

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
116TH LEGISLATURE
FIRST REGULAR SESSION

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 683, L.D. 925, Bill, "An Act to Authorize Video Gaming"

Amend the amendment on page 4 in the 4th indented paragraph in the last line (page 4, line 34 in amendment) by inserting after the following: "gambling." the following: 'The State shall transfer .0375% of the state share of net terminal income to the Sire Stakes Fund established in Title 8, section 281. The State shall spend, in the aggregate, .0375% of the state share of net terminal income for substance abuse treatment, Project Graduation and homeless shelters.'

Further amend the amendment by striking out all of sections 12 and 13 and inserting in their place the following:

'Sec. 12. Allocation. The following funds are allocated from the Video Lottery Fund to carry out the purposes of this Act.

1993-94 1994-95

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

Bureau of Alcoholic Beverages and Lottery Operations - Video Lottery Terminals

Positions - Legislative Count	(2.0)	(2.0)
Personal Services	\$45,850	\$71,010
All Other	775,262	3,281,948

Provides funds for a Project Coordinator position effective October 1, 1993 and an Accountant II position effective January 1, 1994 to

SENATE AMENDMENT

2 fulfill the mandated
responsibilities of the
4 lottery, as well as contract
telecommunications costs and
6 legal services provided by
the Attorney General.

8	DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES		
10	TOTAL	<u>\$821,112</u>	<u>\$3,352,958</u>
12	AGRICULTURE, FOOD AND RURAL RESOURCES, DEPARTMENT OF		
14	Harness Racing Commission		
16	All Other	\$28,597	\$132,834
18	Provides funds for the Sire 20 Stakes Fund program.		
22	DEPARTMENT OF AGRICULTURE, FOOD AND RURAL RESOURCES		
24	TOTAL	<u>\$28,597</u>	<u>\$132,834</u>
26	EXECUTIVE DEPARTMENT		
28	Office of Substance Abuse		
30	All Other	\$381,294	\$1,771,126
32	Provides funds for compulsive 34 gambling programs equal to 5% of the state share of net 36 machine revenue.		
38	Office of Substance Abuse		
40	All Other	\$19,065	\$88,557
42	Provides funds for substance 44 abuse treatment programs, Project Graduation programs and homelessness programs.		
46	EXECUTIVE DEPARTMENT TOTAL	<u>\$400,359</u>	<u>\$1,859,683</u>
48	MAINE STATE HOUSING AUTHORITY		
50			

Housing Opportunities for Maine

2 All Other \$9,532 \$44,278

4 Provides funds for the Sire
6 Stakes Fund program.

8 **MAINE STATE HOUSING AUTHORITY**
9 **TOTAL**

10 \$9,532 \$44,278

12 **PUBLIC SAFETY, DEPARTMENT OF**

14 **Video Gaming Licensing and**
15 **Enforcement Division**

16 Positions - Legislative Count (13.0) (13.0)

18 Personal Services \$601,376 \$849,395

19 All Other 140,840 169,086

20 Capital Expenditures 237,895

22 **TOTAL** \$980,111 \$1,018,481

24 Provides funds for one
25 Lieutenant position, 9
26 Detective positions, one
27 Sergeant position, one Clerk
28 Typist II position and one
29 Clerk Steno III position,
30 effective October 1, 1993, to
31 perform the background check
32 and licensing of video
33 lottery terminal
34 manufacturers, wholesalers,
35 distributors and operators
36 and for enforcement costs.

38 **State Police**

40 Personal Services \$621,810

41 All Other 15,546

42 **TOTAL** \$637,356

44 Provides funds for overtime
45 costs that will be incurred
46 by the State Police as a
47 result of the transfer of
48 positions to the video gaming

licensing and enforcement
division.

DEPARTMENT OF PUBLIC SAFETY
TOTAL

\$1,617,467 \$1,018,481

TOTAL ALLOCATIONS

\$ 2,877,067 \$ 6,408,234

Sec. 13. Allocation. The following funds are allocated from
the Local Government Fund to carry out the purposes of this Act.

