gov/sos/cec/elec/upcoming.html>.

**State of Maine
Referendum Election, November 4, 2008**

Listing of Referendum Questions

Question 1: People's Veto

Do you want to reject the parts of a new law that change the method of funding Maine's Dirigo Health Program through charging health insurance companies a fixed fee on paid claims and adding taxes to malt liquor, wine and soft drinks?

Question 2: Citizen Initiative

Do you want to allow a certain Maine company to have the only casino in Maine, to be located in Oxford County, if part of the revenue is used to fund specific state programs?

Question 3: Bond Issue

Do you favor a \$3,400,000 bond issue to support drinking water programs, to support the construction of wastewater treatment facilities and to leverage \$17,000,000 in other funds?

Treasurer's Statement

The State of Maine borrows money by issuing bonds. Bonding is a multi-step process which can generally be described as follows:

1. The Legislature decides what it believes should be funded from bond proceeds (money acquired from the sale of bonds) and puts the bonds out for voter approval as required by the State Constitution.
2. The voters, at a statewide election, approve or reject each bond proposal.
3. The State Treasurer issues bonds to pay for those projects approved by the voters or otherwise authorized by the Constitution. A person or institution purchasing the bonds is, in effect, loaning the State of Maine money in return for interest payments during the term of the bond.
4. The Treasurer distributes the money acquired from the sale of bonds in accordance with the legislation authorizing bonds for approved projects.
5. The Treasurer makes payments until the debt is retired.

The following is a summary of the general obligation bond debt of the State of Maine as of **September 1, 2008**.

Bonds Outstanding (Issued and Maturing through 2018):

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Highway Fund	\$ 96,540,000	\$19,772,116	\$116,312,116
General Fund	\$356,755,000	\$54,234,182	\$410,989,182
Total	\$453,295,000	\$74,006,298	\$527,301,298

Unissued Bonds Authorized by Voters:	\$221,502,000
Unissued Bonds Authorized by the Constitution and Laws:	\$ 99,000,000
Total Unissued Bonds:	\$320,502,000

Less Bond Anticipation Notes Issued this Fiscal Year:	<u>\$(59,043,000)</u>
Total Available from Authorized but Unissued:	\$261,459,000

Total Amount that must be paid in the present fiscal year for Debt already Outstanding (for FY2009):	\$98,217,346.78
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If the bonds submitted here are approved by voters and issued for the full statutory period authorized, an estimate of the total interest and principal that may reasonably be expected to be paid is **\$4,241,500** representing **\$3,400,000** in principal and **\$841,500** in interest.



David Lemoine
Treasurer of State

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Question 1: People's Veto

Do you want to reject the parts of a new law that change the method of funding Maine's Dirigo Health Program through charging health insurance companies a fixed fee on paid claims and adding taxes to malt liquor, wine and soft drinks?

State of Maine

To the Governor of the State of Maine:

In accordance with Section 17 of Article IV, Part Third of the Constitution of the State of Maine, the undersigned electors of the State of Maine, qualified to vote for Governor, residing in said State, whose names have been certified, hereby propose to veto Public Law 2007, Chapter 629, entitled "An Act To Continue Maine's Leadership in Covering the Uninsured".

Approved	Chapter
April 16, 2008	629
By Governor	Public Law

In the Year of Our Lord
Two Thousand and Eight

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

PART D

Sec. D-1. 24-A MRSA §6913, as amended by PL 2007, c. 1, Pt. X, §§1 and 2 and affected by §3, is repealed.

Sec. D-2. 24-A MRSA §6913-A is enacted to read:

§ 6913-A. Health access surcharge

1. Health access surcharge on paid claims required from health insurance carriers, 3rd-party administrators and employee benefit excess insurance carriers. All health insurance carriers, employee benefit excess insurance carriers and 3rd-party administrators, not including carriers and 3rd-party administrators with respect to accidental injury, specified disease, hospital indemnity, dental, vision, disability income, long-term care, Medicare supplement or other limited benefit health insurance, shall pay a health access surcharge of 1.8% on all paid claims. The following provisions govern the health access surcharge.

A. A health insurance and employee benefit excess insurance carrier is not required to pay a surcharge on policies or contracts insuring federal employees.

B. The surcharge applies to paid claims beginning July 1, 2008.

C. Surcharge payments must be made monthly to Dirigo Health beginning August 2008 and are due not less than 15 days after the end of the month and must accrue interest at 12% per annum on or after the due date, except that:

(1) Surcharge payments for 3rd-party administrators for groups of 500 or fewer members may be made annually not less than 60 days after the close of the plan year.

D. Surcharge payments received by Dirigo Health must be pooled with other revenues of the agency in the Dirigo Health Enterprise Fund established in section 6915.

2. Failure to pay health access surcharge payments. The superintendent may suspend or revoke, after notice and hearing, the certificate of authority to transact insurance in this State of any health insurance carrier or employee benefit excess insurance carrier or the license of any 3rd-party administrator to operate in this State that fails to pay a health access surcharge. In addition, the superintendent may assess civil penalties in accordance with section 12-A against any health insurance carrier, employee benefit excess insurance carrier or 3rd-party administrator that fails to pay a health access surcharge, may take any other enforcement action authorized under section 12-A to collect any unpaid health access surcharge payments and may collect the costs of enforcement including attorney's fees from those who fail to pay a health access surcharge.

3. Definitions. As used in this section, the following terms have the following meanings.

A. "Paid claims" means all payments made by health insurance carriers, 3rd-party administrators and employee benefit excess carriers for health and medical services provided under policies issued pursuant to the laws of this State that insure residents of this State or, in the case of 3rd-party administrators, for health care for residents of this State, except that "paid claims" does not include:

(1) Claims-related expenses and general administrative expenses;

(2) Payments made to qualifying providers under a "pay for performance" or other incentive compensation arrangement if the payments are not reflected in the processing of claims submitted for services rendered to specific covered individuals;

(3) Claims paid by carriers and 3rd-party administrators with respect to accidental injury, specified disease, hospital indemnity, dental, vision, disability income, long-term care, Medicare supplement or other limited benefit health insurance, except that claims paid for dental services covered under a medical policy are included;

(4) Claims paid for services rendered to nonresidents of this State;

(5) Claims paid under retiree health benefit plans that are separate from and not included within benefit plans for existing employees;

(6) Claims paid by an employee benefit excess carrier that have been counted by a 3rd-party administrator for determining its savings offset payment;

(7) Claims paid for services rendered to persons covered under a benefit plan for federal employees; and

(8) Claims paid for services rendered outside of this State to a person who is a resident of this State.

In those instances in which a health insurance carrier, employee benefit excess insurance carrier or 3rd-party administrator is contractually entitled to withhold certain amounts from payments due to providers of health and medical services in order to help ensure that the providers can fulfill any financial obligations they may have under a managed care risk arrangement, the full amounts due the providers before application of such withholds must be reflected in the calculation of paid claims.

B. "Claims-related expenses" includes:

(1) Payments for utilization review, care management, disease management, risk assessment and similar administrative services intended to reduce the claims paid for health and medical services rendered to covered individuals, usually either by attempting to ensure that needed services are delivered in the most efficacious manner possible or by helping such covered individuals to maintain or improve their health; and

(2) Payments that are made to or by organized groups of providers of health and medical services in accordance with managed care risk arrangements or network access agreements, which payments are unrelated to the provision of services to specific covered individuals.

C. "Health and medical services" includes, but is not limited to, any services included in the furnishing of medical care, dental care to the extent covered under a medical insurance policy, pharmaceutical benefits or hospitalization, including but not limited to services provided in a hospital or other medical facility; ancillary services, including but not limited to ambulatory services; physician and other practitioner services, including but not limited to services provided by a physician's assistant, nurse practitioner or midwife; and behavioral health services, including but not limited to mental health and substance abuse services.

4. Rulemaking. The board may adopt any rules necessary to implement this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. D-3. 24-A MRSA §6915, as amended by PL 2005, c. 386, Pt. D, §3, is further amended to read:

§ 6915. Dirigo Health Enterprise Fund

The Dirigo Health Enterprise Fund is created as an enterprise fund for the deposit of any funds advanced for initial operating expenses, payments made by employers and individuals, revenues transferred pursuant to Title 28-A, section 1652, subsection 5 and Title 36, section 4853, any savings offset payments made pursuant to former section 6913 and section 6913-A and any funds received from any public or private source for the Dirigo Health Program and the Maine Individual Reinsurance Association established by chapter 54. An amount equal to 18.8% of the deposits received by the Dirigo Health Enterprise Fund from revenues transferred pursuant to Title 28-A, section 1652, subsection 5 and Title 36, section 4853, revenues deposited pursuant to section 6913-A must be transferred to the Maine Individual Reinsurance Association by the first of each month beginning July 1, 2010. The fund may not lapse, but must be carried forward to carry out the purposes of this chapter.

Sec. D-4. 36 MRSA §4404-D is enacted to read:

§ 4404-D. Tax credited to Dirigo Health Enterprise Fund

The State Controller shall transfer by the 15th of each month from General Fund revenues to the Dirigo Health Enterprise Fund established under Title 24-A, section 6915 the amount of tax collected pursuant to this chapter that exceeds the total fiscal year-to-date budget projection for that tax revenue as of the close of the preceding month based on the tax rate imposed by this chapter that was in effect on July 1, 2008. For purposes of this section, "budget projection" is the amount derived from the March 1, 2008 report of the Revenue Forecasting Committee established under Title 5, section 1710-E regarding the tax that is imposed by this chapter, as determined on a monthly basis by the assessor.

Sec. D-5. Savings offset payments calculated prior to effective date. Notwithstanding that section of this Part that repeals the Maine Revised Statutes, Title 24-A, section 6913, the savings offset payments that have been calculated and required under former Title 24-A, section 6913 for claims paid prior to the effective date of this Part are due and payable in the same manner and subject to the same procedures set forth in former Title 24-A, section 6913 until the first monthly health access surcharge required under Title 24-A, section 6913-A becomes due and payable.

Sec. D-6. Transfers to Dirigo Health Enterprise Fund in fiscal year 2008-09. Notwithstanding the Maine Revised Statutes, Title 28-A, section 1652, subsection 5, the total fiscal year-to-date budget projection excludes any period in fiscal year 2008-09 prior to the effective date of this Part.

Sec. D-7. Effective date. This Part takes effect July 1, 2008 or on the effective date of this Act, whichever occurs later.

PART E

Sec. E-1. 28-A MRSA §1652, sub-§1, as repealed and replaced by PL 1987, c. 342, §116, is amended to read:

1. Excise tax on malt liquor. An excise tax is imposed on the privilege of manufacturing and selling malt liquor in the State. The Maine manufacturer or importing wholesale licensee shall pay an excise tax of 25¢ per gallon on all malt liquor sold in the State that is manufactured by a manufacturer that produced a total of less than 100,000 barrels of malt liquor in the previous calendar year and 54¢ per gallon on all other malt liquor sold in the State.

