

# MAINE STATE LEGISLATURE

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# 125th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2011

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**Legislative Document**

**No. 1180**

H.P. 878

House of Representatives, March 17, 2011

### **An Act To Transfer Responsibility for Oversight of Games of Chance to the Gambling Control Board**

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Reference to the Committee on Veterans and Legal Affairs suggested and ordered printed.

A handwritten signature in cursive script, reading "Heather J.R. Priest".

HEATHER J.R. PRIEST  
Clerk

Presented by Representative CAREY of Lewiston.

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

2       **Sec. 1. 8 MRSA §1003, sub-§2**, as amended by IB 2009, c. 2, §§19 to 21 and by  
3       PL 2009, c. 571, Pt. HHHH, §1, is further amended to read:

4       **2. Duties.** The Commissioner of Public Safety, with the advice and the consent of  
5       the board, and on a timetable directed by the board, shall hire an executive director who  
6       shall serve the board and also administer the laws governing the licensing and conduct of  
7       beano under Title 17, chapter 13-A and games of chance under Title 17, chapter 62. The  
8       director shall hire staff in accordance with the Civil Service Law and retain professional  
9       services that the board considers necessary to carry out its responsibilities. In addition,  
10      the board or the director or staff, as delegated by the board, shall:

11       A. Enforce the provisions of this chapter and any rules adopted under this chapter;

12       B. Hear and decide all license and registration applications under this chapter and  
13       issues affecting the granting, suspension, revocation or renewal of licenses and  
14       registrations;

15       C. Review the department's reports of its investigation of the qualifications of an  
16       applicant before a license or registration is issued and investigate the circumstances  
17       surrounding any act or transaction for which board approval is required;

18       D. Cause the department to investigate any alleged violations of this chapter or rules  
19       adopted under this chapter and the direct or indirect ownership or control of any  
20       licensee;

21       E. Refer violations of this chapter to the Attorney General to bring action in the  
22       courts and administrative tribunals of this State or the United States, in the name of  
23       the State of Maine. This paragraph does not limit the authority of district attorneys to  
24       prosecute criminal violations of the law;

25       F. Collect all licensing and registration fees and taxes imposed by this chapter and  
26       rules adopted pursuant to this chapter;

27       G. Develop a standard uniform location agreement;

28       H. Pursuant to subchapter 5, cause the department to investigate all complaints made  
29       to the board regarding ownership, distribution or operation of slot machines and all  
30       violations of this chapter or rules adopted under this chapter;

31       I. Adopt rules to prevent undesirable conduct relating to the ownership, distribution  
32       and operation of slot machines and table games and slot machine facilities and  
33       casinos, including, but not limited to, the following:

34           (1) The practice of any fraud or deception upon a player of a slot machine or  
35           table game or a licensee;

36           (2) The presence or location of a slot machine or table game in or at premises  
37           that may be unsafe due to fire hazard or other public safety conditions;

38           (3) The infiltration of organized crime into the ownership, distribution or  
39           operation of slot machines or table games and slot machine facilities or casinos;  
40           and

(4) The presence of disorderly persons in a location where slot machines or table games are in use;

J. Maintain a central site system of monitoring in real time all slot machines licensed in accordance with this chapter using an on-line inquiry;

K. Maintain the ability to activate and deactivate the operation of slot machines via the central site monitoring system under authority of board staff or persons contracted by the board;

L. Ensure that the slot machine operator does not have access to any system that is capable of programming slot machines;

M. Inform commercial track operators applying for a license to operate slot machines that any slot machines licensed by the board must be compatible with the central site system of on-line monitoring used by the board;

N. Cause the central site monitoring system to disable a slot machine that does not meet registration requirements provided by this chapter or rules adopted under this chapter or as directed by the department;

O. Cause the central site monitoring system to disable a slot machine and cause the department to seize the proceeds of that slot machine if the funds from that slot machine have not been distributed, deposited or allocated in accordance with section 1036;

P. Collect all funds and taxes due to the State under sections 1018 and 1036;

Q. Certify monthly to the department a full and complete statement of all slot machine and table game revenue, credits disbursed by licensees, administrative expenses and the allocation of slot machine and table game income for the preceding month;

R. Submit by March 15th an annual report to the Governor and the joint standing committee of the Legislature having jurisdiction over gambling affairs on slot machine and table game revenue, credits disbursed by slot machine operators and table game operators, administrative expenses and the allocation of slot machine and table game income for the preceding year;

S. Prepare and submit to the department a budget for the administration of this chapter; and

T. Keep accurate and complete records of its proceedings and certify the records as may be appropriate.

**Sec. 2. 17 MRSA §311, sub-§1**, as amended by PL 1991, c. 796, §2, is further amended to read:

**1. Beano.** "Beano" means a specific kind of group game of chance, regardless of whether such a game is characterized by another name. Wherever the term "beano" is used, the word "bingo" or any other word used to characterize such a game may be interchanged. In "beano," each participant is given or sold one or more tally cards, so-called, each of which contains preprinted numbers or letters and may or may not be arranged in vertical or horizontal rows. The participant covers or marks the numbers or

1 letters as objects similarly numbered or lettered are drawn from a receptacle and the  
2 winner or winners are determined by the sequence in which those objects are drawn. The  
3 manner in which the winner is determined must be clearly announced or displayed before  
4 any game is begun. Until July 1, 1994, a game described in this subsection is "beano"  
5 and a licensee may conduct such a game regardless of whether the manner of determining  
6 the winner is specifically described as a permissible manner of determining the winner in  
7 rules adopted by the ~~Chief of State Police~~ director.

