

	L.D. 1820
2	DATE: 4-7-04 (Filing No. H-868)
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6	MATORITY LEGAL AND VETERANS AFFAIRS
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10	Reproduced and distributed under the direction of the Clerk of the House.
12	
14	STATE OF MAINE HOUSE OF REPRESENTATIVES 121ST LEGISLATURE
16	SECOND SPECIAL SESSION
18	COMMITTEE AMENDMENT "A" to H.P. 1342, L.D. 1820, Bill, "An
20	Act To Establish the Gambling Control Board To License and Regulate Slot Machines at Commercial Harness Racing Tracks"
22	
24	Amend the bill by striking out all of the emergency preamble (page 1, lines 1 to 22 in L.D.)
26	Further amend the bill in Part A by striking out all of
28	section 1 and inserting in its place the following:
	'Sec.A-1. 5 MRSA §10004, sub-§4-A is enacted to read:
30	4-A. Gambling. The action is based on a violation of laws
32	or rules at gambling facilities that are cited by the Department of Public Safety, Gambling Control Board, established pursuant to
34	Title 8, chapter 31, or the Gambling Control Board or its designees determine that acting in accordance with subchapters 4
36	and 6 would fail to serve the public interest; however, the
38	<u>suspension, revocation or refusal to renew may not continue for</u> more than 30 days.'
40	Further amend the bill in Part A in section 2 in that part
42	designated " §77. " in subsection 1 in the last line (page 1, line 45 in L.D.) by striking out the following: " <u>subsection 1,</u>
44	paragraph B, subparagraph 4" and inserting in its place the following: 'subsection 2, paragraph D'
46	Further amend the bill in Part A in section 2 in that part
48	designated " <u>§77.</u> " in subsection 2 by striking out all of paragraphs A and B (page 2, lines 2 to 15 in L.D.) and inserting in their place the following:

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Page 1-LR2664(3)

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2 'A. Thirty-four percent of these funds must be distributed to all entities licensed by the department, including commercial tracks that during the previous year were 4 licensed to and did accept pari-mutuel wagers on harness horse races and distributed in the manner prescribed in 6 Title 8, section 298; and 8 B. Sixty-six percent of these funds must be divided among 10 all entities licensed as agricultural fairs by the department. These funds must be distributed in the same 12 proportion as funds distributed for premium payments made pursuant to section 64 and may be used at the fairs' 14 discretion.' 16 Further amend the bill in Part A in section 3 in that part designated "**§298.**" in subsection 1 in the 3rd and 4th lines (page 2, lines 23 and 24 in L.D.) by striking out the following: 18 "subsection 1, paragraph B, subparagraph (2)" and inserting in 20 its place the following: 'subsection 2, paragraph B' Further amend the bill in Part A in section 3 in that part 22 designated "§298." by striking out all of subsection 2 (page 2, lines 27 to 48 in L.D.) and inserting in its place the following: 24 '2. Distribution. On May 30th, September 30th and January 26 30th of each year, all amounts credited to the fund established by this section as of the last day of the preceding month and not 28 distributed before that day must be distributed to each commercial track, as defined in section 275-A, subsection 1, and 30 to each agricultural fair association that during the preceding 32 trimester has conducted live racing with pari-mutuel wagering on dates assigned by the commissioner pursuant to Title 7, section 34 65, with each commercial track and each agricultural fair association receiving an amount of money determined by multiplying the amount of money available for distribution times 36 a fraction, the numerator of which is the total number of live race dashes conducted by the commercial track or agricultural 38 fair association during the preceding time period and the 40 denominator of which is the total number of race dashes conducted by all commercial tracks and agricultural fair associations 42 during that time period. The payment in January must be adjusted so that for the prior 3 time periods each commercial track or agricultural fair association entitled to a distribution receives 44 that fraction of the total money distributed over the full year from the fund established by this section, the amount determined 46 by multiplying the total amount of money by a fraction, the 48 numerator of which is the number of live race dashes conducted by the commercial track or agricultural fair association during the 50 calendar year that gualify for a distribution and the denominator

Page 2-LR2664(3)

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	of which is the total number of race dashes conducted during that
2	calendar year by all such fairs on dates assigned by the
	commissioner pursuant to Title 7, section 65 and by all
4	commercial tracks during that calendar year. The funds
	distributed pursuant to this section must be used to supplement
6	harness racing purses.'
8	Further amend the bill in Part A by inserting after section
	3 the following:
10	-
	'Sec.A-4. 8 MRSA §§299 and 300 are enacted to read:
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	§299. Fund to Encourage Racing at Maine's Commercial Tracks
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	1. Fund created. The Fund to Encourage Racing at Maine's
16	Commercial Tracks is established to provide revenues to Maine's
	commercial tracks.
18	
	2. Distribution. On May 30th, September 30th and January
20	30th, all amounts credited to the fund established by this
	section as of the last day of the preceding month and not
22	distributed before that day must be distributed to each
	commercial track licensed under section 271, with each track
24	receiving that amount of the money available for distribution
	determined by multiplying that amount times a fraction, the
26	numerator of which is the total number of live race days
	conducted by the commercial track during the preceding time
28	period and the denominator of which is the total number of race
	days conducted by all commercial tracks licensed under section
30	271 during that time period. The payment in January must be
	adjusted so that for the prior 3 time periods each commercial
32	track receives that fraction of the total money distributed over
	the full year from the fund established by this section, the
34	amount determined by multiplying the total amount of money times
	a fraction, the numerator of which is the number of live race
36	days conducted by the commercial track during the calendar year
	and the denominator of which is the total number of race days
38	conducted by all commercial tracks licensed under section 271
	during that calendar year.
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	§300. Fund to Stabilize Off-track Betting Facilities
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	1. Fund created. The Fund to Stabilize Off-track Betting
44	Facilities is established to provide revenues to those off-track
	betting facilities licensed and in operation as of December 31,
46	<u>2003.</u>
48	2. Distribution. On May 30th, September 30th and January
	30th, all amounts credited to the fund established by this
50	section as of the last day of the preceding month and not

Page 3-LR2664(3)