Sec. E-2. 28-A MRSA §1652, sub-§2, as amended by PL 1997, c. 767, §4, is repealed and the following enacted in its place:

2. Excise tax on wine; hard cider. An excise tax is imposed on the privilege of manufacturing and selling wine and hard cider in the State. The Maine manufacturer or importing wholesale licensee shall pay an excise tax of:

B. Thirty cents per gallon on all wine, other than sparkling wine, that is manufactured by a manufacturer that produced a total of less than 20,000 gallons of wine, other than sparkling wine, in the previous calendar year;

C. Sixty-five cents per gallon on all wine, other than sparkling wine and except as provided in paragraph B, manufactured in or imported into the State;

D. One dollar per gallon on all sparkling wine manufactured in or imported into the State; and

E. Twenty-five cents per gallon on all hard cider manufactured in or imported into the State.

Sec. E-3. 28-A MRSA §1652, sub-§5 is enacted to read:

5. Tax credited to Dirigo Health Enterprise Fund. The State Controller shall transfer by the 15th of each month from General Fund revenues to the Dirigo Health Enterprise Fund established under Title 24-A, section 6915 the amount of tax collected pursuant to this section that exceeds the total fiscal year-to-date budget projection for that tax revenue as of the close of the preceding month based on the tax rate for malt liquor and wine, except sparkling wine, that was in effect on July 1, 2008. For purposes of this section, "budget projection" is the amount derived from the March 1, 2008 report of the Revenue Forecasting Committee established

under Title 5, section 1710-E regarding the tax that is imposed by this section, as determined on a monthly basis by the State Tax Assessor.

Sec. E-4. Effective date. This Part takes effect August 1, 2008.

PART F

Sec. F-1. 36 MRSA c. 720 is enacted to read:

CHAPTER 720

SOFT DRINK AND SYRUP TAX

§ 4851. Definitions

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

1. Bottle. "Bottle" means any closed or sealed glass, metal, paper or plastic container or any other type of container regardless of the size or shape of the container.

2. Bottled soft drink. "Bottled soft drink" means any ready-to-consume soft drink contained in a bottle.

3. Distributor, manufacturer or wholesale dealer. "Distributor, manufacturer or wholesale dealer" means any person who receives, stores, manufactures, bottles or sells bottled soft drinks, syrup, simple syrup or powder or base products for mixing, compounding or making soft drinks for sale to retailers or other manufacturers, wholesale dealers or distributors for resale purposes.

4. Milk. "Milk" means natural liquid milk regardless of animal source or butterfat content; natural milk concentrate, whether or not reconstituted, regardless of animal source or butterfat content; or dehydrated natural milk, whether or not reconstituted.

5. Natural fruit juice. "Natural fruit juice" means the original liquid resulting from the pressing of fruit, the liquid resulting from the reconstitution of fruit juice concentrate or the liquid resulting from the restoration of water to dehydrated fruit juice.

6. Natural vegetable juice. "Natural vegetable juice" means the original liquid resulting from the pressing of vegetables, the liquid resulting from the reconstitution of vegetable juice concentrate or the liquid resulting from the restoration of water to dehydrated vegetable juice.

7. Nonalcoholic beverage. "Nonalcoholic beverage" means any beverage not subject to tax under Title 28-A, Part 4.

8. Place of business. "Place of business" means any place where soft drinks, syrups, simple syrups or powder or base products are manufactured or any place where bottled soft drinks, syrup, simple syrup, powder or base product or any other item taxed under this chapter is received.

9. Powder or base product. "Powder or base product" means a solid mixture of basic ingredients used in making, mixing or compounding soft drinks by mixing the powder or other base with water, ice, syrup, simple syrup, fruits, vegetables, fruit juice, vegetable juice or any other product suitable to make a soft drink.

10. Retailer. "Retailer" means any person, other than a distributor, manufacturer or wholesale dealer, who receives, stores, mixes, compounds or manufactures any soft drink and sells or otherwise dispenses the soft drink to the ultimate consumer.

11. Sale. "Sale" means the transfer of title or possession for a valuable consideration of tangible personal property regardless of the manner by which the transfer is accomplished.

12. Simple syrup. "Simple syrup" means a mixture of sugar and water.

13. Soft drink. "Soft drink" means any nonalcoholic beverage, whether naturally or artificially flavored, whether carbonated or noncarbonated, sold for human consumption, including, but not limited to, soda water, cola and other flavored drinks, any fruit or vegetable drink containing 10% or less of natural fruit juice or natural vegetable juice and all other drinks and beverages commonly referred to as soft drinks, but not including coffee or tea unless the coffee or tea is bottled as a liquid for sale.

14. Syrup. "Syrup" means the liquid mixture of basic ingredients used in making, mixing or compounding soft drinks by mixing the syrup with water, simple syrup, ice, fruits, vegetables, fruit juice, vegetable juice or any other product suitable to make a soft drink.

§ 4852. Tax rate

1. Tax imposed. There is imposed a tax on every distributor, manufacturer or wholesale dealer to be calculated as follows:

- A. Four dollars per gallon of syrup or simple syrup sold or offered for sale;
- B. Forty-two cents per gallon of bottled soft drinks sold or offered for sale; and
- C. When a package or container of powder or base product is sold or offered for sale in the State, the tax on the sale of each package or container is equal to 42¢ for each gallon of soft drink that may be produced from each package or container by following the manufacturer's instructions. This tax applies when the powder or base product is sold to a retailer for sale to the ultimate consumer after the soft drink is produced by the retailer.

2. Purchase from unlicensed seller. A retailer who purchases bottled soft drinks, syrup, simple syrup or powder or base product from an unlicensed distributor, manufacturer or wholesale dealer is liable for the tax imposed in subsection 1.

§ 4853. Tax credited to Dirigo Health Enterprise Fund

The State Controller shall transfer by the 15th of each month from General Fund revenues to the Dirigo Health Enterprise Fund established under Title 24-A, section 6915 the amount of tax collected pursuant to this chapter.

§ 4854. Exemptions

The following are exempt from the tax imposed by section 4852:

1. Sales to Federal Government. Syrups, simple syrups, powder or base products or soft drinks sold to the Federal Government;

2. Products exported from State. Syrups, simple syrups, powder or base products or soft drinks exported from the State by a distributor, manufacturer or wholesale dealer;

3. Coffee or tea base. Any powder or base product used in preparing coffee or tea;

4. Juice or vegetable concentrate. Any frozen, freeze-dried or other concentrate to which only water is added to produce a nonalcoholic beverage containing more than 10% natural fruit juice or natural vegetable juice;

5. Fruit or vegetable juice. Any nonalcoholic beverage containing more than 10% natural fruit juice or natural vegetable juice;

6. Sales to another distributor, manufacturer or wholesale dealer. Syrups, simple syrups, powders or base products or soft drinks sold by a distributor, manufacturer or wholesale dealer to a distributor, manufacturer or wholesale dealer who holds a license under section 4856 if the license number of the distributor, manufacturer or wholesale dealer to whom the syrups, simple syrups, powder or base products or soft drinks are sold is clearly shown on the invoice for the sale that is claimed to be exempt. This exemption does not apply to any sale to a retailer;

7. Infant formula. Any product, whether sold in liquid or powder form, that is intended by its manufacturer for consumption by infants and that is commonly referred to as infant formula;

8. Water. Water to which no flavoring, whether artificial or natural, has been added and that has not been artificially carbonated;

9. Dietary aids. Any product, whether sold in liquid or powder form, that is intended by its manufacturer for use as a dietary supplement or for weight reduction;

10. Consumer mix. Any powder or base product that is intended by its manufacturer to be sold and used for the purpose of domestically mixing soft drinks by the ultimate consumer; and

11. Milk products. Any product containing milk or milk products.

§ 4855. Reports

A distributor, manufacturer or wholesale dealer and any retailer subject to the tax imposed by this chapter shall file a monthly return with the assessor and pay the tax on or before the 15th day of the month following the month in which the sale or purchase was made. The return must be made on a form prescribed by the assessor. The return must contain any information the assessor requires for the proper administration of this chapter. When a retailer is also acting as a distributor, manufacturer or wholesale dealer, the duty to report and pay the tax imposed by this chapter arises when the property is transferred to a retail store for sale to the ultimate consumer, as reflected by the records of the taxpayer.

§ 4856. Licenses

1. Distributor, manufacturer or wholesale dealer. Any distributor, manufacturer or wholesale dealer who sells or offers for sale to retailers within the State syrups, simple syrups, powder or base products or soft drinks shall obtain from the bureau a license for the privilege of conducting such business within the State.

2. Retailer. Any retailer who purchases syrups, simple syrups, powder or base products or soft drinks from a distributor, manufacturer or wholesale dealer not licensed under subsection 1 shall obtain a license from the bureau for the privilege of conducting such business.

3. Location; display. Any person required to obtain a license under this section shall obtain a license for each place of business owned or operated by that person. The license must be conspicuously displayed at the place of business for which it was issued.

§ 4857. Penalties

1. Failure to file, pay. A person required to file a return and pay tax under this chapter is subject to the same penalties as for failure to file and pay sales tax under Part 3.

2. Failure to obtain license. A person required to obtain a license under section 4856 who fails to do so is subject to the same penalties as for failure to register as a retailer under section 1754-B.

§ 4858. Rules

The assessor may adopt rules under the Maine Administrative Procedure Act to provide for the administration of this chapter. These rules may provide for a fee to cover the cost of issuing licenses required under section 4856. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. F-2. Effective date. This Part takes effect August 1, 2008.

Intent and Content Prepared by the Office of the Attorney General

This referendum asks whether Maine voters want to approve or disapprove those portions of newly enacted legislation that change the method of funding the Dirigo Health Program, established by the Legislature in 2005.

The Dirigo Health Program is currently funded through a charge of up to 4% on claims paid by private health insurance carriers, employee benefit excess insurance carriers and third party administrators, known as the "savings offset payment". The amount of the savings offset payment is based on a determination, made annually by the Board of Directors of the Dirigo Health Agency and subject to approval of the Superintendent of Insurance, of aggregate measurable cost savings to the health care system as a result of the operation of Dirigo Health. These savings include, but are not limited to, reductions in the amount of bad debt and cost of charity care provided by Maine hospitals to people who were formerly uninsured or underinsured.