8 **Sec. 3. 17 MRSA §311, sub-§1-A**, as enacted by PL 1999, c. 74, §1, is amended  
9 to read:

10 **1-A. Commercial beano hall permit.** "Commercial beano hall permit" means  
11 written authority from the ~~Chief of the State Police~~ director issued to a permittee who  
12 rents or leases premises for profit to a licensee to hold, conduct or operate "beano."

13 **Sec. 4. 17 MRSA §311, sub-§1-C** is enacted to read:

14 **1-C. Director.** "Director" means the Executive Director of the Gambling Control  
15 Board within the Department of Public Safety.

16 **Sec. 5. 17 MRSA §311, sub-§3**, as enacted by PL 1975, c. 307, §2, is amended to  
17 read:

18 **3. License.** "License" ~~shall mean~~ means that written authority from the ~~Chief of the~~  
19 ~~State Police~~ director to hold, conduct or operate the amusement commonly known as  
20 "Beano" for the entertainment of the public within the State of Maine. A location permit  
21 must accompany the license to be valid.

22 **Sec. 6. 17 MRSA §311, sub-§4**, as enacted by PL 1975, c. 307, §2, is amended to  
23 read:

24 **4. Licensee.** "Licensee" ~~shall mean~~ means any organization ~~which~~ that has been  
25 granted a license by the ~~Chief of the State Police~~ director to hold, conduct or operate  
26 "Beano" or "Bingo."

27 **Sec. 7. 17 MRSA §311, sub-§5**, as enacted by PL 1975, c. 307, §2, is amended to  
28 read:

29 **5. Location permit.** "Location permit" ~~shall mean~~ means that card issued by the  
30 ~~Chief of the State Police,~~ director describing the premises or area in which "Beano" may  
31 be conducted. Such location permit must be accompanied by a license. Only such  
32 locations expressly described in the location permit ~~shall~~ may be used for the conduct of  
33 any game.

34 **Sec. 8. 17 MRSA §312, sub-§1**, as enacted by PL 2003, c. 452, Pt. I, §2 and  
35 affected by Pt. X, §2, is amended to read:

36 **1. License required.** A person, firm, association or corporation may not hold,  
37 conduct or operate the amusement commonly known as "beano" or "bingo" for the

entertainment of the public within the State unless that person, firm, association or corporation has obtained a license from the ~~Chief of the State Police~~ director.

**Sec. 9. 17 MRSA §313**, as enacted by PL 1975, c. 307, §2, is amended to read:

**§313. Application**

Any organization desiring to conduct such an amusement ~~shall~~ must apply to the ~~Chief of the State Police~~ director for a license pursuant to the provisions set forth in this section. The application ~~shall~~ must be on forms provided by the ~~Chief of the State Police~~ director, ~~shall~~ must be signed by a duly authorized officer of the organization to be licensed, ~~shall~~ must contain the full name and address of the organization and the location where it is desired to conduct the amusement and ~~shall~~ must bear the consent of the municipal officers of the town or city in which it is proposed to operate such amusement.

**Sec. 10. 17 MRSA §314, first ¶**, as amended by PL 2009, c. 487, Pt. B, §5, is further amended to read:

The ~~Chief of the State Police~~ director may issue licenses to operate beano or bingo games to any volunteer fire department or any agricultural fair association or bona fide nonprofit charitable, educational, political, civic, recreational, fraternal, patriotic, religious or veterans' organization that was in existence and founded, chartered or organized in the State at least 2 years prior to its application for a license, when sponsored, operated and conducted for the exclusive benefit of that organization by duly authorized members. The ~~Chief of the State Police~~ director may also issue a license to any auxiliary associated with an organization, department or association qualified for a license under this section if the auxiliary was founded, chartered or organized in this State and has been in existence at least 2 years before applying for a license and the games are sponsored, operated and conducted for the exclusive benefit of the auxiliary by duly authorized members of the auxiliary. Proceeds from any game conducted by the auxiliary or the auxiliary's parent organization may not be used to provide salaries, wages or other remuneration to members, officers or employees of the auxiliary or its parent organization, except as provided in sections 326 and 1838. The 2 years' limitation does not apply to any organizations in this State having a charter from a national organization, or auxiliaries of those organizations, even though the organizations have not been in existence for 2 years prior to their application for a license. The 2 years' limitation does not apply to any volunteer fire department or rescue unit or auxiliary of that department or unit. A license may be issued to an agricultural fair association when sponsored, operated and conducted for the benefit of such agricultural fair association.

**Sec. 11. 17 MRSA §314-A, sub-§1**, as amended PL 2009, c. 487, Pt. B, §6, is further amended to read:

**1. Eligible organizations.** The ~~Chief of the State Police~~ director may issue licenses to operate high-stakes beano or high-stakes bingo to a federally recognized Indian tribe.

A. The ~~Chief of the State Police~~ director may also issue, to a federally recognized tribe, licenses to sell lucky seven or other similar sealed tickets in accordance with section 324-A.

