

# MAINE STATE LEGISLATURE

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Date: 6/6/11

L.D. 643  
(Filing No. H-547)

**VETERANS AND LEGAL AFFAIRS**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
125TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 473, L.D. 643, Bill, "An Act To Protect Public Safety in the Operation of the Oxford County Casino"

Amend the bill by striking out the title and substituting the following:

**'An Act To Protect Public Safety in the Operation of Casinos'**

Amend the bill by striking out everything after the title and inserting the following:

**'Emergency preamble.** Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

**Whereas,** the operation of a casino has been approved by the voters of Maine; and

**Whereas,** it is in the best interest of the people of the State to have appropriate oversight of the operation of table games at a casino; and

**Whereas,** rules should be in place as soon as possible so as not to delay the operation of table games at a casino; and

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

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

**Sec. 1. 8 MRSA §1003, sub-§1, ¶J,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

J. Negotiate consent agreements to resolve administrative violations or investigations; and

**Sec. 2. 8 MRSA §1003, sub-§1, ¶K** is enacted to read:

K. Ensure that public safety inspectors employed by the board assigned to enforce the provisions of this chapter at the site of a casino may, in the absence of a sworn

**COMMITTEE AMENDMENT**

1 law enforcement officer, detain any person who is suspected of violating any  
2 provision of this chapter. Such detention must comply with federal and state laws  
3 including the provisions of Title 17-A, section 107.

4 **Sec. 3. 8 MRSA §1003, sub-§3, ¶G-1** is enacted to read:

5 G-1. The handling of money, chips, tokens or other items of value used to place bets  
6 on table games. The rules must prohibit the use of cash to place bets and ensure that  
7 the exchange of cash for chips, tokens or other items of value used to place bets on  
8 table games is conducted in a manner that permits thorough auditing;

9 **Sec. 4. 8 MRSA §1003, sub-§4** is enacted to read:

10 **4. Rules governing the regulation of table games.** Rules adopted by the board  
11 governing the regulation and oversight and monitoring of the operation of table games  
12 and the exchange of cash for chips, tokens or other items of value for the purpose of  
13 placing bets on table games are major substantive rules in accordance with Title 5,  
14 chapter 375, subchapter 2-A. This subsection does not apply to rules governing the  
15 method of play of games.

16 This subsection is repealed December 31, 2014.

17 **Sec. 5. 8 MRSA §1018, sub-§1**, as amended by IB 2009, c. 2, §34, is further  
18 amended to read:

19 **1. Fees.** The application fee for a license and the annual fee for a registered slot  
20 machine or table game under this chapter are as set out in this subsection.

21 A. The initial registration fee for a registered slot machine is \$100. The annual  
22 renewal fee is \$100 for each registered slot machine.

23 A-1. The initial registration fee for a registered table game is \$100. The annual  
24 renewal fee is \$100 for each registered table game.

25 B. The initial application fee for a slot machine distributor license is \$200,000. The  
26 annual renewal fee is \$75,000.

27 B-1. The initial application fee for a table game distributor license is \$5,000. The  
28 annual renewal fee is \$1,000.

29 C. The initial application fee for a slot machine operator license is \$200,000. The  
30 annual renewal fee is \$75,000 plus an amount, set by rules of the board, equal to the  
31 cost to the board of licensing slot machine operators and determined by dividing the  
32 costs of administering the slot machine operator licenses by the total number of slot  
33 machine operators licensed by the board.

34 C-1. The initial application fee for a casino operator license is \$225,000. The annual  
35 renewal fee is \$80,000 plus an amount, set by rules of the board, equal to the cost to  
36 the board of licensing casino operators and determined by dividing the costs of  
37 administering the casino operator licenses by the total number of casino operators  
38 licensed by the board.

39 D. The annual application fee for a license for a gambling services vendor is \$2,000.

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1 E. The initial application fee for an employee license under section 1015 is \$250.  
2 The annual renewal fee is \$25.