Legislation enacted in June (Public Laws of 2007, Chapter 629) amended the Dirigo Health Program statute to replace the savings offset payment with funding from three different revenue sources:

- Part D establishes a health access surcharge on paid insurance claims at a fixed rate of 1.8%;
- Part E increases the existing excise tax from 25 cents per gallon to 54 cents per gallon on malt beverages sold in Maine from producers who manufacture more than 100,000 barrels of malt beverages per year, and increases the excise tax from 30 cents per gallon to 65 cents per gallon on wine manufactured or distributed in Maine from producers who make more than 20,000 gallons each year; and
- Part F imposes a new tax of \$4 per gallon of syrup used to make soft drinks and 42 cents per gallon of bottled soft drinks sold or offered for sale in Maine. The legislation exempts from this new tax the powder or base product used to produce coffee or tea; juice or vegetable concentrates that contain more than 10% natural fruit or vegetable juice; unflavored non-carbonated water; and any product containing milk or milk products.

After the legislation including the above-described changes was passed by the Legislature and signed by the Governor in June 2008, petitioners collected a sufficient number of signatures of registered voters to refer Parts D, E and F to the people for approval or disapproval at a statewide election. The effect of these parts of the legislation has been suspended pending the outcome of the election.

A "YES" vote is *in favor of the people's veto* and *disapproves* Parts D, E and F of the legislation that would change the method of funding the Dirigo Health Program.

A "NO" vote is *in opposition to the people's veto* and *approves* Parts D, E and F of the legislation that would change the method of funding the Dirigo Health Program.

Fiscal Impact Statement
Prepared by the Office of Fiscal and Program Review

Assuming successful passage of the people's veto of Parts D, E and F of Public Law 629 "An Act To Continue Maine's Leadership in Covering the Uninsured", the following anticipated revenue impacts from implementing Parts D, E and F on January 1, 2009 will no longer occur:

General Fund	2008-09	2009-10	2010-11
Sales tax increase on increased beer and wine excise tax	\$161,760	\$480,890	\$480,890
Dirigo Health Fund			
Elimination of the savings offset payment	(\$20,200,000)	(\$32,800,000)	(\$32,800,000)
Paid claims surcharge	\$18,000,000	\$37,080,000	\$38,192,400
Soft drink tax	\$5,110,945	\$11,649,500	\$11,859,191
Excise tax on beer and wine	\$3,409,062	\$8,181,749	\$8,181,749
Dirigo Health Fund Revenue	\$6,320,007	\$24,111,249	\$25,433,340

Public Comments

No public comments were filed in support or in opposition to Question 1.

Question 2: Citizen Initiative

Do you want to allow a certain Maine company to have the only casino in Maine, to be located in Oxford County, if part of the revenue is used to fund specific state programs?

State of Maine

"An Act to Allow a Casino in Oxford County"

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

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

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

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

2-A. Bazaar game. "Bazaar game" means a game, sport, amusement, diversion, scheme, plan, project, contest, undertaking or enterprise in which chance, fortune, luck or lot is the predominating factor or element in the winning or awarding of a prize but does not include a lottery or any game, sport, amusement, diversion, scheme, plan, project, contest, undertaking or enterprise in which the skill, accomplishment, art or adroitness of the gaming operator or participant is the primary factor in the winning or awarding of a prize.

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

5-A. Casino. "Casino" means a facility in Oxford County where activities take place, including, but not limited to, various forms of gaming, amusement, entertainment, music, shows, lodging and any other activities authorized under state law.

Sec. 4. 8 MRSA §1001, sub-§13-A is enacted to read:

13-A. Evergreen Mountain Enterprises, LLC. "Evergreen Mountain Enterprises, LLC" means the Maine-registered entity Evergreen Mountain Enterprises, LLC and its respective authorized entities, assigns, officials, agents and representatives.

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

16. Gambling facility. "Gambling facility" means a race track, off-track betting facility, high-stakes beano or beano facility, a game of chance facility ~~or~~, slot machine facility or gaming facility.

Sec. 6. 8 MRSA §1001, sub-§19-A is enacted to read:

19-A. Gaming. "Gaming" means any game of chance or other gaming activity or wagering activity, including, but not limited to, those activities specifically identified in subsection 19-C.

Sec. 7. 8 MRSA §1001, sub-§19-B is enacted to read:

19-B. Gaming activity. "Gaming activity" means the act of gambling or wagering something of value at a gaming table, slot machine, simulcast or other device that, upon the placing of a wager or insertion of a coin, token, credit or similar object or thing of value, is available to play or operate, the play or operation of which by the element of chance may deliver the person playing or operating the gaming table, video screen or device, contrivance or machine or entitle that person to receive cash, tokens or credits to be exchanged for cash, merchandise or anything of value, whether the payoff is made by a gaming employee of the operator or automatically from the device, contrivance or machine or in any other manner.

Sec. 8. 8 MRSA §1001, sub-§19-C is enacted to read:

19-C. Gaming device. "Gaming device" means a device used in any form of gaming, including without limitation the following: a slot machine, card game, table game or other game of chance, including without limitation blackjack, poker, dice, roulette, baccarat, money-wheels and bingo; a bazaar game, but only if conducted solely for merchandise prizes; a lottery game; a video facsimile, including without limitation a video facsimile of any card game, table game or other game of chance, including without limitation those described in this subsection. "Gaming device" applies only to a gaming facility and does not apply to a commercial track, which may operate only slot machines.

Sec. 9. 8 MRSA §1001, sub-§19-D is enacted to read:

19-D. Gaming device distributor. "Gaming device distributor" means a person who is licensed under this chapter to distribute gaming devices and associated equipment for use in this State.

Sec. 10. 8 MRSA §1001, sub-§20 as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

20. Gaming employee. "Gaming employee" means any person connected directly with a gambling facility, including cashiers, change personnel, counting room personnel, hosts, dealers, persons who extend credit or offer complimentary services, machine mechanics, security personnel, supervisors or managers. "Gaming employee" also includes employees of a slot machine distributor or gaming device distributor whose duties are directly involved with repair or distribution of slot machines or gaming devices.

Sec. 11. 8 MRSA §1001, sub-§20-A is enacted to read:

20-A. Gaming equipment. "Gaming equipment" means a machine or device that is specifically designed or manufactured for use in the operation of any gaming activity.

Sec. 12. 8 MRSA §1001, sub-§20-B is enacted to read:

20-B. Gaming facility. "Gaming facility" means the place that houses the single casino in Oxford County. "Gaming facility" does not include a commercial track.

Sec. 13. 8 MRSA §1001, sub-§20-C is enacted to read:

20-C. Gaming operation. "Gaming operation" means an enterprise operated by a gaming operator on a gaming site for the conduct of gaming in a gaming facility.

Sec. 14. 8 MRSA §1001, sub-§20-D is enacted to read:

20-D. Gaming operator. "Gaming operator" means a corporation, partnership, limited partnership, limited liability company or other entity established by Evergreen Mountain Enterprises, LLC for the purpose of developing, owning or operating a gaming facility or gaming facilities on one gaming site or a gaming operation or gaming operations, including operation of slot machines, all of the equity and voting securities of which are owned beneficially, directly or indirectly, by Evergreen Mountain Enterprises, LLC.

Sec. 15. 8 MRSA §1001, sub-§20-E is enacted to read:

20-E. Gaming school. "Gaming school" means an enterprise organized to provide specialized training to gaming employees for the conduct of gaming other than a training program operated by the gaming operator.

Sec. 16. 8 MRSA §1001, sub-§20-F is enacted to read:

20-F. Gaming services. "Gaming services" means the provision of goods or services to a gaming operator directly in connection with the operation of gaming in a gaming facility, including maintenance or security services for the gaming facility; junket services; gaming schools; laboratory testing of gaming equipment, including video facsimile machines and lottery tickets; and the manufacture, distribution, maintenance or repair of gaming equipment. "Gaming services" does not include professional or financial services provided by persons licensed or registered under the laws of this State, the Federal Government or other states of the United States.

Sec. 17. 8 MRSA §1001, sub-§20-G is enacted to read:

20-G. Gaming site. "Gaming site" means one or more contiguous parcels of land selected by Evergreen Mountain Enterprises, LLC and owned or leased by Evergreen Mountain Enterprises, LLC or a gaming operator authorized by Evergreen Mountain Enterprises, LLC within a single city, town or plantation in Oxford County or within 2 or more contiguous cities, towns or plantations in Oxford County.

Sec. 18. 8 MRSA §1001, sub-§25, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

25. Intermediary company. "Intermediary company" means a company that is a holding company of a company that applies for a slot machine operator or gaming operator license or a slot machine distributor or gaming device distributor license or is a subsidiary of a holding company of a company that applies for a slot machine operator or gaming operator license or a slot machine distributor or gaming device distributor license.

Sec. 19. 8 MRSA §1001, sub-§27, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

27. Key executive. "Key executive" means any executive of a licensee having power to exercise a significant influence over decisions concerning the operation or distribution of slot machines or gaming devices.

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

30. Nongambling services. "Nongambling services" means any goods or services, other than gambling services and slot machine and gaming device distribution by a slot machine distributor or gaming device distributor, provided to an operator licensed under this chapter or at a gambling facility, including, but not limited to, hotel concessions, restaurant concessions or food service.

Sec. 21. 8 MRSA §1001, sub-§36, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

36. Premises. "Premises" means the property located within 2,000 feet of the center of the horse racing track at a commercial track and owned by the person that owns the property on which the track is located. "Premises" as it applies to a gaming site means the property on which the gaming facility is located.

Sec. 22. 8 MRSA §1001, sub-§43-A is enacted to read:

43-A. Total gross gaming device income. "Total gross gaming device income" means all money, tokens, credits or similar objects or things of value received from the play of gaming devices, minus money, credits or prizes paid out to winners.

Sec. 23. 8 MRSA §1001, sub-§44, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

44. Uniform location agreement. "Uniform location agreement" means a written agreement in a form prescribed by the board between a slot machine operator or gaming operator and a slot machine distributor or gaming device distributor that governs the terms and conditions of that agreement, including the placement of slot machines or gaming devices on the premises of the slot machine operator or gaming operator.