1 B. In conjunction with the operation of high-stakes beano, federally recognized  
2 Indian tribes holding a license under this section may advertise and offer prizes for  
3 attendance with a value of up to \$25,000 under the terms prescribed for raffles in  
4 section 1837. Any prize awarded under this paragraph may be awarded only on the  
5 basis of a ticket of admission to the high-stakes beano game and may only be  
6 awarded to a person who holds an admission ticket.

7 The ~~Chief of the State Police~~ director may not issue more than one license under this  
8 section to a federally recognized Indian tribe for the same period.

9 **Sec. 12. 17 MRSA §314-A, sub-§1-A**, as amended by PL 2009, c. 505, §1, is  
10 further amended to read:

11 **1-A. Sealed tickets.** The ~~Chief of the State Police~~ director may also issue to any  
12 federally recognized Indian tribe licenses to sell lucky seven or other similar sealed  
13 tickets in accordance with section 324-A. The licensee may operate a dispenser to sell  
14 the lucky seven or other similar tickets. As used in this subsection, "dispenser" means a  
15 mechanical or electrical device or machine that, upon the insertion of money, credit or  
16 something of value, dispenses printed lucky seven or other similar tickets. The element  
17 of chance must be provided by the ticket itself, not by the dispenser. The ~~Chief of the~~  
18 ~~State Police~~ director may adopt rules to facilitate the use of dispensers. Rules adopted  
19 pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375,  
20 subchapter 2-A.

21 **Sec. 13. 17 MRSA §314-A, sub-§3**, as repealed and replaced by PL 1991, c. 426,  
22 §4, is amended to read:

23 **3. Twenty-seven weekends per year.** An organization licensed under this section  
24 may operate high-stakes beano games on 27 weekends per year, whether or not  
25 consecutive. For purposes of this section, a weekend consists of Saturday and the  
26 immediately following Sunday. A high-stakes beano game licensed under this section  
27 and canceled for any reason may be rescheduled at any time, as long as 5 days prior  
28 notice of the new date is given to the ~~Chief of the State Police~~ director.

29 **Sec. 14. 17 MRSA §314-A, sub-§8**, as enacted by PL 1991, c. 426, §6, is  
30 amended to read:

31 **8. Report.** Beginning January 15, 1992, any federally recognized Indian tribe  
32 licensed to conduct high-stakes beano under this section must submit a quarterly report  
33 on the operation of high-stakes beano to the joint standing committee of the Legislature  
34 having jurisdiction over legal affairs matters. The report must include information on the  
35 number of persons playing high-stakes beano during the preceding calendar quarter, the  
36 funds collected for high-stakes beano, the total amount awarded in prizes, including  
37 prizes for attendance, and any other information provided to the ~~Bureau of State Police~~  
38 director regarding the operation of high-stakes beano.

39 **Sec. 15. 17 MRSA §315**, as enacted by PL 1975, c. 307, §2, is amended to read:

1       **§315. Seasonal licenses**

2       Notwithstanding section 314, the ~~Chief of the State Police~~ director may issue  
3       seasonal licenses to operate "Beano" or "Bingo" games in bona fide resort hotels,  
4       ~~provided as long as~~ they are operated and conducted therein by the management without  
5       profit and solely for the entertainment of guests of the hotel registered therein, and  
6       ~~provided that as long as~~ charges, if any, to the guests for participation in such  
7       entertainment ~~shall be~~ are limited to a maximum of \$2 in any 24-hour period. The fee for  
8       such license ~~shall be~~ is \$10 and ~~shall~~ must be paid to the Treasurer of State to be credited  
9       to the General Fund. Hotel and liquor licenses of any such resort hotel licensees ~~shall~~ may  
10      not be withheld because of the conducting of such resort hotel of the game of "Beano" or  
11      "Bingo."

12       **Sec. 16. 17 MRSA §316**, as amended by PL 2001, c. 538, §1, is further amended  
13      to read:

14       **§316. Evidence**

15       The ~~Chief of the State Police~~ director may require such evidence as the ~~chief~~ director  
16      may determine necessary to satisfy the ~~chief~~ director that an applicant or organization  
17      licensed to conduct beano conforms to the restrictions and other provisions of this  
18      chapter. Charters, organizational papers, bylaws or other such written orders of founding  
19      that outline or otherwise explain the purpose for which organizations were founded must,  
20      upon request, be forwarded to the ~~Chief of the State Police~~ director. The ~~Chief of the~~  
21      ~~State Police~~ director may require such evidence as the ~~chief~~ director may determine  
22      necessary regarding the conduct of beano by a licensee to determine compliance with this  
23      chapter.