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distributed before that day must be distributed to each of Maine's off-track betting facilities licensed and in operation as 2 of December 31, 2003. Distributions must be made in equal amounts to each off-track betting facility in operation as of the 4 date of the distribution.' 6 Further amend the bill in Part A in section 4 in that part 8 designated "<u>\$1001.</u>" by striking out all of subsection 7. 10 Further amend the bill in Part A in section 4 in that part designated "<u>\$1001.</u>" by inserting after subsection 20 the following: 12 14 '21. Gaming employee. "Gaming employee" means any person connected directly with a gambling facility, including cashiers, 16 change personnel, counting room personnel, hosts, persons who extend credit or offer complimentary services, machine mechanics, security personnel, supervisors or managers. "Gaming employee" 18 also includes employees of a slot machine distributor whose 20 duties are directly involved with repair or distribution of slot machines or gaming devices.' 22 Further amend the bill in Part A in section 4 in that part 24 designated "\$1001." by inserting after subsection 22 the following: 26 '23. Holding company. "Holding company" means any company that directly or indirectly owns or has the power or right to 28 control a company that holds or applies for a slot machine operator license or a slot machine distributor license, except 30 that a company that has a beneficial ownership of more than 10% of the voting securities of a publicly traded corporation is not 32 a holding company.' 34 Further amend the bill in Part A in section 4 in that part designated "\$1001." by inserting after subsection 23 the 36 following: 38 '24. Intermediary company. "Intermediary company" means a company that is a holding company of a company that applies for a 40 slot machine operator license or a slot machine distributor license or is a subsidiary of a holding company of a company that 42 applies for a slot machine operator license or a slot machine 44 distributor license.' Further amend the bill in Part A in section 4 in that part 46 designated "<u>§1001.</u>" by striking out all of subsection 25 and inserting in its place the following: 48 '25. Key executive. "Key executive" means any executive of 50

Page 4-LR2664(3)

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a licensee having power to exercise a significant influence over decisions concerning the operation or distribution of slot 2 machines.' 4 Further amend the bill in Part A in section 4 in that part designated "**§1001.**" by striking out all of subsection 29 (page 5, б lines 43 to 45 in L.D.) 8 Further amend the bill in Part A in section 4 in that part designated "<u>\$1001.</u>" by inserting after subsection 34 the 10 following: 12 '35. Premises. "Premises" means the property located within 2,000 feet of the center of the horse racing track at a 14 commercial track and owned by the person that owns the property on which the track is located. 16 Publicly traded corporation. "Publicly traded 18 36. corporation" means a company that is an issuer subject to Section 15(d) of the Securities Exchange Act of 1934, as amended, 15 20 United States Code, Section 780 or applicable foreign laws or has 22 one or more of the following: 24 A. Classes of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, 15 26 United States Code, Section 781; or B. Classes of securities registered pursuant to applicable 28 foreign laws that the board finds protect the public 30 interest. 37. Registration. "Registration" means an approval or 32 board action that authorizes a company to be a holding company of a company that holds or applies for a slot machine operator 34 license or a slot machine distributor license or of other persons 36 required to be licensed under this chapter.' Further amend the bill in Part A in section 4 in that part 38 designated "<u>\$1001.</u>" by inserting after subsection 38 the 40 following: 42 '39. Subsidiary. "Subsidiary" means any corporation or company, all or any part of whose outstanding equity securities are owned, subject to a power or right of control, or held, with 44 power to vote, by a holding company or intermediary company.' 46 Further amend the bill in Part A in section 4 in that part designated "**§1001.**" by inserting after subsection 39 the 48 following: 50

Page 5-LR2664(3)

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'40. Work permit. "Work permit" means any card, certificate or permit issued by the board authorizing the 2 employment of the holder as a gaming employee.' 4 Further amend the bill in Part A in section 4 in that part designated "**§1001.**" by renumbering the subsections to read 6 consecutively. 8 Further amend the bill in Part A in section 4 in that part 10 designated "<u>\$1002.</u>" in subsection 2 in the 2nd line from the end (page 7, line 8 in L.D.) by inserting after the following: "industry." the following: 'One member must have experience in 12 the harness racing industry.' 14 Further amend the bill in Part A in section 4 in that part designated "<u>\$1002.</u>" in subsection 8 in the last line (page 7, 16 line 49 in L.D.) by striking out the following: "individual" and 18 inserting in its place the following: 'executive' Further amend the bill in Part A in section 4 in that part 20 designated "**§1003.**" in subsection 1 by striking out all of paragraph I (page 8, lines 47 to 49 in L.D.) and inserting in its 22 place the following: 24 'I. Take any action as may be reasonable or appropriate to 26 protect the public interest and enforce this chapter and the rules adopted under this chapter including denial, suspension or revocation without hearing of a license issued 28 under this chapter as provided in Title 5, section 10004, subsection 4-A;' 30 32 Further amend the bill in Part A in section 4 in that part designated "<u>\$1003.</u>" by striking out all of subsection 2 and inserting in its place the following: 34 '2. Duties. The board shall hire an executive director. The 36 board or the director, as delegated by the board, shall hire staff and retain professional services that the board considers 38 necessary to carry out its responsibilities. In addition, the board or the director or staff, as delegated by the board, shall: 40 42 A. Enforce the provisions of this chapter and any rules adopted under this chapter; 44 Hear and decide all license and registration в. applications under this chapter and issues affecting the 46 granting, suspension, revocation or renewal of licenses and 48 registrations; 50 C. Review the department's reports of its investigation of

Page 6-LR2664(3)

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the qualifications of an applicant before a license or registration is issued and investigate the circumstances 2 surrounding any act or transaction for which board approval 4 is required; D. Cause the department to investigate any alleged 6 violations of this chapter or rules adopted under this 8 chapter and the direct or indirect ownership or control of any licensee; 10 E. Refer violations of this chapter to the Attorney General 12 to bring action in the courts and administrative tribunals of this State or the United States, in the name of the State of Maine. This paragraph does not limit the authority of 14 district attorneys to prosecute criminal violations of the 16 law; 18 F. Collect all licensing and registration fees and taxes imposed by this chapter and rules adopted pursuant to this 20 <u>chapter;</u> 22 G. Develop a standard uniform location agreement; 24 H. Pursuant to subchapter 5, cause the department to investigate all complaints made to the board regarding 26 ownership, distribution or operation of slot machines and all violations of this chapter or rules adopted under this 28 chapter; 30 I. Adopt rules to prevent undesirable conduct relating to the ownership, distribution and operation of slot machines 32 and slot machine facilities, including, but not limited to, the following: 34 (1) The practice of any fraud or deception upon a player of a slot machine or a licensee; 36 (2) The presence or location of a slot machine in or at 38 premises that may be unsafe due to fire hazard or other 40 public safety conditions; 42 (3) The infiltration of organized crime into the ownership, distribution or operation of slot machines 44 and slot machine facilities; and 46 (4) The presence of disorderly persons in a location where slot machines are in use; 48 J. Maintain a central site system of monitoring in real

Page 7-LR2664(3)

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time all slot machines licensed in accordance with this chapter using an on-line inquiry;