Sec. 24. 8 MRSA §1003, sub-§2, ¶H, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

H. Pursuant to subchapter 5, cause the department to investigate all complaints made to the board regarding ownership, distribution or operation of slot machines and gaming devices and all violations of this chapter or rules adopted under this chapter;

Sec. 25. 8 MRSA §1003, sub-§2, ¶I, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

I. Adopt rules to prevent undesirable conduct relating to the ownership, distribution and operation of slot machines or gaming devices and slot machine facilities and gaming facilities, including, but not limited to, the following:

(1) The practice of any fraud or deception upon a player of a slot machine or gaming device or a licensee;

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

(3) The infiltration of organized crime into the ownership, distribution or operation of Slot machines or gaming devices and slot machine facilities and gaming facilities; and

(4) The presence of disorderly persons in a location where slot machines or gaming devices are in use;

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

J. Maintain a central site system of monitoring in real time all slot machines and gaming devices licensed in accordance with this chapter using an on-line online inquiry;

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

K. Maintain the ability to activate and deactivate the operation of slot machines and gaming devices via the central site monitoring system under authority of board staff or persons contracted by the board;

Sec. 28. 8 MRSA §1003, sub-§2, ¶L, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

L. Ensure that the slot machine operator or gaming operator does not have access to any system that is capable of programming slot machines or gaming devices;

Sec. 29. 8 MRSA §1003, sub-§2, ¶M, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

M. Inform gaming facility operators and commercial track operators applying for a license to operate gaming devices or slot machines that any gaming devices or slot machines licensed by the board must be compatible with the central site system of ~~on-~~ line online monitoring used by the board;

Sec. 30. 8 MRSA §1003, sub-§2, ¶N, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

N. Cause the central site monitoring system to disable a gaming device or a slot machine that does not meet registration requirements provided by this chapter or rules adopted under this chapter or as directed by the department;

Sec. 31. 8 MRSA §1003, sub-§2, ¶O, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

O. Cause the central site monitoring system to disable a gaming device or a slot machine and cause the department to seize the proceeds of that gaming device or slot machine if the funds from that gaming device or slot machine have not been distributed, deposited or allocated in accordance with section 1036;

Sec. 32. 8 MRSA §1003, sub-§2, ¶Q, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

Q. Certify monthly to the department a full and complete statement of all gaming device and slot machine revenue, credits disbursed by licensees, administrative expenses and the allocation of gross slot machine income and total gross gaming device income for the preceding month;

Sec. 33. 8 MRSA §1003, sub-§2, ¶R, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

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

Sec. 34. 8 MRSA §1003, sub-§3, ¶E, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

E. The location and hours of operation of slot machines at commercial tracks, types of gaming devices and slot machines permitted, methods of operation of gaming devices and slot machines and distribution and servicing of gaming devices, slot machines and associated equipment;

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

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

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

H. Procedures for the annual audit of the books and records of gaming operators and slot machine operators, gaming device distributors and slot machine distributors and gambling services vendors;

Sec. 37. 8 MRSA §1003, sub-§3, ¶I, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

I. Establishment of a list of persons who are to be excluded or removed from any gaming facility or slot machine facility, including those persons who voluntarily request that their names be included on the list of excluded persons. These rules must define the standards for exclusion and removal and include standards regarding persons who are career or professional offenders, as defined by rules of the board, whose presence in a gaming facility or slot machine facility would, in the opinion of the board, be inimical to the interest of the State;

Sec. 38. 8 MRSA §1004, sub-§1, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

1. Generally. In order to facilitate the auditing and security programs required by section 1003, subsection 2 and in addition to the requirements of section 1003, subsection 2, paragraphs J to O, all gaming devices and slot machines must communicate electronically with the central site monitoring system required pursuant to section 1003, subsection 2, paragraph J. The board shall select a central site monitoring system. The central site monitoring system, in addition to other functions the board determines necessary, must:

A. Be a fully operational gaming device and slot machine control system that has the capability of supporting all gaming devices and slot machines licensed for operation in the State and is capable of being upgraded to maintain a fully operational and proper reporting capability;

B. Use a widely accepted gaming industry protocol to facilitate gaming device and slot machine manufacturers' ability to communicate with the central site monitoring system;

C. Have the capability to support progressive slot machines, both in-house and wide-area, as approved by the board. For purposes of this paragraph, "progressive slot

machine" means a slot machine or series of slot machines in which the payback amount to an individual player increases as that player continues to play the slot machine or slot machines;

D. Allow the gaming operator or slot machine operator to install independent player tracking systems to include cashless technology as approved by the board;

E. Be incapable of altering the statistical awards of slot machines and gaming devices, as designated by the slot machine or gaming device manufacturer and approved by the board;

F. Provide redundancy to ensure that each component of the network is capable of operating independently if another component of the network fails and to ensure that all transactional data is captured and secured; and

G. Have the ability to meet the reporting and control requirements set forth in section 1003, subsection 2, paragraphs A to T.

Sec. 39. 8 MRSA §1004, sub-§3, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

3. Initial acquisition of central site monitoring system. The board shall select the central site monitoring system presenting the lowest overall cost alternative, taking into consideration the capital costs, operating costs and impact on gross gaming device and slot machine revenues, that is capable of satisfying the requirements of this section and section 1003, as determined by the board.

Sec. 40. 8 MRSA §1005, sub-§1, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

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

A. Without notice, and at any time during regular hours of operation, enter the offices, facilities or other places of business of gaming operators, slot machine operators, gaming device distributors, slot machine distributors and gambling services vendors to conduct administrative inspections to determine compliance with this chapter and rules adopted under this chapter; and

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

Sec. 41. 8 MRSA §1009 is enacted to read:

§1009. Gaming and gaming activities authorized; regulation; credit; liability

1. Location. Gaming and gaming activities at a casino are allowed only at the gaming facility located in Oxford County.

2. Evergreen Mountain Enterprises, LLC may operate gaming devices. Notwithstanding any other provision of law, Evergreen Mountain Enterprises, LLC may, through one or more gaming operators as Evergreen Mountain Enterprises, LLC may elect, operate gaming devices on one gaming site.

3. Regulation. Regulation of gaming and gaming activities at the gaming site must be conducted by the board under this subchapter and the rules adopted pursuant to this subchapter.

4. Credit. A gaming operator may not be prohibited from including in the consideration for any extension of credit or service, including without limitation any credit or service relating to a gaming facility or a gaming operation, a return based on the revenues, earnings or other measure of financial performance of the gaming operator or a gaming operation or other activity of the gaming operator.

5. Liability. Evergreen Mountain Enterprises, LLC or any 3rd party is not liable or responsible for any act or omission of a gaming operator except as specifically provided by a contract to which Evergreen Mountain Enterprises, LLC or the 3rd party is a signatory or otherwise as provided by law without regard to this chapter.

Sec. 42. 8 MRSA §1011-A is enacted to read:

§1011-A. License to operate gaming devices at gaming facility

The board shall exercise authority over the licensing of all persons participating in the operation, distribution and maintenance of gaming devices and gaming facilities and over the registration of gaming devices.

1. Operator license required. A person may not operate any gaming device in the State unless the person has been issued a license to operate gaming devices by the board. A gaming device operator license authorizes a licensee to own or lease gaming devices operated at a licensed gambling facility.

2. Eligible persons. The board may accept applications for a license to operate gaming devices from any person who is licensed to operate a gaming facility as long as the facility satisfies the following criteria:

A. The gaming facility is located in Oxford County in a municipality chosen by Evergreen Mountain Enterprises, LLC;

B. The operation of gaming devices at the gaming facility is approved by the voters of the municipality in which the gaming facility to be licensed is located by referendum election held at any time after November 1, 2006 and before December 31, 2008; and

C. The legislative body of each city, town or plantation in which the gaming facility is located has approved the gaming site for the conduct of all gaming operations permitted under this chapter.

3. Requirements for license; continued gaming facility licensure. The board may not issue a license to operate gaming devices to any person unless that person demonstrates compliance with the qualifications set forth in sections 1016 and 1019. A person who is granted a license to operate gaming devices shall maintain a license to operate a gaming facility without lapse, suspension or revocation for the duration of the gaming operator's license.

4. Requirement for license; agreement with municipality where gaming devices are located. A gaming operator shall enter into an agreement with the municipality where the gaming operator's gaming devices are located that provides for revenue sharing or other compensation, including, but not limited to, a provision requiring the preparation, in conjunction with the municipality, of a security plan for the premises on which the gaming devices are located.

5. Renewal. Licenses to operate gaming devices may be renewed upon application for renewal in accordance with this subchapter subject to board rules.

Sec. 43. 8 MRSA §1012, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1012. Local approval for renewal of gaming or slot machine operator license

An application for renewal of a gaming operator or slot machine operator license must first be approved under this section by the municipal officers of the municipality in which the gaming facility or commercial track with slot machines is located or, if the gaming facility or commercial track is in an unincorporated place, the application must be approved by the county commissioners of the county in which the gaming facility or commercial track with slot machines is located.

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

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

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

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

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

A. Noncompliance of the gaming facility or commercial track licensed to operate slot machines with any local zoning ordinance or other land use ordinance not directly related to gaming device or slot machine operations;

B. Conditions of record such as waste disposal violations, health or safety violations or repeated parking or traffic violations on or in the vicinity of the premises of the gaming facility or commercial track with slot machines and caused by persons patronizing or employed by the gaming facility or commercial track licensed to operate slot machines or other such conditions caused by persons patronizing or employed by the premises that unreasonably disturb, interfere with or affect the ability of persons or businesses residing or located in the vicinity of the premises to use their property in a reasonable manner;

C. Repeated incidents of record of breaches of the peace, disorderly conduct, vandalism or other violations of law on or in the vicinity of the premises of the gaming facility or commercial track with slot machines and caused by persons patronizing or

employed by the gaming facility or commercial track licensed to operate slot machines;
and

D. A violation of any provision of this chapter.

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

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

Sec. 44. 8 MRSA §1013, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1013. Licensing of gaming device distributors and slot machine distributors

1. License to distribute required. A person may not distribute a gaming device or slot machine in the State unless the person has been issued a license to distribute gaming devices or slot machines by the board.

2. Requirements for license. The board may issue a license to distribute gaming devices or slot machines to an applicant that meets the qualifications set out in sections 1016 and 1019.

Sec. 45. 8 MRSA §1015, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1015. Licensing of employees of gaming or slot machine operators, gaming device or slot machine distributors and gambling services vendors

1. License required. A person may not be employed by a gaming operator or slot machine operator, gaming device distributor or slot machine distributor or gambling services vendor unless the person is licensed to do so by the board or granted a waiver by the board pursuant to subsection 3.

2. Requirements for license. The board may issue an employee license to an employee of a gaming operator or slot machine operator, gaming device distributor or slot machine distributor or gambling services vendor if the applicant meets the qualifications set out in sections 1016 and 1019.

3. Requirements for waiver. Upon application by a gaming operator or slot machine operator, gaming device distributor or slot machine distributor or gambling services vendor, the board may waive the employee license requirement under this section if the gaming operator or slot machine operator, gaming device distributor or slot machine distributor or gambling services vendor demonstrates to the board's satisfaction that the public interest is not served by the requirement of the employee license.