24       **Sec. 17. 17 MRSA §317, first ¶**, as amended by PL 1999, c. 74, §2, is further  
25      amended to read:

26       The ~~Chief of the State Police~~ director has the power to adopt rules, not inconsistent  
27      with law, that are necessary for the administration and enforcement of this chapter and for  
28      the licensing, conduct and operation of the amusement commonly known as "Beano" or  
29      "Bingo" and for the permitting and operation of commercial beano halls. The ~~Chief of~~  
30      ~~the State Police~~ director has the power and authority to regulate, supervise and exercise  
31      general control over the operation of such amusement and commercial beano halls,  
32      including, but not limited to, the payment of prizes and the use of equipment. Any rule  
33      adopted by the ~~Chief of the State Police~~ director concerning the value of prizes that may  
34      be awarded must include a provision that no single prize may exceed \$400 in value and  
35      that no more than \$1,400 in total prizes may be awarded on any one occasion. In  
36      establishing such rules, which are routine technical rules pursuant to Title 5, chapter 375,  
37      subchapter H-A 2-A, the ~~Chief of the State Police~~ director must, in addition to the  
38      standards set forth in other provisions of this chapter, use the following standards setting  
39      forth conduct, conditions and activity considered undesirable:

40       **Sec. 18. 17 MRSA §317-A**, as amended by PL 2001, c. 342, §2, is further  
41      amended to read:



1       **§317-A. Investigations; actions on licenses**

2               **1. Director.** ~~The Chief of the State Police~~ director may:

3               A. Investigate all aspects of this chapter including the direct and indirect ownership  
4               or control of any licenses or commercial beano hall permits;

5               B. Suspend, revoke or refuse to issue a license, after notice of the opportunity for a  
6               hearing, if the applicant, applicant's agent or employee, licensee or licensee's agent or  
7               employee violates a provision of this chapter or Title 17-A, chapter 39 or fails to  
8               meet the statutory requirements for licensure pursuant to this chapter;

9               C. Immediately suspend or revoke a license if there is probable cause to believe that  
10              the licensee or the licensee's agent or employee violated a provision of Title 17-A,  
11              chapter 39;

12             D. Suspend or revoke a commercial beano hall permit, after notice of the opportunity  
13             for hearing, if a permittee or permittee's employee commits murder or a Class A, B or  
14             C crime or violates a provision of this chapter or Title 17-A, chapter 15, 29, 37 or 39;

15             E. Immediately suspend or revoke a commercial beano hall permit if there is  
16             probable cause to believe that the permittee or the permittee's employee committed  
17             murder or a Class A, B or C crime or violated a provision of Title 17-A, chapter 15,  
18             29, 37 or 39; and

19             F. ~~Issue~~ In coordination with the State Police, issue a subpoena ~~in the name of the~~  
20             ~~State Police~~ in accordance with Title 5, section 9060, except that this authority  
21             applies to any stage of an investigation under this chapter and is not limited to an  
22             adjudicatory hearing. This authority may not be used in the absence of reasonable  
23             cause to believe a violation has occurred. If a witness refuses to obey a subpoena or  
24             to give any evidence relevant to proper inquiry by the chief, the Attorney General  
25             may petition the Superior Court in the county where the refusal occurred to find the  
26             witness in contempt. The Attorney General shall cause to be served on that witness  
27             an order requiring the witness to appear before the Superior Court to show cause why  
28             the witness should not be adjudged in contempt. The court shall, in a summary  
29             manner, hear the evidence and, if it is such as to warrant the court in doing so, punish  
30             that witness in the same manner and to the same extent as for contempt committed  
31             before the Superior Court or with reference to the process of the Superior Court.

32               **2. Licensing action after notice and opportunity for hearing.** ~~The Chief of the~~  
33               ~~State Police~~ director shall notify the applicant, licensee or permittee in writing, before a  
34               license or permit is denied, suspended or revoked pursuant to subsection 1, paragraph B  
35               or D, of the intended denial or commencement date of the suspension or revocation,  
36               which may not be made any sooner than 96 hours after the licensee's or permittee's  
37               receipt of the notice, of the duration of the suspension or revocation and of the right to a  
38               hearing pursuant to this subsection. The applicant, licensee or permittee has the right to  
39               request a hearing before the Commissioner of Public Safety or the commissioner's  
40               designee. Upon the applicant's, licensee's or permittee's request for a hearing, the  
41               Commissioner of Public Safety shall provide a hearing. The hearing must comply with  
42               the Maine Administrative Procedure Act. The purpose of the hearing is to determine  
43               whether a preponderance of the evidence establishes that the applicant, applicant's agent

1 or employee, licensee or licensee's agent or employee violated a provision of this chapter  
2 or Title 17-A, chapter 39 or the permittee or the permittee's employee committed murder  
3 or a Class A, B or C crime or violated a provision of this chapter or Title 17-A, chapter  
4 15, 29, 37 or 39. A request for a hearing may not be made any later than 10 days after the  
5 applicant, licensee or permittee is notified of the proposed denial, suspension or  
6 revocation. The suspension or revocation action must be stayed pending the hearing; the  
7 hearing may not be held any later than 30 days after the date the commissioner receives  
8 the request unless otherwise agreed by the parties or continued upon request of a party for  
9 cause shown.

10 **3. Immediate suspension or revocation.** A licensee whose license or permittee  
11 whose permit is immediately suspended or revoked by the ~~Chief of the State Police~~  
12 director pursuant to subsection 1, paragraph C or E must be notified in writing of the  
13 duration of the suspension or revocation and the licensee's or the permittee's right to  
14 request a hearing before the Commissioner of Public Safety or the commissioner's  
15 designee. Upon the licensee's or permittee's request for a hearing, the Commissioner of  
16 Public Safety shall provide a hearing. The hearing must comply with the Maine  
17 Administrative Procedure Act. The purpose of the hearing is to determine whether a  
18 preponderance of the evidence establishes that the licensee or the licensee's agent or  
19 employee violated a provision of Title 17-A, chapter 39 or the permittee or the permittee's  
20 employee committed murder or a Class A, B or C crime or violated a provision of Title  
21 17-A, chapter 15, 29, 37 or 39. A request for a hearing may not be made any later than  
22 48 hours after the licensee or permittee is notified of the suspension or revocation. A  
23 hearing may not be held any later than 10 days after the date the commissioner receives  
24 the request.