- K. Control the operation of slot machines via the central site monitoring system using only board staff or persons
 contracted by the board;
- 8 L. Ensure that the central site monitoring system does not permit a licensed slot machine operator to access the 10 central site monitoring system or any system that is capable of programming slot machines;
- M. Inform commercial track operators applying for a license14to operate slot machines that any slot machines licensed by
the board must be compatible with the central site system of16on-line monitoring used by the board;
- 18 N. Cause the central site monitoring system to disable a slot machine that does not meet registration requirements
 20 provided by this chapter or rules adopted under this chapter or as directed by the department;
- 24 <u>O. Cause the central site monitoring system to disable a</u> 24 <u>slot machine and cause the department to seize the proceeds</u> 26 <u>of that slot machine if the funds from that slot machine</u> 26 <u>have not been distributed, deposited or allocated in</u> <u>accordance with section 1036;</u>
- P. Collect all funds and taxes due to the State under 30 sections 1018 and 1036;
- 32 <u>O. Certify monthly to the department a full and complete</u> statement of all slot machine revenue, credits disbursed by
 34 <u>licensees, administrative expenses and the allocation of</u> gross slot machine income for the preceding month;
- R. Submit by March 15th an annual report to the Governor and38the joint standing committee of the Legislature having
jurisdiction over gambling affairs on slot machine revenue,40credits disbursed by slot machine operators, administrative
expenses and the allocation of gross slot machine income for
the preceding year;
- 44 <u>S. Prepare and submit to the department a budget for the</u> administration of this chapter; and
- T. Keep accurate and complete records of its proceedings48and certify the records as may be appropriate.'
- 50 Further amend the bill in Part A in section 4 in that part

Page 8-LR2664(3)

designated "<u>§1011.</u>" in subsection 1 in the last line (page 13,
line 34 in L.D.) by inserting after the following: "<u>board.</u>" the following: '<u>A slot machine operator license authorizes a</u>
<u>licensee to own or lease slot machines operated at a licensed gambling facility.</u>'

Further amend the bill in Part A in section 4 in that part 8 designated "<u>\$1011.</u>" in subsection 3 in the 4th line (page 14, line 5 in L.D.) by striking out the following: "<u>1017 and 1020</u>" 10 and inserting in its place the following: '<u>1016 and 1019</u>'

12 Further amend the bill in Part A in section 4 in that part designated "**§1011.**" by inserting after subsection 3 the following:

'4. Requirement for license; agreement with municipality 16 where slot machines are located. A slot machine operator shall enter into an agreement with the municipality where the slot 18 machine operator's slot machines are located that provides for revenue sharing or other compensation, including, but not limited 20 to, a provision requiring the preparation, in conjunction with the municipality, of a security plan for the premises on which the slot machines are located. The revenue-sharing agreement 22 must provide for a minimum payment to the municipality of 3% of the total gross slot machine income derived from the machines 24 located in the municipality.

5. Renewal. Licenses to operate slot machines may be 28 renewed upon application for renewal in accordance with this subchapter, subject to board rules.'

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Further amend the bill in Part A in section 4 by inserting 32 after that part designated "**§1011.**" the following:

34 '<u>§1012. Local approval for renewal of slot machine</u> operator license

An application for renewal of a slot machine operator 38 license must first be approved under this section by the municipal officers of the municipality in which the commercial 40 track with slot machines is located or, if the commercial track is in an unincorporated place, the application must be approved 42 by the county commissioners of the county in which the commercial track with slot machines is located. 44

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 slot machines, except that, when an applicant has held a license for the prior 5 years and a complaint has not been filed

Page 9-LR2664(3)

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with the board against the applicant within that time, the 2 applicant may request a waiver of the hearing. 4 A. The board shall prepare and supply application forms for public hearings under this subsection. 6 B. Municipal officers or county commissioners, as the case may be, shall provide public notice of any hearing held 8 under this section by causing, at the applicant's prepaid 10 expense, a notice stating the name and place of the hearing to appear on at least 3 consecutive days before the date of 12 the hearing in a daily newspaper having general circulation in the municipality where the premises of the commercial track with slot machines are located or one week before the 14 date of the hearing in a weekly newspaper having general circulation in the municipality where the premises are 16 located. 18 C. If municipal officers or county commissioners, as the case may be, fail to take final action on an application for 20 a renewal of a slot machine operator license within 60 days of the filing of an application, the application is 22 considered approved and ready for action by the board. For 24 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. 26 28 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 30 to the applicant. A license may be denied on one or more of the 32 following grounds: A. Noncompliance of the commercial track licensed to 34 operate slot machines with any local zoning ordinance or other land use ordinance not directly related to slot 36 machine operations; 38 B. Conditions of record such as waste disposal violations, health or safety violations or repeated parking or traffic 40 violations on or in the vicinity of the premises of the 42 commercial track with slot machines and caused by persons patronizing or employed by the commercial track licensed to operate slot machines or other such conditions caused by 44 persons patronizing or employed by the premises that unreasonably disturb, interfere with or affect the ability 46 of persons or businesses residing or located in the vicinity of the premises to use their property in a reasonable manner; 48

Page 10-LR2664(3)

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 commercial track with slot machines and caused by persons patronizing or employed by the commercial track licensed to operate slot machines; and

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D. A violation of any provision of this chapter.

3. Appeal to board. Any applicant aggrieved by the 10 decision of the municipal officers or county commissioners under 12 this section may appeal to the board within 15 days of the receipt of the written decision of the municipal officers or 14 county commissioners. The board shall hold a public hearing in the city, town or unincorporated place where the premises of the commercial track with slot machines are situated. In acting on 16 such an appeal, the board may consider all licensure requirements 18 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 20 the decision was without justifiable cause.

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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.'

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Further amend the bill in Part A in section 4 in that part 34 designated "<u>\$1012.</u>" in subsection 2 in the last line (page 14, line 19 in L.D.) by striking out the following: "<u>1017 and 1020</u>" 36 and inserting in its place the following: '<u>1016 and 1019</u>'

38 Further amend the bill in Part A in section 4 in that part designated "<u>\$1013.</u>" in subsection 2 in the last line (page 14, line 29 in L.D.) by striking out the following: "<u>1017 and 1020</u>" and inserting in its place the following: '<u>1016 and 1019</u>'

Further amend the bill in Part A in section 4 by striking 44 out all of that part designated "**§1014.**"

46 Further amend the bill in Part A in section 4 in that part designated "<u>\$1015.</u>" in subsection 2 in the last line (page 15,
48 line 4 in L.D.) by striking out the following: "<u>1017 and 1020</u>" and inserting in its place the following: '<u>1016 and 1019</u>'

Page 11-LR2664(3)

2 Further amend the bill in Part A in section 4 by striking out all of that part designated "**§1016.**"

Further amend the bill in Part A in section 4 in that part 6 designated "**§1017.**" in subsection 1 in the 5th and 6th lines (page 15, lines 44 and 45 in L.D.) by striking out the 8 following: ", a nongambling services vendor"

