

MAINE STATE LEGISLATURE

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CONF.
R. of S.

L.D. 169

(Filing No. H-65)

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
116TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 128, L.D. 169, Bill, "An Act to Amend the Laws Concerning Beano and Games of Chance"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'Sec. 1. 17 MRSA §314, first ¶, as amended by PL 1991, c. 87, §1, is further amended to read:

The Chief of the State Police may issue licenses to operate "Beano" beano or "Bingo" bingo games on a monthly basis to any volunteer fire department or any agricultural fair association or bona fide nonprofit charitable, educational, political, civic, recreational, fraternal, patriotic, religious or veterans' organization that was in existence at least 2 years prior to its application for a license, when sponsored, operated and conducted for the exclusive benefit of such that organization by duly authorized members thereof. The Chief of the State Police may also issue a license to any auxiliary associated with an organization, department or association qualified for a license under this section if the auxiliary has been in existence at least 2 years before applying for a license and the games are sponsored, operated and conducted for the exclusive benefit of the auxiliary by duly authorized members of the auxiliary. Proceeds from any game conducted by the auxiliary or the auxiliary's parent organization may not be used to provide salaries, wages or other remuneration to members, officers or employees of the auxiliary or its parent organization, except as provided in sections 326 and 335. The 2 years' limitation does not apply to any chartered posts of veterans' organizations, nationally established, or auxiliaries of those posts, even though the posts have not been in existence for 2 years prior to

COMMITTEE AMENDMENT

2 their application for a license nor does the 2 years' limitation
3 apply to any volunteer fire department or rescue unit or
4 auxiliary of that department or unit. A license may be issued to
5 an agricultural fair association when sponsored, operated and
6 conducted for the benefit of such agricultural fair association.

7 **Sec. 2. 17 MRSA §326, sub-§1**, as repealed and replaced by PL
8 1991, c. 590, is repealed.

9 **Sec. 3. 17 MRSA §326, sub-§§1-A and 1-B** are enacted to read:

10 **1-A. Payment of proceeds.** An organization licensed to
11 operate beano or bingo and Lucky 7 games in conjunction with
12 beano or bingo may use the proceeds or part of the proceeds to:

13 A. Pay salaries, wages or remuneration to any person
14 directly involved in operating beano, bingo or Lucky 7 games;

15 B. Defray the expenses or part of the expenses that further
16 the purpose for which the organization is formed except that
17 proceeds may not be:

18 (1) Used to purchase alcohol or to defray the cost of
19 activities where alcohol is served; or

20 (2) Paid directly to organization members except as
21 specifically allowed in this subsection; and

22 C. Defray the expenses or part of the expenses of a member,
23 auxiliary member, officer or employee of the organization
24 for a serious illness, injury or casualty loss if the
25 licensee makes an application and the application is
26 approved by the licensing division within the Bureau of
27 State Police.

28 (1) An application must be made in the form and
29 contain the information the licensing division requires.

30 (a) In the case of serious illness or injury, the
31 licensing division may require certification by a
32 licensed physician setting out the facts in
33 support of the application.

34 (b) In the case of a casualty loss, the licensing
35 division may require statements or reports from a
36 law enforcement agency, rescue or other emergency
37 services personnel or an insurance agency to
38 support the application.

2 (c) The licensing division may deny an
4 application if it appears that the person who
6 would receive the proceeds has adequate means of
8 financial support, including, but not limited to,
10 insurance or workers' compensation benefits.

12 1-B. Filing. An organization that chooses to use the
14 proceeds or part of the proceeds as allowed by subsection 1-A
16 must file with the Chief of the State Police, at least quarterly,
18 a form for the disposition of funds prescribed by the Chief of
20 the State Police detailing all payments made. Every statement on
22 the form must be made under oath by an officer of the
24 organization.

26 **Sec. 4. 17 MRSA §326, sub-§2,** as repealed and replaced by PL
28 1991, c. 590, is amended to read:

30 2. **Rules.** The rules adopted pursuant to section 317 must
32 contain standards governing payments made under this section.
34 Payments under subsection 1-A, paragraph A may not exceed 20% of
36 the revenue generated by the games and the rules must limit
38 payments to reasonable compensation, taking into account the
40 nature of the services rendered, comparable wage rates, the size
42 of the organization and other revenues, the size of the games and
44 the revenue generated by the games. ~~Payments under this section~~
46 ~~may not exceed 20% of the revenue generated by the games.~~ The
48 Chief of the State Police may disallow any excessive payment of
50 proceeds, may suspend an organization's license for excessive
52 payment of proceeds and may condition the restoration of an
54 organization's license on the repayment of an excessive payment
56 of proceeds to by the organization.

58 **Sec. 5. 17 MRSA §335, sub-§1,** as enacted by PL 1989, c. 825,
60 §3, is amended to read:

62 1. **Prohibition.** Proceeds of any games of chance may not be
64 used to provide salaries, wages or other remuneration to members,
66 officers or employees of any organization authorized to conduct
68 games of chance under this chapter, except that an organization
70 licensed to operate beano or bingo and Lucky 7 games in
72 conjunction with beano or bingo may use the proceeds or part of
74 the proceeds to pay salaries, wages or remuneration to any person
76 directly involved in operating the beano, bingo or Lucky 7
78 games. Payments to persons directly involved in operating beano,
80 bingo or Lucky 7 games may not exceed 20% of the revenue
82 generated by the games.

84 **Sec. 6. 17 MRSA §335, sub-§2,** as enacted by PL 1989, c. 825,
86 §3, is repealed.

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Sec. 7. 17 MRSA §335, sub-§2-A is enacted to read:

2-A. Exceptions. Notwithstanding subsection 1, a licensee may pay or use the proceeds of a game of chance to:

A. Defray the expenses or part of the expenses that further the purpose for which the organization is formed, except that the proceeds may not be:

(1) Used to purchase alcohol or to defray the cost of activities where alcohol is served; or

(2) Paid directly to organization members except as specifically allowed in this section; and

B. Defray the expenses or part of the expenses of a member, auxiliary member, officer or employee of the organization for a serious illness, injury or casualty loss if the licensee makes an application pursuant to this section and the application is approved by the licensing division within the Bureau of State Police.

(1) An application must be made in the form and contain the information the licensing division requires.

(a) In the case of serious illness or injury, the licensing division may require certification by a licensed physician in support of the application.

(b) In the case of a casualty loss, the licensing division may require statements or reports from a law enforcement agency, rescue or other emergency services personnel or an insurance agency to support the application.

(c) The licensing division may deny an application if it appears that the person who would receive the proceeds has adequate means of financial support, including, but not limited to, insurance or workers' compensation benefits.

FISCAL NOTE

The licensing division within the Bureau of State Police may incur some minor additional administrative costs to monitor and enforce the relaxed restrictions on proceeds from beano and games of chance. These costs can be absorbed within the division's existing budgeted resources.'

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STATEMENT OF FACT

This amendment accomplishes the original intent of the bill while correcting ambiguous language. Further, the bill allows organizations who conduct beano, bingo and Lucky 7 games to use the proceeds to defray the expenses or part of the expenses of a member, auxiliary member, officer or employee for a serious illness or casualty loss. The amendment also adds a fiscal note to the bill.

Reported by the Committee on Legal Affairs
Reproduced and distributed under the direction of the Clerk of the House
3/17/93 (Filing No. H-65)

COMMITTEE AMENDMENT