

# MAINE STATE LEGISLATURE

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
117TH LEGISLATURE  
SECOND REGULAR SESSION

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 868, L.D. 1218, Bill, "An Act to Amend the Laws Relating to Harness Racing"

Amend the amendment by inserting after the first indented paragraph the following:

'Sec. 1. 5 MRSA §1513, sub-§1-G is enacted to read:

1-G. Transfer to Rainy Day Fund. Pursuant to the Maine Revised Statutes, Title 17, section 384 and notwithstanding section 1585, the State Controller shall transfer from the Video Lottery Fund to the Maine Rainy Day Fund at the end of each fiscal year, an amount equal to the remaining balance in the Video Lottery Fund after other required transfers and administrative and enforcement expenses.'

Further amend the amendment in section 8 in that part designated "~~§371.~~" in subsection 1 in paragraph A in the 3rd line from the end (page 10, line 4 in amendment) by striking out the following: "150" and inserting in its place the following: '75'

Further amend the amendment in section 8 in that part designated "~~§371.~~" in subsection 1 in paragraph B in the 3rd line from the end (page 10, line 11 in amendment) by striking out the following: "50" and inserting in its place the following: '25'

Further amend the amendment in section 8 in that part designated "~~§371.~~" in subsection 1 in paragraph C in the last line (page 10, line 20 in amendment) by inserting after the following: "races;" the following: 'and'

Further amend the amendment in section 8 in that part designated "~~§371.~~" in subsection 1 in paragraph D in the last

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HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 868, L.D. 1218

line (page 10, line 27 in amendment) by striking out the following: "terminals;" and inserting in its place the following: 'terminals.'

Further amend the amendment in section 8 in that part designated "§371." in subsection 1 by striking out all of paragraphs E and F (page 10, lines 29 to 37 in amendment)

Further amend the amendment in section 8 in that part designated "§371." in subsection 3 in the first paragraph by striking out all of the last sentence (page 11, lines 41 to 43 in amendment)

Further amend the amendment in section 8 in that part designated "§371." in subsection 3 in paragraph A in the last line (page 11, line 48 in amendment) by striking out the following: "applicable;" and inserting in its place the following: 'applicable.'

Further amend the amendment in section 8 in that part designated "§381." in subsection 1 in the 5th to 8th lines (page 20, lines 16 to 19 in amendment) by striking out the following: "the Penobscot Nation, licensed under section 371, subsection 1, paragraph F; the Passamaquoddy Tribe, licensed under section 371, subsection 1, paragraph E;"

Further amend the amendment in section 8 in that part designated "§383." in subsection 2 in paragraph A in the first line (page 21, line 7 in amendment) by striking out the following: "Fifty-five" and inserting in its place the following: 'Fifty-seven'

Further amend the amendment in section 8 in that part designated "§383." in subsection 2 in paragraph B in the first line (page 21, line 12 in amendment) by striking out the following: "Twenty-three" and inserting in its place the following: 'Twenty-two'

Further amend the amendment in section 8 in that part designated "§383." in subsection 2 in paragraph C in the first line (page 21, line 16 in amendment) by striking out the following: "Twenty-two" and inserting in its place the following: 'Twenty-one'

Further amend the amendment section 8 in that part designated "§383." in subsection 5 in paragraph D in the last line (page 22, line 13 in amendment) by striking out the following: "and"

# HOUSE AMENDMENT

Further amend the amendment section 8 in that part designated "~~§383.~~" in subsection 5 in paragraph E in the last line (page 22, line 18 in amendment) by striking out the following: "subsection 3." and inserting in its place the following: 'subsection 3; and'

Further amend the amendment in section 8 in that part designated "~~§383.~~" in subsection 5 by inserting at the end the following:

'F. An amount equal to 1% of the net terminal income derived from video lottery terminals during the fiscal year to the Office of Substance Abuse for the treatment of compulsive gambling.'

Further amend the amendment in section 8 in that part designated "~~§384.~~" in subsection 2 by striking out all of paragraph C (page 22, line 48 in amendment) and inserting in its place the following:

'C. For payment into the Maine Rainy Day Fund and the General Fund in accordance with this paragraph. Prior to transferring funds to the Maine Rainy Day Fund, the State Controller shall deduct from the amount to be transferred from the Video Lottery Fund to the Maine Rainy Day Fund the estimated reductions of General Fund revenue from the Bureau of Alcoholic Beverages and Lottery Operations and the State Harness Racing Commission associated with the General Fund revenues lost as a result of competition with video lottery terminals and transfer this amount to the General Fund. The Director of the Bureau of Alcoholic Beverages and Lottery Operations shall calculate the amount of the annual General Fund revenue reduction associated with competition from video lottery terminals and report the amount to the Controller prior to the end of each fiscal year. The chair of the State Harness Racing Commission shall calculate the amount of the annual General Fund revenue loss associated with competition from video lottery terminals and report that amount to the State Controller prior to the end of each fiscal year.'