10 Further amend the bill in Part A in section 4 in that part designated "<u>\$1017.</u>" in subsection 1 in paragraph G in the first line (page 16, line 37 in L.D.) by striking out the following: "<u>individuals</u>" and inserting in its place the following: 14 '<u>executives</u>'

16 Further amend the bill in Part A in section 4 in that part designated "<u>\$1017.</u>" in subsection 1 in the blocked paragraph at the end in the last 2 lines (page 16, lines 42 and 43 in L.D.) by striking out the following: "<u>1015 or 1016. A slot machine</u> 20 <u>operator may also be licensed as a nongambling services vendor under section 1014.</u>" and inserting in its place the following: 22 '<u>1015.</u>'

Further amend the bill in Part A in section 4 in that part designated "<u>\$1017.</u>" in subsection 2 by inserting at the end a new blocked paragraph to read:

28 '<u>Title 5, chapter 341 does not apply to this section.</u>'

Further amend the bill in Part A in section 4 in that part designated "\$1017." in subsection 3 in the 4th line (page 17,
line 48 in L.D.) by striking out the following: "individuals" and inserting in its place the following: 'executives'

Further amend the bill in Part A in section 4 in that part 36 designated "<u>\$1018.</u>" in subsection 1 in paragraph D in the 3rd line (page 18, line 33 in L.D.) by striking out the following: 38 "<u>1017</u>" and inserting in its place the following: '<u>1016</u>'

Further amend the bill in Part A in section 4 in that part designated "<u>\$1019.</u>" in subsection 1 by striking out all of paragraphs A to E (page 19, line 48 and page 20, lines 1 to 11 in L.D.) and inserting in their place the following:

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'A. The initial registration fee for a registered 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 slot machines and determined by dividing the costs
 of administering the slot machine licenses by the total
 number of slot machines licensed by the board.

Page 12-LR2664(3)

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2	<u>B. The initial application fee for a slot machine distributor license is \$200,000. The annual renewal fee is</u>
4	an amount, set by rules of the board, equal to the cost to the board of licensing slot machine distributors and
б	<u>determined by dividing the costs of administering the slot</u> machine distributor licenses by the total number of slot
8	machine distributors licensed by the board.
10	<u>C. The initial application fee for a slot machine operator license is \$200,000. The annual renewal fee is \$75,000 plus</u>
12	an amount, set by rules of the board, equal to the cost to the board of licensing slot machine operators and determined
14	by dividing the costs of administering the slot machine operator licenses by the total number of slot machine
16	operators licensed by the board.
18	<u>D. The application fee for a license for a gambling</u> services vendor is \$2,000.
20	E. The application fee for an employee license under
22	<u>section 1015 is \$250.</u> '
24	Further amend the bill in Part A in section 4 in that part designated " §1019. " by striking out all of subsection 2 and
26	inserting in its place the following:
28	'2. Term of license: renewal, renewal fees. All licenses issued by the board under this chapter are effective for one
30	year, unless revoked or surrendered pursuant to subchapter 5. Upon proper application and payment of the required fees and
32	taxes and in accordance with rules adopted by the board, the board may renew a license for an additional year if municipal
34	approval has been obtained as provided in section 1012. The board shall transfer \$25,000 of the renewal fee required by
36	subsection 1, paragraph C to the municipality in which the slot machines are operated.'
38	Further amend the bill in Part A in section 4 in that part
40	designated " §1019. " by inserting after subsection 5 the following:
42 44	' <u>6.</u> Rules. Rules adopted pursuant to this section are major substantive rules in accordance with Title 5, chapter 375, subchapter 2-A.'
46	Further amend the bill in Part A in section 4 in that part
48	designated " $§1021."$ in subsection 2 by striking out all of paragraphs F and G (page 22, lines 27 to 31 in L.D.) and inserting in their place the following:

Page 13-LR2664(3)

2 'F. Must have technology compatible with the central site monitoring system used by the board; 4 G. Must have a minimum average daily aggregate payback 6 percentage of 89% computed for all slot machines operated at each slot machine facility on a weekly basis; and' 8 Further amend the bill in Part A in section 4 in that part designated "**§1021.**" in subsection 3 in paragraph A in the 2nd 10 line (page 22, line 45 in L.D.) by striking out the following: "3,000" and inserting in its place the following: '1,500' 12 14 Further amend the bill in Part A in section 4 in that part designated "**\$1031.**" by striking out all of subsection 2 (page 23, lines 35 to 40 in L.D.) and inserting in its place the following: 16 '2. Placement of slot machines. A slot machine operator, 18 slot machine distributor or gambling services vendor shall 20 prohibit persons under 21 years of age from any area in which a slot machine is located, except that a person 18 to 20 years of age may be present if that person is a licensed employee under 22 section 1015.' 24 Further amend the bill in Part A in section 4 in that part designated "**§1034**." in the first paragraph in the last line (page 26 24, line 15 in L.D.) by striking out the following: ", licensed 28 nongambling services vendor or a key individual" and inserting in its place the following: 'or a key executive' 30 Further amend the bill in Part A in section 4 in that part 32 designated "§1036." by striking out all of subsection 1 and inserting in its place the following: 34 '1. Distribution for administrative expenses of board. A 36 slot machine operator shall collect and distribute 1% of adjusted gross slot machine income to the Treasurer of State for deposit 38 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 40 or similar objects or things of value used to actually play a 42 slot machine before payback is distributed to a player. 44 2. Distribution from commercial track. A slot machine operator shall collect and distribute 39% of the total gross slot machine income from slot machines operated by the slot machine 46 operator to the board for distribution by the board as follows: 48 A. Three percent of the total gross slot machine income 50 must be deposited to the General Fund for administrative

Page 14-LR2664(3)

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expenses of the board, including gambling addiction counseling services, in accordance with rules adopted by the board;