1994-95

TREASURER OF STATE, (OFFICE OF THE)

State-Municipal Revenue Sharing

All Other \$3,542,251

Provides for an additional
allocation of funds to the
state-municipal revenue
sharing program resulting
from the Local Government
Fund's share of video lottery
machine revenue.

Further amend the amendment by striking out all of the
fiscal note and inserting in its place the following:

FISCAL NOTE

1993-94 1994-95

APPROPRIATIONS/ALLOCATIONS

Other Funds \$2,877,067 \$9,950,485

REVENUES

General Fund \$3,084,513 \$20,724,628
Other Funds 2,877,067 9,950,485

This bill will generate net additional General Fund revenues
of \$3,084,513 in fiscal year 1993-94 and \$20,724,628 in fiscal
year 1994-95. This bill also generates an additional \$3,542,251
in fiscal year 1994-95 for the Local Government Fund.

2 Included in the revenue figures is a projected decrease in
4 General Fund revenue from current lottery operations of
6 \$2,851,300 and \$6,667,400 in fiscal years 1993-94 and 1994-95,
8 respectively. Lottery revenue amounts are expected to recover
10 slowly in subsequent years. These estimates also include General
12 Fund revenue from license fees of \$1,187,000 and \$1,920,000 in
14 fiscal years 1993-94 and 1994-95, respectively. In addition to
16 these revenues, a substantial but undeterminable amount of
18 additional income tax revenue will result from the amounts
20 distributed to machine distributors and operators and the
22 expanded employment opportunities.

24 Sales tax revenues may be affected both positively, with the
26 sale or lease of up to 3,500 terminals, and negatively since the
28 dollars spent on the video lottery may have been spent on other
30 taxable purchases.

32 The bill authorizes working capital advances of \$250,000 to
34 the Bureau of Alcoholic Beverages and Lottery Operations and
36 \$500,000 to the Department of Public Safety from the General Fund
38 Unappropriated Surplus. These advances must be repaid from the
40 first \$750,000 collected by the State from video lottery machines.

42 This bill includes allocations from the Video Lottery Fund
44 to the Department of Public Safety for enforcement and licensing,
46 to the Bureau of Alcoholic Beverages and Lottery Operations for
48 administrative costs and to the Office of Substance Abuse for
50 compulsive gambling programs. Other allocations of the proceeds
include funding for the Sire Stakes Fund program, alcohol and
substance abuse programs, and homelessness programs. An
allocation from the Local Government Fund to state-municipal
revenue sharing also is included.

This bill establishes Class C and Class D crimes for
violating various provisions of the bill. Sentences of more than
9 months for Class C crimes must be served in a state
correctional institution. The cost to the State per sentence is
\$42,050 based upon an average length of stay of one year and 9
months. The State also must reimburse counties for sentences
served in county jails of 9 months or less for this new crime
pursuant to the communities corrections laws.

Sentences imposed for Class D offenses must be served in a
county jail. The average cost per sentence for a Class D crime
is \$7,439 based upon an average length of stay of 119 days. The
additional costs to the counties for the housing of each offender
sentenced under this new crime will not require reimbursement by
the State.

2 The Judicial Department may require additional General Fund
3 appropriations to cover indigent defense costs related to these
4 new cases. The amounts can not be estimated at this time. The
5 additional workload and administrative costs associated with the
6 minimal number of new cases filed in the court system can be
7 absorbed within the budgeted resources of the Judicial
8 Department's administrative account. The collection of
9 additional fines may also increase General Fund revenues by a
10 minor amount.'

12 **STATEMENT OF FACT**

14 This amendment requires the State to set aside 3/4 of 1% of
15 the state share of net terminal income as follows:

- 16
- 17 1. One half of that amount to the Sire Stakes Fund; and
 - 18 2. One half of that amount in the aggregate to:
 - 19 A. Substance abuse treatment;
 - 20 B. Project Graduation; and
 - 21 C. Homeless shelters.
- 22
23
24
25

26 The amendment also replaces the allocations and fiscal note
27 of the committee amendment.

30
31
32 (Senator SUMMERS)
33 SPONSORED BY: _____

34
35 COUNTY: Cumberland

36
37
38
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(6/4/93) (Filing No. S-297)