Sec. 46. 8 MRSA §1016, sub-§1, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

1. Minimum qualifications. Notwithstanding Title 5, chapter 341, and in addition to any requirements imposed by rules adopted by the board, a person must satisfy the following qualifications to be a gaming operator or slot machine operator, a gaming device distributor or a slot machine distributor, a gambling services vendor or an employee of these entities:

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

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

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

D. In the case of a person applying to be a gaming operator or slot machine operator, the person has sufficient knowledge and experience in the business of operating gaming devices or slot machines to effectively operate the gaming facilities or slot machine facilities to which the license application relates in accordance with this chapter and the rules and standards adopted under this chapter, or the person forms a partnership with persons or entities who have sufficient knowledge and experience in the business of operating gaming devices or slot machines;

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

F. If the applicant is a business organization, the applicant is organized in this State, although that business organization may be a wholly or partially owned subsidiary of an entity that is organized pursuant to the laws of another state or a foreign country; and

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

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

Sec. 47. 8 MRSA §1018, sub-§1, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

1. Fees. The application fee for a license and the annual fee for a registered gaming device or slot machine under this chapter are as set out in this subsection.

A. The initial registration fee for a registered gaming device or slot machine is \$100. The annual renewal fee is an amount, set by rules of the board, equal to the cost to the board of licensing gaming devices and slot machines and determined by dividing the

costs of administering the gaming device and slot machine licenses by the total number of gaming devices and slot machines licensed by the board.

B. The initial application fee for a slot machine distributor or gaming device distributor license is \$200,000. The annual renewal fee is an amount, set by rules of the board, equal to the cost to the board of licensing slot machine distributors and gaming device distributors and determined by dividing the costs of administering the slot machine distributor and gaming device distributor licenses by the total number of slot machine distributors and gaming device distributors licensed by the board.

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

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

E. The application fee for an employee license under section 1015 is \$250.

In addition to the application fee for a license or annual fee for a registered gaming device or slot machine, the board may charge a one-time application fee for a license or registration listed in paragraphs A to E in an amount equal to the projected cost of processing the application and performing any background investigations. If the actual cost exceeds the projected cost, an additional fee may be charged to meet the actual cost. If the projected cost exceeds the actual cost, the difference may be refunded to the applicant. All fees collected pursuant to this section must be deposited directly to the General Fund. All application and registration fees are nonrefundable and are due upon submission of the application.

Sec. 48. 8 MRSA §1018, sub-§2, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

2. Term of license; renewal; renewal fees. All licenses issued by the board under this chapter are effective for one year, unless revoked or surrendered pursuant to subchapter 5. Upon proper application and payment of the required fees and taxes and in accordance with rules adopted by the board, the board may renew a license for an additional year if municipal approval has been obtained as provided in section 1012. The board shall transfer \$25,000 of the renewal fee required by subsection 1, paragraph C to the municipality in which the gaming devices or slot machines are operated.

Sec. 49. 8 MRSA §1020, sub-§3, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

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

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

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

Sec. 50. 8 MRSA §1020, sub-§4, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

4. Examination of gaming devices and slot machines. The board shall, in cooperation with the department, examine gaming devices and slot machines and associated equipment of gaming device distributors and slot machine distributors seeking registration as required in this chapter. The board shall require the gaming device distributor or slot machine distributor seeking examination and approval of the gaming device or slot machine or associated equipment to pay the anticipated cost of the examination before the examination occurs. After the examination occurs, the board shall refund overpayments or charge and collect amounts sufficient to reimburse the board for underpayments of actual cost. The board may contract for the examinations of gaming devices and slot machines and associated equipment as required by this section.

Sec. 51. 8 MRSA §1020, sub-§5, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

5. Unregistered or noncompliant gaming device or slot machine subject to confiscation. A gaming device or slot machine that is not registered as required by this section or that does not comply with the requirements of this chapter or rules adopted under this chapter is contraband and a public nuisance and the gaming device or slot machine and the gaming device's or slot machine's monetary contents, monetary proceeds and associated equipment are subject to confiscation by any law enforcement officer. Slot machines, gaming devices and any monetary contents, monetary proceeds and associated equipment confiscated pursuant to this section are subject to forfeiture in accordance with the procedures outlined in Title 17-A, section 959 or 960.

Sec. 51-A. 8 MRSA c. 31, sub-c. 3, as amended, is further amended by repealing the subchapter headnote and enacting the following in its place:

SUBCHAPTER 3
GAMING DEVICE AND SLOT MACHINE OPERATION;
ALLOCATION OF FUNDS

Sec. 52. 8 MRSA §1031, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1031. Age limit on gaming device and slot machine use; access by minors; credit prohibited

1. Minimum age. A gaming operator or slot machine operator may not permit a person under 24 19 years of age to play a slot machine or gaming device.

2. Placement of gaming devices and slot machines. A slot machine operator or gaming operator, slot machine distributor or gaming device distributor or gambling services vendor shall prohibit persons under 24 19 years of age from any area in which a slot machine or gaming device is located, except that a person at least 18 to 20 years of age may be present if that person is a licensed employee under section 1015.

3. Credit prohibited. A slot machine operator or gaming operator may not allow the use of a credit card or debit card by a person to play a slot machine or gaming device.

Sec. 53. 8 MRSA §1032, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1032. Payment of credits by gaming device or slot machine operator

A gaming operator or slot machine operator shall redeem credits for players who earn credits on a gaming device or slot machine located on the premises of that gaming operator or slot machine operator in accordance with rules adopted by the board.

Sec. 54. 8 MRSA §1033, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1033. Uniform location agreement

Each gaming device and slot machine is subject to a uniform location agreement between the gaming device distributor or slot machine distributor and the gaming operator or slot machine operator. A copy of the agreement must be submitted to the board for approval. The uniform location agreement is the complete and sole agreement between the gaming operator or slot machine operator and the gaming device distributor or slot machine distributor regarding gaming devices and slot machines. No other agreement between the gaming operator or slot machine operator and the gaming device distributor or slot machine distributor is legally binding.

Sec. 55. 8 MRSA §1034, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1034. Disclosure of other contracts and agreements

A slot machine operator or gaming operator must submit to the board all contracts or agreements the slot machine operator or gaming operator establishes with a slot machine distributor or gaming device distributor, licensed gambling services vendor or a key executive.

Sec. 56. 8 MRSA §1035, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1035. Location of slot machines

Slot machines may be located only on the premises of a state-authorized commercial track and on the premises of the gaming facility in Oxford County.

Sec. 57. 8 MRSA §1035-A is enacted to read:

§1035-A. Location of gaming devices

Other than state-authorized slot machines allowed at a commercial track, gaming devices may be located only at the site of the gaming facility in Oxford County.

Sec. 58. 8 MRSA §1036, sub-§1, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

1. Distribution for administrative expenses of board. A slot machine operator shall collect and distribute 1% of adjusted gross slot machine income to the Treasurer of State for deposit in the General Fund for the administrative expenses of the board. A gaming operator shall collect and distribute 1% of adjusted gross gaming device income to the Treasurer of State for deposit in the General Fund for the administrative expenses of the board. For purposes of this subsection, "adjusted gross slot machine income" means the total value of money or tokens, credits or similar objects or things of value used to actually play a slot machine before payback

is distributed to a player, and "adjusted gross gaming device income" means the total value of money or tokens, credits or similar objects or things of value used to actually play a gaming device before payback is distributed to a player.

Sec. 59. 8 MRSA §1036, sub-§2-A is enacted to read:

2-A. Distribution from gaming facility. The gaming operator shall collect and distribute 39% of the total gross gaming device income from gaming devices operated by the gaming operator to the board for distribution by the board to the Treasurer of State, who shall establish the Improve Maine's Future Support Fund, referred to in this subsection as "the fund," and shall credit to the fund all the money received by the Treasurer of State pursuant to this subsection. No later than January 31st of each year, all funds held as of the end of the previous calendar year in the fund must be distributed by the Treasurer of State as follows:

A. Five percent of the total gross gaming device income must be distributed to a Maine resident student loan repayment fund or similarly established fund to be used to pay for student loan repayment for graduates of 4-year colleges and graduate programs, with graduates who have resided in this State at least 10 years receiving first priority over graduates who have resided in this State less than 10 years. College graduates of 4-year public colleges in this State receive priority. Graduates of private colleges in this State receive the same priority as graduates of public colleges up to the cost of a public college in this State, then additional funding if available. Public and private community college graduates are eligible for funding after 4-year college graduates have been reimbursed. Such qualifying applying graduates are eligible to receive assistance with the repayment of their college and graduate school tuition if they reside in the State after graduation. Priority is given to applicants employed and working in their major field of college study. If a recipient of assistance ceases to reside in this State or a recipient of assistance lives outside of this State in excess of 60 days without approval by the board or its agent to do so, the recipient will be permanently disqualified to receive further loan assistance from the fund. The requirements of this paragraph may be waived by the appropriate overseeing board or the Governor in appropriate circumstances;

B. Four percent of the total gross gaming device income must be distributed to the research and development of an east-west highway in this State. A portion of the funds must be made available to attract federal matching funds from the Federal Government for this project;

C. Three percent of the total gross gaming device income must be distributed to the University of Maine and the fractionation development center strictly for the research and production of biofuels and bio-heating oil as an alternative energy source by converting sustainably harvested, low-value forest biomass into environmentally friendly fuel for automobiles and for heating homes. The production process of such fuels must have the strict objective of zero pollution as a byproduct. Once the designated technology is realized, the funds provided in this paragraph must also be available for the development and implementation of a conversion plant to be located near the fractionation development center to aid in the production of biofuels in the manner stated in this paragraph. Once this plant has been completed, future funds authorized under this paragraph must be distributed for the implementation of additional conversion plants in the State for the production of biofuels. If this particular technology venture is abandoned by the State, such funds must go to the Renewable Resource Fund, established in the Maine Revised Statutes, Title 35-A, section 3210, subsection 6, to promote other clean alternative-energy producing projects that focus on the objectives of this paragraph exclusively;

D. Three percent of the total gross gaming device income must be distributed to make health care more affordable for small businesses and their workers and self-employed

persons in this State. This endeavor must include expanding membership in the Dirigo Health Program and allowing such health care to be offered as a self-insured product, with the goal of helping aid the design of a more competitive and affordable health care plan. A portion must be used to subsidize health plans for small businesses and provide some insurance on a sliding scale. The overall goal of such funding is to ensure that every working person in the State has affordable health care coverage;

E. Two percent of the total gross gaming device income must be deposited in the Local Government Fund established in Title 30-A, section 5681 and distributed in accordance with the provisions of that section for revenue sharing with municipalities, strictly for the purpose of providing local property tax relief. A portion must be allocated for a delayed tax payment program for residents 65 years of age or older;

F. Two percent of the total gross gaming device income must be distributed to a Maine prepaid college plan to allow residents of this State to prepay the cost of college tuition, fees and dormitory housing before their children go to college. The amount a participant in the plan pays for tuition expenses in the future is guaranteed to cover those future tuition expenses no matter how much college costs increase in the future. When a child covered by the plan is ready for college, the plan covers the actual cost at any public college, technical school or community college in this State, or the participant may transfer the value of the plan to participating private colleges in this State. Once the participant signs up for the plan, payments are fixed and may not increase. "Participant" includes but is not limited to parents, grandparents, other relatives and businesses;