25 **Sec. 19. 17 MRSA §322**, as amended by PL 1999, c. 74, §4, is further amended to  
26 read:

27 **§322. Reports**

28 The ~~Chief of the State Police~~ director shall require from any organization licensed to  
29 operate "Beano" or "Bingo" and any individual, corporation, partnership or  
30 unincorporated association that has a permit to operate a commercial beano hall whatever  
31 reports the ~~chief~~ director determines necessary for the purpose of the administration and  
32 enforcement of this chapter.

33 **Sec. 20. 17 MRSA §323, first ¶**, as amended by PL 1999, c. 74, §5, is further  
34 amended to read:

35 An organization making application to the ~~Chief of the State Police~~ director to  
36 conduct or operate "Beano" or "Bingo," an organization licensed under this chapter to  
37 operate "Beano" or "Bingo," a commercial beano hall permit applicant or a commercial  
38 beano hall permittee shall permit inspection of any equipment, prizes, records or items  
39 and materials used or to be used in the conduct or operation of "Beano" or "Bingo" by the  
40 ~~Chief of the State Police~~ director or the ~~chief's authorized representative~~ director's  
41 designee.

1       **Sec. 21. 17 MRSA §324-A, sub-§2, ¶C**, as amended by PL 2007, c. 110, §1, is  
2 further amended to read:

3       C. Lucky seven or similar sealed tickets may be sold when that game of chance is  
4 licensed by the ~~Chief of the State Police~~ director and when a valid license certificate  
5 is properly displayed. Notwithstanding the other provisions of this section and  
6 section 312, lucky seven games may be conducted during the period beginning 2  
7 hours before and ending 2 hours after a "beano" game.

8       Notwithstanding any other rule, lucky seven or other similar sealed tickets may be  
9 sold that have a sale value of \$1 or less, and a person who sells or distributes "beano"  
10 cards or materials used to play "beano" prior to the conduct of "beano" as a volunteer,  
11 as provided in this section, is permitted to play in the "beano" game.

12       **Sec. 22. 17 MRSA §325**, as repealed and replaced by PL 2003, c. 452, Pt. I, §11  
13 and affected by Pt. X, §2, is amended to read:

14       **§325. Penalties**

15       **1. Violation of chapter or rules; general penalty.** Except as otherwise specifically  
16 provided, a person, firm, association or corporation that violates a provision of this  
17 chapter or a rule of the ~~Chief of the State Police~~ director prescribed by authority of this  
18 chapter commits a civil violation for which a fine of not more than \$1,000 may be  
19 adjudged.

20       **2. Commercial beano hall violations.** A person, corporation, partnership or  
21 unincorporated association that rents or leases a building or facilities to hold, conduct or  
22 operate "beano" or "bingo" commits a Class E crime if that person, corporation,  
23 partnership or unincorporated association:

24       A. Rents or leases a building or facilities to hold, conduct or operate a "beano" or  
25 "bingo" game without a commercial beano hall permit issued by the ~~Chief of the~~  
26 ~~State Police~~ director; or

27       B. Violates a provision of this chapter or a rule adopted by the ~~Chief of the State~~  
28 ~~Police~~ director pursuant to this chapter.

29       Violation of this subsection is a strict liability crime as defined in Title 17-A, section 34,  
30 subsection 4-A.

31       **Sec. 23. 17 MRSA §326, sub-§1-A, ¶C**, as enacted by PL 1993, c. 45, §3, is  
32 amended to read:

33       C. Defray the expenses or part of the expenses of a member, auxiliary member,  
34 officer or employee of the organization for a serious illness, injury or casualty loss if  
35 the licensee makes an application and the application is approved by the ~~licensing~~  
36 ~~division within the Bureau of State Police~~ director.

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

- 1 (a) In the case of serious illness or injury, the licensing division may require  
2 certification by a licensed physician setting out the facts in support of the  
3 application.
- 4 (b) In the case of a casualty loss, the licensing division may require  
5 statements or reports from a law enforcement agency, rescue or other  
6 emergency services personnel or an insurance agency to support the  
7 application.
- 8 (c) The licensing division may deny an application if it appears that the  
9 person who would receive the proceeds has adequate means of financial  
10 support, including, but not limited to, insurance or workers' compensation  
11 benefits.