- B. Ten percent of the total gross slot machine income must
 be forwarded by the board to the Treasurer of State, who shall credit the money to the fund established in section
 298 to supplement harness racing purses;
- 10 <u>C. Three percent of the total gross slot machine income</u> must be credited by the board to the Sire Stakes Fund
 12 created in section 281;
- D. Three percent of the total gross slot machine income must be forwarded by the board to the Treasurer of State.
 who shall credit the money to the Agricultural Fair Support Fund established in Title 7, section 77;
- E. Ten percent of the total gross slot machine income must be forwarded by the board to the State Controller to be credited to the Fund for a Healthy Maine established by Title 22, section 1511 and segregated into a separate account under Title 22, section 1511, subsection 11, with the use of funds in the account restricted to the purposes described in Title 22, section 1511, subsection 6, paragraph E:
- F. Two percent of the total gross slot machine income must
 be forwarded by the board to the University of Maine System
 Scholarship Fund created in Title 20-A, section 11631;
- G. One percent of the total gross slot machine income must be forwarded by the board to the board of trustees of the Maine Community College System to be applied by the board of trustees to fund its scholarships program under Title 20-A, section 12716, subsection 1;
- H. Four percent of the total gross slot machine income must be forwarded by the board to the Treasurer of State, who
 shall credit the money to the Fund to Encourage Racing at Maine's Commercial Tracks, established in section 299;
 however, the payment required by this paragraph is terminated when all commercial tracks have obtained a license to operate slot machines in accordance with this chapter;
- I. Two percent of the total gross slot machine income must48be forwarded by the board to the Treasurer of State, who
shall credit the money to the Fund to Stabilize Off-track50Betting Facilities established by section 300, as long as a

Page 15-LR2664(3)

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facility has conducted off-track wagering operatio minimum of 250 days during the preceding 12-month p which the first payment to the fund is required. months of receiving an allocation of the total gr machine income from a licensed operator, the pe total slot machine income forwarded to the Fund to 3 Off-track Betting Facilities is reduced to 1% remaining 1% to be forwarded to the State in accords subsection 1: and J. One percent of the total gross slot machine income be forwarded directly to the municipality in which machines are located.' Further amend the bill in Part A in section 4 in 4 designated " \$1036. " by renumbering the subsections consecutively. Further amend the bill in Part A in section 4 by out all of that part designated " \$1037. " Further amend the bill in Part A in section 4 in 4 designated " \$1051. " in subsection 3 in paragraph C by out all of subparagraph (4) (page 29, lines 7 to 12 in 3 inserting in its place the following: (4) as provided in Title 5, section 10004, s (4) as provided in Title 5, section 10004, s	period in After 48 ross slot ercent of Stabilize with the ance with come must the slot that part to read striking that part
 months of receiving an allocation of the total grant machine income from a licensed operator, the period total slot machine income forwarded to the Fund to so Off-track Betting Facilities is reduced to 1% off-track Betting Facilities is reduced to 1% remaining 1% to be forwarded to the State in accords subsection 1; and J. One percent of the total gross slot machine income be forwarded directly to the municipality in which machines are located. Further amend the bill in Part A in section 4 in 6 designated "\$1036." by renumbering the subsections consecutively. Further amend the bill in Part A in section 4 by out all of that part designated "\$1037." Further amend the bill in Part A in section 4 in formation of the subsection 3 in paragraph C by out all of subparagraph (4) (page 29, lines 7 to 12 in 1 inserting in its place the following: 	ross slot rcent of Stabilize with the ance with come must the slot that part to read striking that part
 6 total slot machine income forwarded to the Fund to a Off-track Betting Facilities is reduced to 1% 8 remaining 1% to be forwarded to the State in accordance subsection 1; and 10 One percent of the total gross slot machine income forwarded directly to the municipality in which machines are located. 14 Further amend the bill in Part A in section 4 in a designated "\$1036." by renumbering the subsections consecutively. 18 Further amend the bill in Part A in section 4 by out all of that part designated "\$1037." 20 out all of subparagraph (4) (page 29, lines 7 to 12 in 1 inserting in its place the following: 26 '(4) As provided in Title 5, section 10004, section 4	Stabilize with the ance with come must the slot that part to read striking that part
 8 remaining 1% to be forwarded to the State in accordate subsection 1; and 10 J. One percent of the total gross slot machine into the forwarded directly to the municipality in which machines are located.' 14 Further amend the bill in Part A in section 4 in the designated "\$1036." by renumbering the subsections consecutively. 18 Further amend the bill in Part A in section 4 by out all of that part designated "\$1037." 22 Further amend the bill in Part A in section 4 in the designated "\$1051." in subsection 3 in paragraph C by out all of subparagraph (4) (page 29, lines 7 to 12 in the inserting in its place the following: 26 '(4) As provided in Title 5, section 10004, section 4	ance with come must the slot that part to read striking that part
 10 J. One percent of the total gross slot machine ind be forwarded directly to the municipality in which machines are located.' 14 Further amend the bill in Part A in section 4 in 4 designated "\$1036." by renumbering the subsections consecutively. 18 Further amend the bill in Part A in section 4 by out all of that part designated "\$1037." 20 Further amend the bill in Part A in section 4 in 4 designated "\$1051." in subsection 3 in paragraph C by out all of subparagraph (4) (page 29, lines 7 to 12 in 5 inserting in its place the following: 26 '(4) As provided in Title 5, section 10004, s	the slot that part to read striking that part
 be forwarded directly to the municipality in which machines are located.' Further amend the bill in Part A in section 4 in a designated "\$1036." by renumbering the subsections consecutively. Further amend the bill in Part A in section 4 by out all of that part designated "\$1037." Further amend the bill in Part A in section 4 in a designated "\$1051." in subsection 3 in paragraph C by out all of subparagraph (4) (page 29, lines 7 to 12 in 3 inserting in its place the following: '(4) As provided in Title 5, section 10004, s 	the slot that part to read striking that part
 14 Further amend the bill in Part A in section 4 in 6 designated "\$1036." by renumbering the subsections consecutively. 18 Further amend the bill in Part A in section 4 by out all of that part designated "\$1037." 22 Further amend the bill in Part A in section 4 in 6 designated "\$1051." in subsection 3 in paragraph C by out all of subparagraph (4) (page 29, lines 7 to 12 in 1 inserting in its place the following: 26 '(4) As provided in Title 5, section 10004, se	to read striking that part
16 designated " <u>\$1036.</u> " by renumbering the subsections consecutively. 18 Further amend the bill in Part A in section 4 by out all of that part designated " <u>\$1037.</u> " 22 Further amend the bill in Part A in section 4 in 4 designated " <u>\$1051.</u> " in subsection 3 in paragraph C by out all of subparagraph (4) (page 29, lines 7 to 12 in 3 inserting in its place the following: 26 ' <u>(4) As provided in Title 5, section 10004, s</u>	to read striking that part
 18 Further amend the bill in Part A in section 4 by 20 out all of that part designated "\$1037." 22 Further amend the bill in Part A in section 4 in a designated "\$1051." in subsection 3 in paragraph C by 24 out all of subparagraph (4) (page 29, lines 7 to 12 in a inserting in its place the following: 26 '(4) As provided in Title 5, section 10004, s 	that part
 20 out all of that part designated "\$1037." 22 Further amend the bill in Part A in section 4 in a designated "\$1051." in subsection 3 in paragraph C by 24 out all of subparagraph (4) (page 29, lines 7 to 12 in 3 inserting in its place the following: 26 '(4) As provided in Title 5, section 10004, s 	that part
<pre>designated "\$1051." in subsection 3 in paragraph C by 24 out all of subparagraph (4) (page 29, lines 7 to 12 in 3 inserting in its place the following: 26 '(4) As provided in Title 5, section 10004, s</pre>	
 out all of subparagraph (4) (page 29, lines 7 to 12 in 1 inserting in its place the following: 26 '(4) As provided in Title 5, section 10004, s 	SCLIFING
26 ' <u>(4) As provided in Title 5, section 10004, s</u>	L.D.) and
28 <u>4-A, conviction of a crime that involves dish</u> false statement, conviction of a crime f	<u>onesty or</u>
30 <u>incarceration for one year or more may be in</u> conviction of a crime defined in Title 17-A	m <u>posed or</u>
32 <u>39; or</u> '	
34 Further amend the bill in Part A in section 4 in designated " \$1052. " in the first paragraph in the 3rd l	-
36 29, line 42 in L.D.) by striking out the following: "in and inserting in its place the following: ' <u>executive</u> '	
38 Further amend the bill in Part A in section 4 by	striking
40 out all of that part designated " §1063. " (page 34, line in L.D.) and inserting in its place the following:	
42 ' §1063. Rules	
44	
Unless otherwise specified, rules adopted pursuant 46 <u>chapter are routine technical rules pursuant to Title 5</u> <u>375, subchapter 2-A.</u> '	
48	
Further amend the bill in Part A in sectio 50 renumbering the sections to read consecutively.	on 4 by