G. Two percent of the total gross gaming device income must be used for assisting the elderly with the cost of prescription drugs. This effort must include innovative ideas such as partnering with tribes in this State to purchase lower-priced, high-quality prescription drugs from trustworthy participating countries and resources;

H. Two percent of the total gross gaming device income must be distributed to the Department of Transportation strictly for the improvement of secondary rural roads in the State using the type of technology and the workmanship that are used to fix the primary state highways;

I. Two percent of the total gross gaming device income must be distributed for the expansion of facilities and course selection in the Maine Community College System. The added curriculum must reflect primarily the potential and realized employment opportunities of the town or towns that the schools serve. Courses focusing on innovation, advancements and technology must be stressed;

J. One percent of the total gross gaming device income must be distributed for the program cost portion of general purpose aid to local schools, provided that a school that receives funds pursuant to this paragraph does not sell junk food such as soda or candy in vending machines or at concession stands and has a policy specifying the need for healthy choices for students and the general public at all school activities. If charter schools are established in this State, a portion of the funds distributed under this paragraph must be made available for such schools in addition to regular public schools;

K. One percent of the total gross gaming device income must be distributed to the Renewable Resource Fund, established in the Maine Revised Statutes, Title 35-A, section 3210, subsection 6, for the development of new renewable sources of energy;

L. One percent of the total gross gaming device income must be distributed to the Finance Authority of Maine for its NextGen First Step Grant program to assist residents of this State in saving for college tuition;

- M. One percent of the total gross gaming device income must be distributed to towns to be used for regionalization efforts of towns that express the desire and demonstrate the ability to reduce and eliminate duplicative municipal services in neighboring towns;
- N. One percent of the total gross gaming device income must be distributed to help fund the raising of the state minimum wage to a level comparable with a livable wage for resident workers in this State of \$7.70 per hour in 2008 and \$8.40 in 2009 and in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, CPI-W index, thereafter. If the Legislature refuses to accept these funds for this purpose, these funds must go to funding affordable health care and Dirigo Health under paragraph D;
- O. One percent of the total gross gaming device income must be distributed for grants to residents of this State who demonstrate energy efficiency and conservation proficiency, such as partial rebates for purchasers of hybrid and biodiesel-capable vehicles, for those who convert vehicles into biodiesel-capable vehicles and for users of biofuel for home and business heating, and grants for residents of this State who demonstrate an ability to develop such clean and efficient fuel technologies;
- P. One percent of the total gross gaming device income must be distributed for improving the water quality of rivers in this State, starting with the Androscoggin River with the goal of bringing it to the status of Class A, and complying with the federal Clean Water Act. These funds must be distributed for the development and implementation of the technology necessary to eliminate the discharge of toxins and other harmful waste products from paper mills and municipal waste treatment plants into rivers in this State, starting with the Androscoggin River and moving to other polluted rivers in this State, after the Androscoggin has attained the status of Class A. If willing and deemed capable, non-profit organizations with a demonstrated interest in revitalizing the natural environment to pre-pollution standards shall be the arbiters of the allocation of the funds under this paragraph as to events regarding the Androscoggin River, insuring that these goals are pursued. Other such non-profit organizations must receive and allocate funds for cleanup of other rivers in this State once the Androscoggin has attained the status of Class A;
- Q. One percent of the total gross gaming device income must be distributed to the Land for Maine's Future Fund established in Title 5, section 6203 to secure the traditional heritage of this State of public access to the land and water resources of this State and to secure the continued quality and availability of natural resources important to the interests and continued heritage of the people of this State;
- R. One percent of the total gross gaming device income must be distributed directly to public access television stations in this State for the purposes of improving their technology and programming, including the implementation of live-broadcast capabilities, and of implementing programs in the local schools and public access stations that allow students from local school systems and the community at large to take part in the production of programming for the community for broadcast. Public access stations that restrict content submitted by the public that is otherwise legal under state and federal law and those stations that attempt to limit the right to free speech under the First Amendment of the United States Constitution are disqualified from obtaining funding under this paragraph for that funding year;
- S. One percent of the total gross gaming device income must be distributed for funding residents of this State who are 15 years of age to 30 years of age to support ideas and projects that will stimulate the creative economy of this State, enhance technology, improve civic engagement or otherwise effect positive community change;

T. One percent of the total gross gaming device income must be distributed to the General Fund for programs to protect gaming patrons against the risks of gambling, including providing gambling addiction counseling services and monitoring patrons who may be at risk and have a propensity for problem gambling. Counseling and education must be made available for such at-risk individuals in accordance with rules, which are routine technical rules pursuant to Title 5, chapter 375, subchapter 2-A, adopted by the board;

U. Two percent of the total gross gaming device income must be forwarded directly to any municipality in which the gaming facility is located; and

V. One percent of the total gross gaming device income must be forwarded directly to Oxford County to pay for mitigation of costs resulting from gaming operations conducted pursuant to this chapter. The remaining funds, if any, must be allocated for the beautification and preservation of the character of Oxford County. The county commissioners shall allocate the funds forwarded to Oxford County under this paragraph.

If a program is already established that is sufficiently similar to a program listed in this subsection and has substantially the same objectives, services may be combined if the Attorney General decides that the program in this subsection substantially reflects the objectives and spirit of the established program. If the Attorney General cannot make such a decision, the Governor or a Governor-appointed head of a state agency qualified to address the subject area shall decide whether duplicative programs must be combined. As applicable, in cases in which funds in this subsection affect programs already established, such funds must be used only to supplement state funding to applicable existing programs, not supplant funding to existing programs.

If any of the entities or groups referred to in this subsection cease to exist, reject the funds or are found by the board or the board overseeing the funding not to have used the designated funds for the purpose so designated under this subsection, that entity's share under this subsection is to be forfeited. In such a case, the balance of the forfeited funds must be distributed in full to the Maine resident student loan repayment fund in paragraph A.

The president of Evergreen Mountain Enterprises, LLC must be appointed a voting member on the governing body or board, if any, of each recipient or program funded in this subsection regarding the allocation of specific funding that is paid by the gaming operator.

The overall general intention of the fund is to develop and realize the vast potential of this State without compromising the public health or natural resources. The programs in this subsection are intended to provide jobs, opportunities, health care, education, protection of the environment and advancement of the overall quality of life for residents of this State. In any analysis or interpretation of any of the funding of the programs in this subsection, this subsection must be liberally construed to observe such goals as long as the substantial purposes of each program provided in this subsection are complied with.

Sec. 60. 8 MRSA §1036, sub-§3, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

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

Sec. 61. 8 MRSA §1041, sub-§2, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

2. Location. A gaming operator or slot machine operator shall maintain all records required by this chapter or by rules adopted under this chapter at the operator's primary business office within this State or on the premises where the gaming device or slot machine is operated. A gaming device distributor or slot machine distributor shall maintain these records at the distributor's primary business office within this State. The primary business office must be designated by the license holder in the license application. All records must be open to inspection and audit by the board or its designee and a license holder may not refuse the board or its designee the right to inspect or audit the records. Refusal to permit inspection or audit of the records constitutes grounds for revocation or suspension of the license or registration.

Sec. 62. 8 MRSA §1042, sub-§2, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

2. Monitoring. The board or the department shall monitor the use, operation, distribution and servicing of gaming devices and slot machines through on-site observation and other means at any time during the operation of any license for the purpose of certifying the revenue thereof, receiving complaints from the public relating to the conduct of licensees, examining records of revenues and procedures, enforcing the provisions of this chapter and the rules adopted pursuant to this chapter and conducting periodic reviews of licenses for the purpose of evaluating current or suggested provisions of this chapter and the rules adopted pursuant to this chapter.

Sec. 63. 8 MRSA §1054, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1054. Criminal violations

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

- 1. Tampering with gaming device or slot machine.** Manipulates or intends to manipulate the outcome, payback or operation of a gaming device or slot machine by physical tampering or any other means;
- 2. Interference.** Interferes with the board's ability to monitor compliance with this chapter;
- 3. Operation or distribution without license.** Operates or distributes a gaming device or slot machine in this State without a license;
- 4. Operation or distribution of unregistered gaming device or slot machine.** Operates or distributes a gaming device or slot machine that is not registered in this State;
- 5. Possession of tools for purpose of tampering with gaming device or slot machine.** Possesses or makes any tool, implement, instrument or other article that is adopted adapted, designed or commonly used for manipulating the outcome, payback or operation of a gaming device or slot machine with intent to use that tool, implement, instrument or other article to commit the manipulation of a gaming device or slot machine;
- 6. Failure to disclose contracts and agreements.** Violates section 1034;
- 7. Underage use of gaming device or slot machine.** Violates section 1031, subsection 1;
- 8. Failure to deposit funds.** Violates section 1036, subsection 2 or 2-A; or

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

Sec. 64. 8 MRSA §1064, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1064. Applicability of Title 17, chapter 14

Except as expressly provided in this chapter, the provisions of Title 17, chapter 14 do not apply to the ownership, distribution or operation of slot machines or gaming devices in the State.

Sec. 65. 8 MRSA c. 31, sub-c. 7 is enacted to read:

SUBCHAPTER 7
GAMING FACILITY LICENSING

§1071. License to operate gaming facility

1. Eligible persons. The board may issue a license to operate gaming devices including slot machines at a gaming facility to Evergreen Mountain Enterprises, LLC if it or its designee satisfies the following criteria:

A. The gaming facility is located in Oxford County in a municipality chosen by Evergreen Mountain Enterprises, LLC; and

B. The operation of gaming devices at the gaming facility is approved by the voters of the municipality in which the gaming facility to be licensed is located by referendum election held at any time after November 1, 2006 and before December 31, 2008.

2. Requirements for license. The person applying for a license under subsection 1 must satisfy the qualifications set forth in section 1011-A.

3. Operation of gaming devices. A licensee may operate a gaming device on any day during the calendar year at the location where the gaming facility is licensed for gaming without restriction on hours of operation.

§1072. Authorized gaming operations

1. Authorized games. Notwithstanding any other provision of law, Evergreen Mountain Enterprises, LLC may, through one or more gaming operators as Evergreen Mountain Enterprises, LLC may elect, conduct, on one site and subject to this subchapter, any form of gaming or wagering, including without limitation any of the following:

A. Card games, table games and other games of chance, including without limitation blackjack, poker, dice, roulette, baccarat, money-wheels and bingo;

B. Any bazaar game, but only if conducted solely for merchandise prizes;

C. Any lottery game; and

D. Video facsimiles, including without limitation video facsimiles of any card game, table game or other game of chance, including without limitation those described in paragraph A.