3 In addition to the application fee for a license or annual fee for a registered slot machine  
4 or table game, the board may charge a one-time application fee for a license or  
5 registration listed in paragraphs A to E in an amount equal to the projected cost of  
6 processing the application and performing any background investigations. If the actual  
7 cost exceeds the projected cost, an additional fee may be charged to meet the actual cost.  
8 If the projected cost exceeds the actual cost, the difference may be refunded to the  
9 applicant. All fees collected pursuant to this section must be deposited directly to the  
10 General Fund Administrative Expenses Other Special Revenue Funds account, which is a  
11 dedicated nonlapsing account within the Gambling Control Board, except that \$25,000 of  
12 the annual renewal fee for a slot machine operator or casino operator must be deposited to  
13 the Gross Slot Income Other Special Revenue Fund Funds account within the Gambling  
14 Control Board to be transferred to the municipality in which the slot machine facility or  
15 casino is operated, in accordance with subsection 2. All application and registration fees  
16 are nonrefundable and are due upon submission of the application.

17 **Sec. 6. Gambling Control Board to adopt emergency major substantive**  
18 **rules.** The rules required by this Act are emergency major substantive rules of the  
19 Department of Public Safety, Gambling Control Board and must be adopted no later than  
20 August 15, 2011. Those same rules must be provisionally adopted and submitted to the  
21 Legislature for approval no later than January 13, 2012.

22 **Sec. 7. Report.** By February 15, 2012, the Department of Public Safety, Gambling  
23 Control Board shall report to the joint standing committee of the Legislature having  
24 jurisdiction over matters relating to the operation of casinos the process used to develop  
25 and adopt rules that prescribe the specific method and rules of play for table games  
26 authorized to be conducted at a casino, including comments received from the casino  
27 operator and any source used as a model for game play rules.

28 **Emergency clause.** In view of the emergency cited in the preamble, this  
29 legislation takes effect when approved.'

30 **SUMMARY**

31 This amendment replaces the bill, which was a concept draft. The amendment  
32 includes an emergency preamble and clause. The amendment requires the Department of  
33 Public Safety, Gambling Control Board to adopt emergency major substantive rules  
34 governing the oversight of the operation of table games at a casino. The rules must  
35 ensure that bets on table games are not made with cash and that the exchange of cash for  
36 chips, tokens or other items of value is done in a manner that can provide a thorough  
37 audit. The amendment requires the board to report on the process for developing rules  
38 that govern the rules of play for table games. The amendment changes current law to  
39 provide that license and application fees collected by the board go to a dedicated account  
40 for the administration of the board rather than to the General Fund.

**FISCAL NOTE REQUIRED**  
(See attached)



# 125th MAINE LEGISLATURE

LD 643

LR 1555(02)

## An Act To Protect Public Safety in the Operation of the Oxford County Casino

Fiscal Note for Bill as Amended by Committee Amendment "A"

Committee: Veterans and Legal Affairs

Fiscal Note Required: No

### Fiscal Note

|                             | FY 2011-12  | FY 2012-13    | Projections<br>FY 2013-14 | Projections<br>FY 2014-15 |
|-----------------------------|-------------|---------------|---------------------------|---------------------------|
| <b>Net Cost (Savings)</b>   |             |               |                           |                           |
| General Fund                | \$461,950   | \$1,078,650   | \$703,400                 | \$703,400                 |
| <b>Revenue</b>              |             |               |                           |                           |
| General Fund                | (\$461,950) | (\$1,078,650) | (\$703,400)               | (\$703,400)               |
| Other Special Revenue Funds | \$461,950   | \$1,078,650   | \$703,400                 | \$703,400                 |

### Fiscal Detail and Notes

This legislation provides that casino and racino application and license fees are deposited into a dedicated account within the Department of Public Safety, Gambling Control Board. Currently, these fees are deposited into the General Fund. There will be a reduction in General Fund revenues of \$461,950 in fiscal year 2011-12 and \$1,078,650 in fiscal year 2012-13 and a corresponding increase in Other Special Revenue Funds revenue.

Additional costs to the Department of Public Safety associated with rulemaking and reporting on those rules can be absorbed with existing staff and within existing budgeted resources.