Further amend the amendment in section 8 in that part designated "~~§394.~~" in subsection 1 in paragraph C in the last line (page 24, line 38 in amendment) by striking out the following: "or"

Further amend the amendment in section 8 in that part designated "~~§394.~~" in subsection 1 in paragraph D in the last line (page 24, line 41 in amendment) by striking out the

R 018

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 868, L.D. 1218

2 following: "terminal." and inserting in its place the following: 'terminal; or'

4 Further amend the amendment in section 8 in that part designated "§394." in subsection 1 by inserting at the end the following:

8 'E. Using the word "casino" to describe any video lottery terminal licensed under this chapter or as the name or part of the name of the licensed premises or of a portion of the premises where the video lottery terminal is located.'

14 Further amend the amendment by striking out all of sections 17 and 18 and inserting in their place the following:

16 'Sec. 17. Allocation. The following funds are allocated from the Video Lottery Fund to carry out the purposes of this Act.

18 1996-97

20 ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF

24 Bureau of Alcoholic Beverages and Lottery Operations - Video Lottery Terminals

28	Positions - Other Count	(5.0)
	Personal Services	\$201,640
30	All Other	947,560

32 Provides funds for a Data Control Specialist position, a Computer Operator position, a Clerk IV position, an Auditor I position and an Auditor II position and position operating costs, as well as for the vendor fee for the central computer system.

44 DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES TOTAL \$1,149,200

46 PUBLIC SAFETY, DEPARTMENT OF Video Gaming Licensing and Enforcement Division

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HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 868, L.D.  
1218

2	Positions - Other Count	(9.0)
	Personal Services	\$1,133,000
4	All Other	142,246
	Capital Expenditures	186,250
6		
8	Total	<u>\$1,461,496</u>

10 Provides funds for one  
 12 Sergeant position, 6  
 14 Detective positions, one  
 16 Clerk Typist II position and  
 18 one Clerk Typist III position  
 20 to perform the background  
 22 check and licensing of video  
 24 lottery terminal  
 26 manufacturers, wholesalers,  
 28 distributors and operators  
 and for enforcement costs.  
 This allocation also provides  
 funds for overtime costs that  
 will be incurred by the State  
 Police as a result of the  
 transfer of positions to the  
 video lottery terminal  
 enforcement.

**30 Video Gaming Licensing and  
Enforcement Division**

32	All Other	\$158,750
34		
36	Provides funds for the distribution to municipalities of 50% of the per terminal license fees.	
38		

40	<b>DEPARTMENT OF PUBLIC SAFETY TOTAL</b>	<u>\$1,620,246</u>
42		

44	<b>TOTAL ALLOCATIONS</b>	<u>\$2,769,446</u>
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46 **Sec. 18. Allocation.** The following funds are allocated from  
 48 the Other Special Revenue funds to carry out the purposes of this  
 Act.

50 **1996-97**

# HOUSE AMENDMENT

2	<b>ADMINISTRATIVE AND FINANCIAL SERVICES,</b>	
4	<b>DEPARTMENT OF</b>	
6	<b>Division of Financial and Personnel Services</b>	
8	Positions - Other Count	(2.0)
8	Personal Services	\$54,963
10	All Other	9,658
10	Capital Expenditures	11,000
12	Allocates funds for an Accountant I position	
14	and an Account Clerk II position to manage	
14	the finances and perform cash management and	
16	reconciliation related to the Video Lottery	
16	Fund.	
18	<b>DEPARTMENT OF ADMINISTRATIVE AND</b>	
20	<b>FINANCIAL SERVICES</b>	
20	<b>TOTAL</b>	<u>\$75,621</u>
22	<b>AGRICULTURE, FOOD AND RURAL</b>	
24	<b>RESOURCES, DEPARTMENT OF</b>	
26	<b>State Harness Racing Commission</b>	
26	All Other	\$909,900
28	Allocates funds received from	
30	video lottery terminals for	
32	purse supplements.	
34	<b>State Harness Racing Commission</b>	
34	All Other	101,100
36	Allocates funds received from	
38	video lottery terminals for	
40	the Sire Stakes Fund.	
42	<b>State Harness Racing Commission</b>	
44	All Other	202,200
46	Allocates funds received from	
48	video lottery terminals for	
50	the Agricultural Fair Support	
50	Fund.	