§1073. Protection against proliferation

1. Protection against proliferation. A gaming facility license may not be issued under section 1011-A to any other gaming facility for 10 years from the first day that gaming occurs at the gaming facility.

2. Exclusive gaming facility in the State. Other than properly approved and licensed commercial tracks, Evergreen Mountain Enterprises, LLC must be the only gaming facility in the State. No other gaming facilities in any form are permitted in the State for 10 years from the first day that gaming occurs at the gaming facility.

3. Exclusive operator of gaming operations. As applicable, the rights and privileges granted under this subchapter are reserved to Evergreen Mountain Enterprises, LLC and, as applicable, the gaming operator. No other person, including without limitation any commercial track or creditor of the gaming operator, may conduct any gaming operation on the gaming site. This subsection may not be interpreted to restrict any nongaming activities on the gaming site. Licensed commercial tracks may not expand their gaming operations to include gaming devices other than slot machines.

Sec. 66. 17-A MRSA §952, sub-§5-A, ¶C, as amended by PL 2003, c. 687, Pt. A, §6 and affected by Pt. B, §11, is further amended to read:

C. That is not a machine or gaming device that a person may lawfully operate pursuant to a license that has been issued under Title 17, chapter 14 or that is operated by the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations; and

Sec. 67. 17-A MRSA §952, sub-§5-A, ¶D, as enacted by PL 2003, c. 687, Pt. A, §7 and affected by Pt. B, §11, is amended to read:

D. That is not a slot machine registered pursuant to Title 8, section 1020 or a gaming device operated by the licensed gaming operator pursuant to Title 8, section 1011-A and owned by a slot machine distributor or gaming device distributor licensed pursuant to Title 8, section 1013.

Sec. 68. 17-A MRSA §959, sub-§2, as amended by PL 2003, c. 687, Pt. A, §8 and affected by Pt. B, §11, is further amended to read:

2. An illegal gambling machine, any monetary contents and any associated proceeds may be declared forfeited under this section by any court that has jurisdiction over the illegal gambling machine or final jurisdiction over any related criminal proceeding brought under this chapter or by the Superior Court for Kennebec County or the Superior Court for Oxford County. Property subject to forfeiture may be kept or stored at any location within the territorial boundaries of the State and is subject to the authority of any court in which a petition seeking the forfeiture of that property is filed.

Sec. 69. 36 MRSA §6652, sub-§1-B, ¶C, as repealed and replaced by PL 2005, c. 218, §61 and affected by §63, is amended to read:

C. Gambling machines or devices, including any device, machine, paraphernalia or equipment that is used or usable in the playing phases of any gambling activity as that term is defined in Title 8, section 1001, subsection 15, whether that activity consists of gambling between persons or gambling by a person involving the playing of a machine. "Gambling machines or devices" includes, without limitation:

- (1) Associated equipment as defined in Title 8, section 1001, subsection 2;
- (2) Computer equipment used directly and primarily in the operation of a slot machine as defined in Title 8, section 1001, subsection 39 or a gaming device as defined in Title 8, section 1001, subsection 19-C;
- (3) An electronic video machine as defined in Title 17, section 330, subsection 1-A;
- (4) Equipment used in the playing phases of lottery schemes; ~~and~~
- (5) Repair and replacement parts of a gambling machine or device-; and
- (6) A gaming device as defined in Title 8, section 1001, subsection 19-C.

Sec. 70. Report. The Department of Public Safety, Gambling Control Board established in the Maine Revised Statutes, Title 8, chapter 31 shall submit by January 15, 2008 a report and recommendations to the Governor and the Legislature on bringing within the jurisdiction of the board regulatory authority over off-track betting, high-stakes beano, beano, pari-mutuel wagering, games of chance and other approved gaming devices, including, but not limited to, poker, craps, baccarat, blackjack and roulette.

Sec. 71. Report on operation of Gambling Control Board. The Department of Public Safety, Gambling Control Board established in the Maine Revised Statutes, Title 8, chapter 31 shall submit by March 15, 2008 a report on the operation of the board and its effectiveness in regulating the operation of gaming devices and slot machines and other gaming devices at commercial harness racing tracks and gaming facilities. The report must include recommendations of any necessary changes to the board and the laws governing the board in order to effectively regulate the operation of gaming devices, slot machines and other gaming devices at commercial tracks and gaming facilities. The report must include recommendations regarding expansion of the board's authority to regulate all gaming conducted legally within the State.

PROPOSED INITIATIVE SUMMARY

This initiated bill authorizes Evergreen Mountain Enterprises, LLC to operate a gaming facility at a single site in Oxford County. The legislative body and voters of any municipality in which the site is located must approve the site for the operation of the gaming facility. The gaming facility is authorized to contain slot machines, bazaar games conducted solely for merchandise prizes, lottery games, video facsimiles, card games, table games and other games of chance, including without limitation blackjack, poker, dice, roulette, baccarat, money-wheels and bingo. The initiated bill removes the limit on the total number of slot machines that are allowed to be registered in this State. The minimum age to play a slot machine or gaming device is lowered from 21 years of age to 19 years of age. The initiated bill provides that, other than the approved commercial race tracks in the State that operate slot machines, the gaming facility operated by Evergreen Mountain Enterprises, LLC must be the only gaming facility in the State for at least 10 years. The initiated bill provides for regulation of the gaming facility by the Department of Public Safety, Gambling Control Board.

The initiated bill requires the gaming operator to collect and distribute 1% of adjusted gross gaming device income to the Treasurer of State for deposit in the General Fund for the administrative expenses of the Gambling Control Board. The gaming operator must pay to the State 39% of the total gross gaming device income. This money paid to the State must be used for the following purposes:

- 1. Five percent of the total gross gaming device income must be distributed to repay student loans of residents of this State;

2. Four percent of the total gross gaming device income must be distributed to the research and development of an east-west highway in the State;
3. Three percent of the total gross gaming device income must be distributed to develop and construct a facility to produce biofuels, including fuel for heating homes;
4. Three percent of the total gross gaming device income must be distributed to make health care more affordable for employees of businesses and the self-employed in this State. This endeavor must include expanding membership in the Dirigo Health Program and allowing such health care to be offered as a self-insured product;
5. Two percent of the total gross gaming device income must be distributed for revenue sharing with municipalities, with the intent of providing local property tax relief;
6. Two percent of the total gross gaming device income must be distributed to a Maine prepaid college plan to allow residents of this State to prepay the cost of college tuition, fees and dormitory housing before a child goes to college;
7. Two percent of the total gross gaming device income must be used to assist the elderly with the cost of prescription drugs;
8. Two percent of the total gross gaming device income must be used for the improvement of secondary rural roads in the State;
9. Two percent of the total gross gaming device income must be distributed for the expansion of facilities and course selection in the Maine Community College System;
10. One percent of the total gross gaming device income must be distributed for the program cost portion of general purpose aid for local schools;
11. One percent of the total gross gaming device income must be distributed to Maine's Renewable Resource Fund for the development of new renewable sources of energy;
12. One percent of the total gross gaming device income must be distributed to the Finance Authority of Maine for its NextGen First Step Grant program to assist residents of this State in saving for college tuition;
13. One percent of the total gross gaming device income must be distributed to towns to be used for regionalization efforts of towns that express interest in reducing and eliminating duplicative municipal services;
14. One percent of the total gross gaming device income must be distributed to help fund raising the minimum wage to a level comparable with a "livable wage" for the resident workers in this State of \$7.70 per hour in 2008 and \$8.40 in 2009 and in accordance with the Consumer Price Index for Urban Wage Earners and Clerical Workers, CPI-W index, thereafter. If the Legislature refuses to accept these funds for this purpose, these funds must go to funding affordable health care and Dirigo Health;
15. One percent of the total gross gaming device income must be distributed for grants to residents of this State who demonstrate energy efficiency and conservation proficiency, such as rebates for purchasers of hybrid and biodiesel-capable vehicles, for those who convert vehicles into biodiesel-capable vehicles and for users of biofuel for home and business heating, and grants for residents of this State to develop such clean and efficient fuel technologies;

16. One percent of the total gross gaming device income must be distributed for the improvement of the water quality of the rivers of this State and the technology to allow paper mills and waste treatment plants to eliminate the toxins they release into rivers;
17. One percent of the total gross gaming device income must be distributed to the Land for Maine's Future Fund established in the Maine Revised Statutes, Title 5, section 6203 to secure the traditional heritage of this State of public access to the land and water resources of this State and to secure the continued quality and availability of natural resources important to the interests and continued heritage of the people of the State;
18. One percent of the total gross gaming device income must be distributed to public access television stations in this State for the improvement of technology and programming;
19. One percent of the total gross gaming device income must be distributed for funding residents of this State who are 15 years of age to 30 years of age to support ideas and projects that will stimulate the creative economy in this State, enhance technology, improve civic engagement or otherwise effect positive community change;
20. One percent of the total gross gaming device income must be distributed for programs to protect gaming patrons against the risks of gambling, including gambling addiction counseling services and monitoring patrons who may be at risk and have a propensity for problem gambling;
21. Two percent of the total gross gaming device income must be forwarded directly to any municipality in which the gaming facility is located; and
22. One percent of the total gross gaming device income must be forwarded directly to Oxford County to pay for mitigation of costs resulting from gaming operations.

Intent and Content
Prepared by the Office of the Attorney General

This initiated legislation authorizes a gambling casino in Oxford County that would be owned and operated by a private company known as Evergreen Mountain Enterprises, LLC ("Evergreen"), or a company formed by Evergreen for this purpose. Gaming activities authorized under the initiated bill include slot machines, card games, bazaar games conducted solely for merchandise prizes, table games and other games of chance including blackjack, poker, dice, roulette, baccarat, money-wheels and bingo, as well as lottery games and video facsimiles of any card game, table game or other game of chance.

The casino would be located at a site in Oxford County selected by Evergreen. Before the facility could be licensed, the voters of the municipality would first have to approve the operation of gaming devices at the site, in a referendum election to be held prior to December 31, 2008. The Oxford County facility would be the only site in the state where gaming devices are allowed, other than slot machines allowed at the one commercial race track under existing law. Operation of the gaming facility would be regulated by the state Gambling Control Board within the Department of Public Safety. No other gaming facility could be licensed in the state for 10 years from the commencement of gaming operations at this casino.

The initiated bill would remove the current limit on the total number of slot machines that may be allowed in the state, while maintaining the limit on the number of slot machines that may be licensed at any commercial track to 1,500 machines. It also would prohibit commercial tracks from expanding their gaming operations beyond slot machines.

The initiated bill would lower the minimum age for obtaining access to and participating in gaming activities, including slot machines at commercial tracks, from 21 to 19 years of age. It authorizes the licensee to operate the casino any day of the year, and without restriction on the hours of operation.