12 **Sec. 24. 17 MRSA §326, sub-§1-B**, as enacted by PL 1993, c. 45, §3, is amended  
13 to read:

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

19 **Sec. 25. 17 MRSA §326, sub-§2**, as amended by PL 1993, c. 45, §4, is further  
20 amended to read:

21 **2. Rules.** The rules adopted pursuant to section 317 must contain standards  
22 governing payments made under this section. Payments under subsection 1-A, paragraph  
23 A may not exceed 20% of the revenue generated by the games and the rules must limit  
24 payments to reasonable compensation, taking into account the nature of the services  
25 rendered, comparable wage rates, the size of the organization and other revenues, the size  
26 of the games and the revenue generated by the games. The ~~Chief of the State Police~~  
27 director may disallow any excessive payment of proceeds, may suspend an organization's  
28 license for excessive payment of proceeds and may condition the restoration of an  
29 organization's license on the repayment of an excessive payment of proceeds by the  
30 organization.

31 **Sec. 26. 17 MRSA §327**, as enacted by PL 1997, c. 232, §1, is amended to read:

32 **§327. Nonsmoking area**

33 The ~~Chief of State Police~~ director shall adopt rules that allow a licensee to establish a  
34 nonsmoking area within the room or outdoor area where the operator calls the numbers.  
35 Visibility and access between the smoking and nonsmoking areas may not be impeded  
36 except that a doorway may be installed. Both the smoking and nonsmoking areas must  
37 have a public address system and a master board, electric flashboard or chalkboard visible  
38 to all players. A member of the licensee must be present during the game in both the  
39 smoking and the nonsmoking areas. Rules adopted pursuant to this section are routine  
40 technical rules as defined by Title 5, chapter 375, subchapter ~~H-A~~ 2-A.

1       **Sec. 27. 17 MRSA §328, sub-§1**, as enacted by PL 1999, c. 74, §7, is amended to  
2 read:

3       **1. Permit required.** An individual, corporation, partnership or unincorporated  
4 association may not rent or lease space for profit to a licensee to hold, conduct or operate  
5 "Beano" or "Bingo" unless a commercial beano hall permit is obtained from the ~~Chief of~~  
6 ~~the State Police~~ director.

7       **Sec. 28. 17 MRSA §328, sub-§2**, as enacted by PL 1999, c. 74, §7, is amended to  
8 read:

9       **2. Application.** An individual, corporation, partnership or unincorporated  
10 association desiring to rent or lease space for profit for the purpose given in subsection 1  
11 shall apply to the ~~Chief of the State Police~~ director for a commercial beano hall permit.  
12 The application must be on forms provided by the ~~Chief of the State Police~~ director, must  
13 contain the full name and address of the individual or entity seeking to be permitted and  
14 the location of the building or facility to be rented or leased. An applicant who is an  
15 individual shall list the individual's name and address. An applicant that is a corporation,  
16 partnership or unincorporated association shall also list the names and addresses of any  
17 owners with a 10% or greater interest in the corporation, partnership or unincorporated  
18 association seeking the permit.

19       A. The applicant shall submit 2 fingerprint cards bearing the legible rolled and flat  
20 impression of the fingerprints of the owner, if the owner is an individual, of any  
21 owner who owns or controls a 50% or greater interest in the corporation, partnership  
22 or the unincorporated association; and, of the manager, if the manager is not the  
23 owner as previously described, prepared by a state or local public law enforcement  
24 agency to be forwarded to the State Bureau of Identification for the purpose of  
25 conducting state and national criminal history record checks.

26       **Sec. 29. 17 MRSA §328, sub-§3**, as enacted by PL 1999, c. 74, §7, is amended to  
27 read:

28       **3. Renewal; change of ownership or manager.** A permittee seeking to renew a  
29 permit shall submit an application, but is not required to submit additional fingerprint  
30 cards. The permittee is required to notify the ~~Chief of the State Police~~ director of any  
31 change in ownership or management of the commercial beano hall. The ~~Chief of the~~  
32 ~~State Police~~ director may require additional information or fingerprint submission  
33 subsequent to a change in ownership or management.

34       **Sec. 30. 17 MRSA §328, sub-§4**, as enacted by PL 1999, c. 74, §7, is amended to  
35 read:

36       **4. Use of criminal history record.** The ~~Chief of the State Police~~ director may use  
37 state and federal criminal history record information for the purpose of screening  
38 applicants. The ~~Chief of the State Police~~ director may refuse to issue or renew a permit  
39 for an individual, corporation, partnership or unincorporated association if an owner or  
40 manager has been found guilty of murder or a Class A, B or C crime or a violation of this  
41 chapter or Title 17-A, chapter 15, 29, 37 or 39 or a similar law in another state or

jurisdiction, unless that conduct is not punishable as a crime under the laws of that state or other jurisdiction in which it occurred.

**Sec. 31. 17 MRSA §328, sub-§5**, as enacted by PL 1999, c. 74, §7, is amended to read:

**5. Duration of permit and fee.** The ~~Chief of the State Police~~ director may issue a commercial beano hall permit for a calendar year for a fee of \$500.

**Sec. 32. 17 MRSA §1831, sub-§2-A** is enacted to read:

**2-A. Director.** "Director" means the Executive Director of the Gambling Control Board within the Department of Public Safety.

**Sec. 33. 17 MRSA §1831, sub-§8**, as enacted by PL 2009, c. 487, Pt. A, §2, is amended to read:

**8. Licensee.** "Licensee" means a firm, corporation, association or organization licensed by the ~~Chief of the State Police~~ director to operate a game of chance.