Page 16-LR2664(3)

Further amend the bill in Part A in section 6 in paragraph D in the 2nd line (page 34, line 31 in L.D.) by striking out the following: "1021" and inserting in its place the following: 4 '1020'

Further amend the bill in Part A in section 6 in paragraph D in the last line (page 34, line 32 in L.D.) by striking out the 8 following: "1012" and inserting in its place the following: 10 '1013'

Further amend the bill in Part A by inserting after section 12 11 the following: 14

'Sec. A-12. Report on operation of Gambling Control Board. The 16 Department of Public Safety, Gambling Control Board established in the Maine Revised Statutes, Title 8, chapter 31 shall submit 18 by March 15, 2005 a report on the operation of the board and its effectiveness in regulating the operation of slot machines at commercial harness racing tracks. The report must include 20 recommendations of any necessary changes to the board and the laws governing the board in order to effectively regulate the 22 operation of slot machines at commercial tracks. The report must 24 include recommendations regarding expansion of the board's authority to regulate all gaming conducted legally within the 26 State.'

28 Further amend the bill in Part B by inserting after section 7 the following:

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'Sec. B-8. Board to rule on license. By September 30, 2004, the 32 Department of Public Safety, Gambling Control Board established in the Maine Revised Statutes, Title 8, chapter 31 shall make a 34 final determination on applications submitted to the board for licenses to distribute slot machines and licenses to operate slot 36 machines and all related required licenses in accordance with Title 8, chapter 31 absent any circumstances beyond the control of the board that would prohibit the board from making a final 38 determination. An applicant for a license to operate slot machines shall act in good faith to comply with all application 40 requirements in a timely manner.'

- Further amend the bill in Part B by inserting after section 44 8 the following:
- 'Sec. B-9. Appropriations and allocations. The following 46 appropriations and allocations are made.
- 48

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AGRICULTURE, FOOD AND RURAL RESOURCES, 50 DEPARTMENT OF

Page 17-LR2664(3)

2 Harness Racing Commission 0320

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4 Initiative: Allocates funds for distribution of revenues to various accounts.

-	Other Special Revenue Funds	2003-04	2004-05
8	All Other	\$0	\$3,477,038
10	Other Special Revenue Funds Total	\$0	\$3,477,038
12	AGRICULTURE, FOOD AND RURAL RESOURCES, DEPARTMENT OF		
14	DEPARTMENT TOTALS	2003-04	2004-05
16	OTHER SPECIAL REVENUE FUNDS	\$0	\$3,477,038
18	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$3,477,038

- 20 ATTORNEY GENERAL, DEPARTMENT OF THE
- 22 Administration Attorney General 0310
- Initiative: Provides funds for an Assistant Attorney General position to assist in rulemaking, forfeitures, license
 application denial appeals and other required legal services.

28	General Fund	2003-04	2004-05
	Positions - Legislative Count	(0.000)	(1.000)
30	Personal Services	\$0	\$62,234
	All Other	0	8,996
32			
	General Fund Total	\$0	\$71,230
34			
	ATTORNEY GENERAL, DEPARTMENT OF THE		
36	DEPARTMENT TOTALS	2003-04	2004-05
38	GENERAL FUND	\$0	\$71,230
40	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$71,230

- 42 FINANCE AUTHORITY OF MAINE
- 44 Student Financial Assistance Programs 0653

 46 Initiative: Allocates funds for the University of Maine System Scholarship Fund.
 48

	Other Special Revenue Funds	2003-04	2004-05
50	All Other	\$0	\$316,979

Page 18-LR2664(3)

2	Other Special Revenue Funds Total	\$0	\$316,979
4	FINANCE AUTHORITY OF MAINE DEPARTMENT TOTALS	200304	2004-05
б			
	OTHER SPECIAL REVENUE FUNDS	\$0	\$316,979
8			
	DEPARIMENT TOTAL - ALL FUNDS	\$0	\$316,979
10			

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PUBLIC SAFETY, DEPARTMENT OF

Gambling Control Board

Initiative: Provides funds for one Director position, one State Police Lieutenant position, one State Police Sergeant position, one State Police Detective position, one Identification Specialist II position, one Auditor II position, 2 Public Safety Inspector I positions, 2 Clerk Typist III positions and general operating expenses, which include the installation and administration of an on-line monitoring system and the costs of conducting necessary background checks.