The initiated bill includes a provision exempting Evergreen from liability or responsibility for any act or omission of a gaming operator (defined as an entity owned by Evergreen and established for the purposes of developing, owning or operating the casino in Oxford County), except as specifically provided by a contract signed by Evergreen "or otherwise as provided by law without regard to" the Gambling Control Board statute.

The gaming operator would be required to collect and turn over to the Gambling Control Board and then the State Treasurer 39% of the "total gross gaming device income" (all amounts wagered minus amounts paid out) from casino operations. The State Treasurer would be required to distribute designated percentages of those proceeds to 22 specific programs and agencies listed in the initiated legislation. The initiative provides that the President of Evergreen must be appointed a voting member on the governing board, if one exists, of each entity or program that receives an allocation of funds under this legislation "regarding the allocation of specific funding that is paid by the gaming operator."

An additional 1% of the "adjusted gross gaming device income" (the total value of wagers before any payback is distributed to a player) would be deposited in the General Fund for administrative costs of the state Gambling Control Board.

If approved, this citizen initiated legislation would take effect 30 days after proclamation of the vote.

A "YES" vote is in favor of the initiative and approves the legislation.

A "NO" vote is in opposition to the initiative and disapproves the legislation.

Fiscal Impact Statement **Prepared by the Office of Fiscal and Program Review**

Assuming successful passage of the Citizen's Initiative "An Act To Allow A Casino In Oxford County" by voters at a statewide referendum and by the local governmental body where the casino is proposed, one casino located in Oxford County and operated by an entity of Evergreen Mountain Enterprises, LLC would be licensed. Presented below is an estimate of the potential revenue and subsequent distribution of revenue that may be generated. This estimate assumes the facility would install 1,000 slot machines upon opening, along with 54 gaming tables, and indicates a potential annual distribution of gaming revenues of \$10,145,385 to the General Fund and \$31,832,308 to Other Special Revenue Funds. The first year license fees to the General Fund would be \$419,900. Annual State costs associated with Inspectors, a State Police Detective, an Assistant Attorney General and related costs are estimated to be \$944,158.

This analysis assumes no significant effect on revenue generated by the licensed racino facility in Bangor. If there is an appreciable change in racino revenue, there will be a change in the amounts of revenue distributed from that facility. Based on the experience to date with the Bangor racino facility, it is not expected that the proposed casino would have any effect on lottery revenues.

<u>Summary of Gaming Device Revenue</u>	Annual Estimate
Gross Revenue (total value of money, tokens, credits, other value used to play a gaming device)	\$930,769,231
Player Payback (assumed at 90% of gross revenue)	\$837,692,308
Administration Reimbursement to State (1% of gross revenue)	\$9,307,692
Net Income (gross revenue - player payback - general fund administration)	\$83,769,231

State Share of Net Income (39% of net income)	\$32,670,000
Municipal Share of Net Income (assumed at 3% of net income)	\$2,513,077
Operator Share of Net Income (58% of net income)	\$48,586,154

State Gaming Revenue Detail by Fund

Annual Estimate

General Fund

Gambling addiction (1% of net income)	\$837,692
Administration (1% of gross revenue)	<u>\$9,307,692</u>
Total General Fund Distribution	\$10,145,385

Other Special Revenue Funds

Maine resident student loan repayment fund (5% of net income)	\$4,188,462
Research and development of east-west highway (4% of net income)	\$3,350,769
Univ. of Maine/fractionation development center for research of biofuels and bio-heating (3% of net income)	\$2,513,077
Health care affordability for small businesses and workers, self-employed workers (3% of net income)	\$2,513,077
Local Government Fund (2% of net income)	\$1,675,385
Maine prepaid college plan (2% of net income)	\$1,675,385
Assist the elderly with the cost of prescription drugs (2% of net income)	\$1,675,385
Department of Transportation for improvement of secondary rural roads (2% of net income)	\$1,675,385
Maine Community College System expansion of facilities and course selection (2% of net income)	\$1,675,385
Program cost portion of general purpose aid to local schools (1% of net income)	\$837,692
Renewable Resource Fund (1% of net income)	\$837,692
Finance Authority of Maine NextGen First Step Grant program (1% of net income)	\$837,692
Regionalization efforts of towns (1% of net income)	\$837,692
Assist with the raising of the state minimum wage (1% of net income)	\$837,692
Grants to residents who demonstrate energy efficiency and conservation proficiency (1% of net income)	\$837,692
Improving the water quality of rivers (1% of net income)	\$837,692
Land for Maine's Future Fund (1% of net income)	\$837,692
Public access TV stations to improve their technology and programming (1% of net income)	\$837,692
Fund creative economy ideas/projects of residents who are 15-30 years of age (1% of net income)	\$837,692
Municipality in which gaming facility is located (2% of net income)	\$1,675,385
Oxford County for mitigation of costs resulting from gaming operations (1% of net income)	<u>\$837,692</u>
Total Other Special Revenue Funds Distribution	\$31,832,308

Other Revenue Impacts to the State

License fees to the General Fund	\$419,900
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Summary of Expenditure Impacts to the State

Annual Estimate

General Fund

- Public Safety	\$866,840
- Attorney General Office	<u>\$77,318</u>
General Fund Total	\$944,158

Public Comments

No public comments were filed in support or in opposition to Question 2.

Question 3: Bond Issue

Do you favor a \$3,400,000 bond issue to support drinking water programs, to support the construction of wastewater treatment facilities and to leverage \$17,000,000 in other funds?

Public Law
123rd Legislature
Second Regular Session

Chapter 673
S.P. 830 - L.D. 2169

An Act To Authorize a General Fund Bond Issue for Drinking Water Management and Wastewater Management

Preamble. Two thirds of both Houses of the Legislature deeming it necessary in accordance with the Constitution of Maine, Article IX, Section 14 to authorize the issuance of bonds on behalf of the State of Maine to provide funds as described in this Act,

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

Sec. 1. Authorization of bonds. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$3,400,000 for the purposes described in section 6 of this Part. The bonds are a pledge of the full faith and credit of the State. The bonds may not run for a period longer than 10 years from the date of the original issue of the bonds. At the discretion of the Treasurer of State, with the approval of the Governor, any issuance of bonds may contain a call feature.

Sec. 2. Records of bonds issued kept by Treasurer of State. The Treasurer of State shall keep an account of each bond showing the number of the bond, the name of the successful bidder to whom sold, the amount received for the bond, the date of sale and the date when payable.

Sec. 3. Sale; how negotiated; proceeds appropriated. The Treasurer of State may negotiate the sale of the bonds by direction of the Governor, but no bond may be loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the bonds, which must be held by the Treasurer of State and paid by the Treasurer of State upon warrants drawn by the State Controller, are appropriated solely for the purposes set forth in this Part. Any unencumbered balances remaining at the completion of the project in this Part lapse to the debt service account established for the retirement of these bonds.

Sec. 4. Interest and debt retirement. The Treasurer of State shall pay interest due or accruing on any bonds issued under this Part and all sums coming due for payment of bonds at maturity.

Sec. 5. Disbursement of bond proceeds. The proceeds of the bonds must be expended as set out in this Part under the direction and supervision of the Department of Health and Human Services and the Department of Environmental Protection.

Sec. 6. Allocations from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Part must be expended as designated in the following schedule.

**DEPARTMENT OF HEALTH AND
HUMAN SERVICES**

Provides funds for a drinking water revolving loan fund in the department to be matched by \$8,500,000 in other funds.

\$1,700,000

**DEPARTMENT OF
ENVIRONMENTAL PROTECTION**

Provides funds for a wastewater treatment facility state revolving loan fund to be matched by \$8,500,000 in other funds.

\$1,700,000

Sec. 7. Contingent upon ratification of bond issue. Sections 1 to 6 do not become effective unless the people of the State ratify the issuance of the bonds as set forth in this Part.

Sec. 8. Appropriation balances at year-end. At the end of each fiscal year, all unencumbered appropriation balances representing state money carry forward. Bond proceeds that have not been expended within 10 years after the date of the sale of the bonds lapse to General Fund debt service.

Sec. 9. Bonds authorized but not issued. Any bonds authorized but not issued, or for which bond anticipation notes are not issued within 5 years of ratification of this Part, are deauthorized and may not be issued, except that the Legislature may, within 2 years after the expiration of that 5-year period, extend the period for issuing any remaining unissued bonds or bond anticipation notes for an additional amount of time not to exceed 5 years.

Sec. 10. Referendum for ratification; submission at election; form of question; effective date. This Part must be submitted to the legal voters of the State at a statewide election held in the month of November following the passage of this Act. The municipal officers of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the acceptance or rejection of this Part by voting on the following question:

"Do you favor a \$3,400,000 bond issue to support drinking water programs, to support the construction of wastewater treatment facilities and to leverage \$17,000,000 in other funds?"

The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a cross or check mark placed within a corresponding square below the word "Yes" or "No." The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns. If a majority of the legal votes are cast in favor of this Part, the Governor shall proclaim the result without delay and this Part becomes effective 30 days after the date of the proclamation.

The Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this Part necessary to carry out the purposes of this referendum.

Intent and Content
Prepared by the Office of the Attorney General

This Act would authorize the State to issue bonds in an amount not to exceed \$3,400,000 to raise funds for drinking water and wastewater treatment programs, as described below. The bonds would run for a period not longer than 10 years from the date of issue and would be backed by the full faith and credit of the State.

Proceeds of the sale of these bonds in the amount of \$1,700,000 would go into an existing state revolving loan fund administered by the Maine Bond Bank and distributed by the Department of Environmental Protection in the form of loans to municipalities to construct and upgrade wastewater treatment facilities. These funds would be matched by approximately \$8,500,000 in federal funds (a 5:1 ratio of federal to state funds).

The remaining bond proceeds of \$1,700,000 would go into the state's safe drinking water revolving loan fund, administered by the Maine Bond Bank and the Department of Health and Human Services. Loans from this fund may be issued to eligible public water systems to design, construct or improve drinking water supplies or treatment and distribution systems, or for any actions authorized or required under the federal Safe Drinking Water Act of 1996. These funds would be matched by approximately \$8,500,000 in federal funds (a 5:1 ratio of federal to state funds).

If approved, the bond authorization would take effect 30 days after the Governor's proclamation of the vote.

A "YES" vote approves authorization of a \$3,400,000 bond issue to finance the above activities.

A "NO" vote disapproves the bond issue in its entirety.

Debt Service
Prepared by the Office of the Treasurer

Total estimated life time cost is \$4,241,500 representing \$3,400,000 in principal and \$841,500 in interest (assuming interest at 4.5% over 10 years).

Fiscal Impact Statement
Prepared by the Office of Fiscal and Program Review

This bond issue has no significant fiscal impact other than the debt service costs identified above.

Public Comments

No public comments were filed in support or in opposition to Question 3.