**Sec. 34. 17 MRSA §1832**, as enacted by PL 2009, c. 487, Pt. A, §2, is amended to read:

#### **§1832. Licenses**

**1. License required.** Except as provided in section 1833, a person, firm, corporation, association or organization may not hold, conduct or operate a game of chance without a license issued by the ~~Chief of the State Police~~ director in accordance with this section. A license is not required when a game of chance constitutes social gambling.

**2. Eligible organizations.** Notwithstanding other provisions of law, the ~~Chief of the State Police~~ director may issue a license to operate a game of chance to an organization that submits a completed application as described in subsection 5 and has been founded, chartered or organized in this State for a period of not less than 2 consecutive years prior to applying for a license and is:

- A. An agricultural society;
- B. A bona fide nonprofit charitable, educational, political, civic, recreational, fraternal, patriotic or religious organization;
- C. A volunteer fire department; or
- D. An auxiliary of any of the organizations in paragraphs A to C.

**3. Must be 18 years of age.** The ~~Chief of the State Police~~ director may not accept an application from or issue a license under this section to a representative of an eligible organization who is not 18 years of age or older.

**4. Municipal approval required.** An eligible organization described in subsection 2 applying for a license to conduct a game of chance shall obtain written approval from

1 the local governing authority where the game of chance is to be operated or conducted.  
2 This written approval must be submitted with the application to the ~~Chief of the State~~  
3 ~~Police~~ director as described in subsection 5.

4 **5. Application.** An eligible organization described in subsection 2 wishing to  
5 operate or conduct a game of chance shall submit an application to the ~~Chief of the State~~  
6 ~~Police~~ director. The application must be in a form provided by the ~~Chief of the State~~  
7 ~~Police~~ director and must be signed by a duly authorized officer of the eligible  
8 organization. The application must include the full name and address of the organization,  
9 a full description of the game of chance, the location where the game is to be conducted  
10 and any other information determined necessary by the ~~Chief of the State Police~~ director  
11 for the issuance of a license to operate a game of chance, including but not limited to  
12 membership lists, bylaws and documentation showing the organization's nonprofit status  
13 or charitable designation.

14 **6. Multiple licenses.** The ~~Chief of the State Police~~ director may issue more than one  
15 license to conduct or operate a game of chance simultaneously to an eligible organization  
16 described in subsection 2. Each game of chance must have a separate license, the nature  
17 of which must be specified on the license.

18 **7. Agricultural fairs.** Notwithstanding any provision in this chapter to the contrary,  
19 in addition to games of chance, the ~~Chief of the State Police~~ director may issue a license  
20 to conduct or operate games of chance known as "penny falls" or "quarter falls" at any  
21 agricultural fair, as long as the net revenue from those games is retained by the licensed  
22 agricultural society.

23 **8. Electronic video machines.** The ~~Chief of the State Police~~ director may issue a  
24 game of chance license to operate an electronic video machine to any eligible  
25 organization described in subsection 2.

26 A. An electronic video machine licensed under this section may only be operated for  
27 the exclusive benefit of the licensee, except that up to 50% of the gross proceeds  
28 from the operation of the machine may be paid to the distributor as a rental fee and  
29 for service and repair of the machine. Notwithstanding other provisions of this  
30 chapter, a licensee may rent an electronic video machine from a distributor.

31 B. No more than 5 electronic video machines may be operated on the licensee's  
32 premises. A separate games of chance license is required for the operation of each  
33 electronic video machine.

34 C. A licensee may operate an electronic video machine only on the licensee's  
35 premises.

36 D. Two or more licensees may not share the use of any premises for the operation of  
37 electronic video machines.

38 E. A distributor or employee of the distributor may not be a member of the licensed  
39 organization.

1 F. An electronic video machine licensed under this subsection may not be operated  
2 in a manner that meets the definition of illegal gambling machine as described in  
3 Title 17-A, section 952, subsection 5-A.

4 **Sec. 35. 17 MRSA §1833, sub-§3**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
5 amended to read:

6 **3. Registration required.** In order to conduct games of chance without a license in  
7 accordance with this section, an organization must register with the ~~Chief of the State~~  
8 ~~Police~~ director. Registrations made in accordance with this section are valid for one  
9 event. The registration must include the following:

10 A. The name and tax identification number of the organization and the charitable  
11 purpose for which the games of chance are being conducted;

12 B. The names of the members of the organization who are responsible for overseeing  
13 the operation of the games of chance;

14 C. The date, time and location of the event at which games of chance will be  
15 conducted;

16 D. The number and types of games of chance to be conducted;

17 E. An oath and acknowledgement by the applicant that the information contained in  
18 the registration is true and accurate; and

19 F. A registration fee of \$30.

20 **Sec. 36. 17 MRSA §1833, sub-§6**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
21 amended to read:

22 **6. Revenue and disposition of funds report.** An organization that conducts games  
23 of chance in accordance with this section shall file a disposition of funds form prescribed  
24 and furnished by the ~~Chief of the State Police~~ director reporting the total revenue from  
25 games of chance conducted within 12 calendar months of the date when the first game  
26 conducted without a license took place and the amount of revenue spent to support the  
27 charitable purposes for which the games were conducted. Every statement in the report  
28 must be made under oath by an officer of the organization or by the member in charge of  
29 the conduct of the games.