11/18

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 868, L.D.  
1218

**State Harness Racing Commission**

2		
	All Other	202,200
4		
6	Allocates funds received from	
	video lottery terminals for	
8	payments to racetracks	
	pursuant to the Maine Revised	
10	Statutes, Title 8, section	
	275-J.	

**12 State Harness Racing Commission**

14	All Other	(137,243)
16		
18	Deallocates funds to reflect	
	a reduction in parimutuel	
20	wagers as a result of	
	competition with video	
	lottery terminals.	

**22 DEPARTMENT OF AGRICULTURE, FOOD AND  
24 RURAL RESOURCES**

**TOTAL** \$1,278,157

**26 ATTORNEY GENERAL, DEPARTMENT OF THE**

**28 Administration - Attorney General**

30		
	Positions - Other Count	(4.0)
32	Personal Services	\$157,363
	All Other	13,190
34	Capital Expenditures	5,200
36		
38	Provides funds for 3 Assistant Attorney	
	General positions and one Secretarial	
40	position to assist in the rule-making and	
	enforcement responsibilities.	

**42 DEPARTMENT OF THE ATTORNEY GENERAL**

**TOTAL** \$175,753

**46 EXECUTIVE DEPARTMENT**

**48 Office of Substance Abuse**

50 All Other \$101,100



2	Provides funds for compulsive gambling programs.	
4		
6	<b>EXECUTIVE DEPARTMENT TOTAL</b>	<u>\$101,100</u>
8		
10	<b>TREASURER, OFFICE OF THE State-Municipal Revenue Sharing</b>	
12		
14	All Other	\$101,100
16	Allocates additional funds to the state-municipal revenue sharing program resulting from the Local Government Fund's share of video lottery machine revenue.	
18		
20		
22	<b>OFFICE OF THE TREASURER TOTAL</b>	<u>\$101,100</u>
24		
26	<b>TOTAL ALLOCATIONS</b>	<u>\$1,731,731'</u>

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30

#### FISCAL NOTE

32 This amendment will result in a reduction in the amount of  
33 net terminal income and license fee revenue as a result of the  
34 reduction in the number of machines. The increase in the state  
35 share percentage of net terminal income will partially offset the  
36 reduction in the state share as a result of the decline in total  
net terminal income.

38 This amendment also eliminates the net increase in General  
39 Fund revenue. Instead, the net amount that would have accrued to  
40 the General Fund, approximately \$436,880 in fiscal year 1996-97,  
41 \$3,825,000 in fiscal year 1997-98 and \$4,238,000 in fiscal year  
42 1998-99, will be transferred from the Video Lottery Fund to the  
Maine Rainy Day Fund.

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48  
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The amendment also dedicates 1% of net terminal income to  
compulsive gambling programs. The allocation section is adjusted  
to reflect the reductions in net terminal income and license fee  
revenue as well as the addition of this new category of dedicated  
proceeds.

2 **SUMMARY**

4 This amendment does the following.

6 1. It reduces the number of video lottery machines that may  
be operated as follows:

8 A. Commercial tracks are limited to 75 video lottery  
10 machines; and

12 B. Off-track betting facilities are limited to 25 video  
lottery machines.

14 2. It removes provisions of the committee amendment that  
16 would have permitted the Penobscot Nation and the Passamaquoddy  
Tribe to operate video lottery terminals.

18 3. It bans the use of the word "casino" to describe any  
20 video lottery terminal or as the name or part of the name of the  
licensed premises or of a portion of the premises where the video  
22 lottery terminal is located.

24 4. It reduces the percentage of the net terminal income to  
which licensees are entitled from 23% to 22% and designates this  
26 1% of net terminal income to the Office of Substance Abuse for  
treatment of compulsive gambling.

28 5. It reduces the percentage of the net terminal income to  
30 which distributors are entitled from 22% to 21%, which increases  
the state share by 1%.

32 6. It requires that the net increase in General Fund  
34 revenue from video lottery terminals be deposited in the Maine  
Rainy Day Fund.

36 7. It also replaces the allocation sections of the  
38 committee amendment.

40  
42  
44 SPONSORED BY: *George A. Kerr*  
(Representative KERR)

46 TOWN: Old Orchard Beach

48