24	General Fund	2003-04	2004-05
	Positions - Legislative Count	(0.000)	(10.000)
26	Personal Services	\$0	\$852,963
	All Other	0	846,585
28	Capital Expenditures	0	55,000
30	General Fund Total	\$0	\$1,754,548
32	PUBLIC SAFETY, DEPARTMENT OF DEPARTMENT TOTALS	2003-04	2004–05
34			
	GENERAL FUND	\$0	\$1,754,548
36			
	DEPARTMENT TOTAL – ALL FUNDS	\$0	\$1,754,548
38			
	MAINE COMMUNITY COLLEGE SYSTEM,		
40	BOARD OF TRUSTEES OF THE		

 42 Maine Community College System - Board of Trustees 0556
 44 Initiative: Allocates funds for the scholarship program.
 46 Other Special Revenue Funds 2003-04 2004-05

48	All Other	2003-04 \$0	\$158,489
50	Other Special Revenue Funds Total	\$0	\$158,489

Page 19-LR2664(3)

2	MAINE COMMUNITY COLLEGE SYSTEM, BOARD OF TRUSTEES OF THE		
4	DEPARTMENT TOTALS	2003-04	2004-05
6	OTHER SPECIAL REVENUE FUNDS	\$0	\$158,489
8	DEPARTMENT TOTAL - ALL FUNDS	\$0	\$158,489
10	SECTION TOTALS	2003-04	2004–05
12	GENERAL FUND	\$0	\$1,825,778
	OTHER SPECIAL REVENUE FUNDS	0	3,952,506
14			
	SECTION TOTAL - ALL FUNDS	\$0	\$5,778,284'
16			

Further amend the bill by striking out all of the emergency 18 clause (page 38, lines 17 and 18 in L.D.)

20 Further amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read 22 consecutively.

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SUMMARY

This amendment is the majority report of the committee. This 28 amendment requires that membership qualifications of the Department of Public Safety, Gambling Control Board as proposed 30 in the bill include experience in the harness racing industry. It provides for municipal approval for the renewal of a slot Municipal decisions are subject to appeal to 32 machine license. the Gambling Control Board. The requirement that nongambling 34 service vendors and their employees be licensed by the Gambling Control Board is removed in this amendment. The amendment also strengthens the on-line monitoring of slot machines required in 36 the bill by specifying that slot machines be controlled by a 38 central site computer system operated by the State. The amendment requires as a condition of the slot machine operator 40 license that the operator enter into an agreement with the host municipality that provides for revenue sharing and a security The amendment 42 plan for the licensed slot machine facility. establishes initial application fees for slot machine operators and distributors of \$200,000 and for registration of slot 44 machines of \$100. Renewal fees would be determined by the board to cover costs of administration of licensing and registrations. 46 For slot machine operators, there is an additional renewal fee of \$75,000, \$25,000 of which goes directly to the host municipality, 48 with the remainder going to the General Fund. The amendment also 50 requires that the Gambling Control Board take final action on

Page 20-LR2664(3)

applications for slot machine licenses no later than September 2 30, 2004.

It reduces the payback percentage to players from 90% to 89% 4 and allocates the 1% to the General Fund for administrative costs of the board. 6

8 It reduces the total number of slot machines that may be registered in the State to 1,500 slot machines.

Finally, the amendment changes the allocation of gross slot machine income so that the operator retains 61% and the remaining 12 39% is distributed as follows:

Three percent to the General Fund for administrative 1. expenses of the board, including gambling addiction counseling 16 services;

> Ten percent to supplement harness racing purses; 2.

20 22

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3. Three percent to the Sire Stakes Fund;

4. Three percent to the Agricultural Fair Support Fund;

Ten percent to the Fund for a Healthy Maine for 5. prescription drug benefits; 26

28 6. Two percent for University of Maine System scholarships;

percent for Maine Community College 30 7. One System scholarships;

- 32 8. Four percent to the Fund to Encourage Racing at Maine's 34 Commercial Tracks;
- 36 Two percent to the Fund to Stabilize Off-track Betting 9. Facilities, to be reduced to 1% after 4 years with the remaining 1% going back to the General Fund; and

10. One percent to the host municipality. 40

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FISCAL NOTE REQUIRED (See attached)

Page 21-LR2664(3)

Revised: 04/04/04 mac

121st Maine Legislature Office of Fiscal and Program Review

LD 1820

An Act To Establish the Gambling Control Board To License and Regulate Slot Machines at Commercial Harness Racing Tracks

LR 2664(03) Fiscal Note for Bill As Amended by Committee Amendment " " Committee: Legal and Veterans Affairs Fiscal Note Required: Yes Majority Report

Fiscal Note

			Projections	Projections
	2003-04	2004-05	2005-06	2006-07
Net Cost (Savings)				
General Fund	\$161,116	(\$1,035,867)	(\$2,061,689)	(\$6,886,982)
Fund For Healthy Maine	\$0	\$1,076,557	\$24,480	\$62,400
Appropriations/Allocations				
General Fund	\$0	\$1,825,778	\$2,178,545	\$3,859,394
Other Special Revenue Funds	\$0	\$3,952,506	\$8,088,055	\$20,585,895
Revenue				
General Fund	(\$161,116)	\$2,861,645	\$4,240,234	\$10,746,376
Fund For Healthy Maine	\$0	(\$1,076,557)	(\$24,480)	(\$62,400)
Other Special Revenue Funds	(\$38,717)	(\$64,449)	\$3,186,617	\$8,193,428

Fiscal Detail and Notes

This bill effectively amends certain provisions of IB 2003, c.1 (LD 1371) which authorized slot machines to be located at commercial horse racing tracks. The revenue impacts of IB 2003, c.1 were factored into budgeted revenue estimates. The revenue impacts identified above for the General Fund, the Fund for a Healthy Maine and Other Special revenue Funds reflect the net (incremental) revenue impacts of amending the Initiated Bill. However, because the Initiated Bill could not be amended by the Legislature to include the necessary appropriations and allocations it needed, the appropriations and allocations section included in this bill reflects the full costs of enacting this bill (LD 1820).

Revenue Summary of General Fund and Fund for Healthy Maine Baseline Revenue from IB 2003, c.1 (LD 1371)

			Projections	Projections
	2003-04	2004-05	2005-06	2006-07
General Fund				
Baseline Revenue for IB 2003, c.1; LD 1371	\$161,116	(\$337,327)	(\$414,236)	(\$1,055,603)
Revenue Generated by LD 1820	\$0	\$2,524,318	\$3,825,998	\$9,690,773
Net General Fund Revenue Effect	(\$161,116)	\$2,861,645	\$4,240,234	\$10,746,376
Fund for Healthy Maine				
Baseline revenue for IB 2003, c.1; LD 1371	\$0	\$2,661,450	\$3,257,640	\$8,307,000
Revenue Generated by LD 1820	\$0	\$1,584,893	\$3,233,160	\$8,244,600
Net Fund For Healthy Maine Revenue Effect	\$0	(\$1,076,557)	(\$24,480)	(\$62,400)
Other Special Revenue Funds				
Baseline revenue for IB 2003, c.1; LD 1371	\$38,717	\$4,016,955	\$4,901,438	\$12,392,467
Revenue Generated by LD 1820	\$0	\$3,952,506	\$8,088,055	\$20,585,895
Net Other Special Revenue Funds Effect	(\$38,717)	(\$64,449)	\$3,186,617	\$8,193,428

This bill is different from the initiated bill in several respects:

First, because of the delay in implementation since the initiated bill became law (effective date of January 4, 2004), the fiscal impacts for fiscal year 2003-04 identified in the initiated bill are no longer applicable.

