

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1956

S.P. 765

Received by the Secretary, June 24, 1991

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27.
Reference to the Committee on Legal Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by President PRAY of Penobscot
Cosponsored by Senator MILLS of Oxford and Representative CLARK of Millinocket.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY-ONE

**An Act to Allow Nonprofit Organizations to Use Proceeds from Beano
or Bingo for Limited Purposes.**

(AFTER DEADLINE)

(EMERGENCY)
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Emergency preamble. Whereas, Acts of the Legislature do not
become effective until 90 days after adjournment unless enacted
as emergencies; and

Whereas, current laws do not allow nonprofit organizations
that operate beano, bingo or lucky seven games to use the
proceeds from the games to pay the wages of employees, except in
a limited number of unusual circumstances; and

Whereas, as a result, small organizations are operating
games at a deficit and face the closing of these games or their
organizations; and

Whereas, immediate relief is necessary for these small
organizations; and

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

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

17 MRSA §326, as enacted by PL 1989, c. 825, §2, is
repealed and the following enacted in its place:

§326. Proceeds

1. Payment of proceeds. An organization licensed to
operate beano, bingo or lucky seven games may use the proceeds or
part of the proceeds to pay salaries, wages or remuneration to
its employees. An organization that chooses to make such
payments must file with the Chief of the State Police, at least
quarterly, a disposition of funds form prescribed by the Chief of
the State Police detailing all payments made pursuant to this
section. Every statement on the form must be made under oath by
an officer of the organization but notarization is not required.

2. Rules. The rules adopted pursuant to section 317 must
contain standards governing payments made under this section and
must limit payments to reasonable compensation, taking into
account the nature of the services rendered, comparable wage
rates, the size of the organization and other revenues, the size
of the games and the revenue generated by the games. The Chief
of the State Police may disallow any excessive payment of
proceeds, may suspend an organization's license for excessive
payment of proceeds and may condition the restoration of an
organization's license on the repayment of an excessive payment
of proceeds to the organization.

2 **Emergency clause.** In view of the emergency cited in the
preamble, this Act takes effect when approved.

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6 **STATEMENT OF FACT**

8 This bill allows nonprofit organizations that operate beano,
bingo or lucky seven games to use the proceeds or a portion of
10 the proceeds to pay wages to their employees. The bill sets up a
mechanism for these payments to be reported to the Chief of the
12 State Police in order to limit excessive payments.
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