Second, this bill replaces the State Harness Racing Commission as the agency charged with the regulatory responsibility for overseeing the use of slot machines at race tracks with a new Gambling Control Board which will be part of the Department of Public Safety. The use of a different regulatory agency results in different enforcement costs.

Third, the distribution of proceeds from gross slot income has been significantly changed, including a reduction in the distribution for the owner of the racetrack and new distributions for certain functions of state and municipal government. A number of distributions to state government remain unchanged.

Finally, the method by which the regulatory costs of state government are paid has been changed. The Initiated Bill reserved 1% of gross slot income as Other Special Revenue for the costs that would be incurred by Maine State Government to provide administrative and regulatory oversight over the operation of the authorized slot machine facilities. Because this was not adequate to cover the costs of state government, the fiscal note for the Initiated Bill reflected a significant General Fund cost. The provisions of this bill, as amended, specify that 1% of total slot income and 3% of gross slot income is to be deposited into the General Fund. The resources that have been reserved for regulatory and enforcement purposes in this bill are adequate to cover the regulatory costs of state governement.

Presented below is an estimate of revenues and subsequent distribution that may be generated assuming one licensed slot machine operator with a total of 1,500 slot machines by the end of fiscal year 2006-07. This table includes a breakdown of the General Fund and Other Special Revenue Funds impacts.

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Summary of Slot Machine Revenue	2004-05	2005-06	2006-07
Total Slot Machine Revenue	\$158,489,348	\$323,316,000	\$824,460,000
89% Payback	\$141,055,520	\$287,751,240	\$733,769,400
General Fund Administration @ 1%	\$1,584,893	\$3,233,160	\$8,244,600
Gross Slot Income @ 10%	\$15,848,935	\$32,331,600	\$82,446,000
61% of Gross Slot Income to Licensee	\$9,667,850	\$19,722,276	\$50,292,060
39% of Gross Slot Income to State & Host Municipality	\$6,181,085	\$12,609,324	\$32,153,940
	\$0,101,000	• • • • • • • • • • • • • • • • • • • •	<i>•••</i> ,120,710
Required Distribution of Gross Slot Income (39% State & Host Municipality	Share)		
General Fund (3%)	\$475,468	\$969,948	\$2,473,380
Fund For Healthy Maine (10%)	\$1,584,893	\$3,233,160	\$8,244,600
Purse Supplements (10%)	\$1,584,893	\$3,233,160	\$8,244,600
Agricultural Fair Support Fund (3%)	\$475,468	\$969,948	\$2,473,380
FAME (2%)	\$316,979	\$646,632	\$1,648,920
Sire Stakes Fund (3%)	\$475,468	\$969,948	\$2,473,380
Fund to Encourage Racing at Maine's Commercial Tracks (4%)	\$633,957	\$1,293,264	\$3,297,840
Fund to Stabilize Off-Track Betting (2%)	\$316,979	\$646,632	\$1,648,920
Maine Community College System (1%)	\$158,489	\$323,316	\$824,460
Host Municipalities (1%)	\$158,489	\$323,316	\$824,460
Other Revenue Impacts:			
License fees to the General Fund	\$524,250	\$74,563	\$124,563
Reimbursements to the General Fund	\$161,116	\$0	\$0
Impact on Lottery - Diverted "Gaming/Gambling" Revenue to Slot Machine	e		
5% of Gross Slot Income	\$ \$871,691	\$1,778,238	\$4,534,530
25% General Fund Transfer	(\$217,923)	(\$444,560)	(\$1,133,633)
	(4217,525)	(\$111,500)	(\$1,155,055)
Impact on Harness Racing - Diverted "Gaming/Gambling" Revenue to Slot I	Machines		
2% of Gross Slot Income	\$348,677	\$711,295	\$1,813,812
Loss of Revenue from diverted revenue by Fund/Account:			
General Fund	(\$3,487)	(\$7,113)	(\$18,138)
Subtotal General Fund Revenue	(\$221,410)	(\$451,673)	(\$1,151,771)
Other Special Revenue Funds	(06 076)	(612 802)	(\$22,640)
- Purse Supplements	(\$6,276)	(\$12,803)	
- Sire Stakes Fund	(\$3,452)	(\$7,042)	-
- Agricultural Fair Support Fund	(\$4,010)	(\$8,180)	•
- Commercial Racetracks	(\$4,324)	(\$8,820)	•
- Promotional Board	(\$872)	(\$1,778)	
Subtotal Dedicated Revenue	(\$18,934)	(\$38,623)	(\$98,491`

Summary of Expenditure Impacts General Fund:

- Attorney General	\$71,230	\$71,230	\$71,230
- Public Safety	\$1,754,548	\$2,107,315	\$3,788,164
General Fund Total	\$1,825,778	\$2,178,545	\$3,859,394
Other Special Revenue Funds:			
- Agriculture, Food and Rural Resources	\$3,477,038	\$7,093,107	\$18,087,515
- Public Safety (Host Municipalities)	\$0	\$25,000	\$25,000
- FAME	\$316,979	\$646,632	\$1,648,920
- Maine Community College System	\$158,489	\$323,316	\$824,460
Other Special Revenue Total	\$3,952,506	\$8,088,055	\$20,585,895
Summary of Revenue Impacts			
General Fund:			
- 1% of Total Slot Income	\$1,584,893	\$3,233,160	\$8,244,600
- 3% of Gross Slot Income	\$475,468	\$969,948	\$2,473,380
- Reimbursements	\$161,116	\$0	\$0
- License fees to the General Fund	\$524,250	\$74,563	\$124,563
- Diverted Lottery Revenue	(\$217,923)	(\$444,560)	(\$1,133,633)
- Diverted Pari-mutuel Revenue	(\$3,487)	(\$7,113)	(\$18,138)
General Fund Total	\$2,524,318	\$3,825,999	\$9,690,773
Fund for Healthy Maine:			
- Proceeds From Slot Machines	\$1,584,893	\$3,233,160	\$8,244,600
Fund for Healthy Maine - Total	\$1,584,893	\$3,233,160	\$8,244,600
Other Special Revenue Funds:			
- Agriculture, Food and Rural Resources	\$3,477,038	\$7,093,107	\$18,087,515
- Public Safety (Host Municipalities)	\$0	\$25,000	\$25,000
- FAME	\$316,979	\$646,632	\$1,648,920
- Maine Community College System	\$158,489	\$323,316	\$824,460
Other Special Revenue Total	\$3,952,506	\$8,088,055	\$20,585,895
Host Municipalities	\$158,489	\$323,316	\$824,460