30 **Sec. 37. 17 MRSA §1833, sub-§7**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
31 amended to read:

32 **7. Violation.** If an organization that has registered to conduct games of chance is  
33 found to have violated any provision of this section, the net revenue from any games of  
34 chance conducted is forfeited to the ~~Chief of the State Police~~ director. If an organization  
35 is found to have violated any provision of this section, the ~~Chief of the State Police~~  
36 director is prohibited from accepting a registration as provided by this section from that  
37 organization or a person listed on the registration for that organization for a period of 10  
38 years.



1       **Sec. 38. 17 MRSA §1834, sub-§2**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
2 amended to read:

3       **2. Operation of games of chance.** Except for electronic video games and games of  
4 cards as provided in this section, the fee for a license to operate a game of chance is \$15  
5 for each week computed on a Monday to Sunday basis or for a portion of a week. The fee  
6 for a license issued for a calendar month is \$60 and the fee for licenses issued for a  
7 calendar year is \$700.

8       The ~~Chief of the State Police~~ director may issue any combination of weekly or monthly  
9 licenses for the operation of games of chance. Except for games of cards as provided in  
10 subsection 4, licenses to conduct any authorized game of chance may be issued for a  
11 period of up to 12 months on one application.

12       **Sec. 39. 17 MRSA §1834, sub-§3**, as amended by PL 2009, c. 652, Pt. C, §2 and  
13 affected by §4, is further amended to read:

14       **3. Operation of electronic video machines.** The fee for a game of chance license to  
15 operate an electronic video machine in accordance with section 1832, subsection 8 is \$15  
16 for each week computed on a Monday to Sunday basis or for a portion of a week. The  
17 fee for a license issued for a calendar month is \$60.

18       The ~~Chief of the State Police~~ director may issue any combination of weekly or monthly  
19 licenses for the operation of electronic video machines. A license or combination of  
20 licenses to operate an authorized electronic video machine may be issued for a period of  
21 up to 12 months.

22       **Sec. 40. 17 MRSA §1835, sub-§3**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
23 amended to read:

24       **3. Games conducted at agricultural fair by members of the agricultural society**  
25 **or a bona fide nonprofit.** Games of chance operated and conducted solely by members  
26 of an agricultural society or games of chance operated and conducted by members of  
27 bona fide nonprofit organizations on the grounds of the agricultural society and during  
28 the annual fair of the agricultural society may use cash, tickets, tokens or other devices  
29 approved by the ~~Chief of the State Police~~ director by rule.

30       Notwithstanding any other provision of this section, the tickets, tokens or other devices  
31 approved by the ~~Chief of the State Police~~ director must be unique to the agricultural  
32 society and may be in denominations of 25¢, 50¢ or \$1. The tickets, tokens or devices  
33 approved by the ~~Chief of the State Police~~ director may be sold and redeemed only by a  
34 person who has been a member or active volunteer of the agricultural society for at least 2  
35 fair seasons. The agricultural society has the burden of proof for demonstrating the  
36 qualification of members or active volunteers.

37       An agricultural society that uses tokens shall provide records and reports as required by  
38 section 1839.

39       **Sec. 41. 17 MRSA §1835, sub-§4**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
40 amended to read:

1           **4. Persons under 18 years of age; exception.** Except as provided in this  
2 subsection, a licensee, game owner or operator may not permit a person under 18 years of  
3 age to take part in a game of chance, and a person under 18 years of age may not sell  
4 chances, except in relation to charitable, religious or recognized youth associations.  
5 Notwithstanding any rule to the contrary, upon receiving an application on a form  
6 provided by the ~~Chief of the State Police~~ director and a determination by the ~~chief~~  
7 director that a game of chance licensed to be conducted at a festival-style event is  
8 designed to attract players under 18 years of age and awards a nonmonetary prize valued  
9 at less than \$10 for every chance played, the ~~chief~~ director may permit:

10           A. Persons under 18 years of age to conduct or operate the game of chance; and

11           B. Persons under 18 years of age to play the game of chance without being  
12 accompanied by an adult.

13 Nothing in this subsection permits games of chance to be operated without a license.

14           **Sec. 42. 17 MRSA §1836, first ¶**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
15 amended to read:

16           The ~~Chief of the State Police~~ director may issue a license to conduct a tournament  
17 game as provided in this section to an organization eligible to conduct beano games under  
18 chapter 13-A and games of chance under this chapter. For purposes of this section,  
19 "tournament game" means a game of chance played using a deck of cards with rules  
20 similar to poker or other card games. The ~~Chief of the State Police~~ director may not issue  
21 a tournament game license to an organization more than once per month.

22           **Sec. 43. 17 MRSA §1836, sub-§1**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
23 amended to read:

24           **1. Local governing authority approval.** An organization applying for a tournament  
25 game license must first receive approval by the local governing authority where the game  
26 is to be conducted. Proof of approval from the local governing authority must be  
27 provided to the ~~Chief of the State Police~~ director upon application for a tournament game  
28 license.

29           **Sec. 44. 17 MRSA §1836, sub-§2**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
30 amended to read:

31           **2. License application.** An organization must submit a license application to the  
32 ~~Chief of the State Police~~ director on a form provided by the ~~Chief of the State Police~~  
33 director. The license application must specify one or more charitable organizations that  
34 the proceeds of the tournament game are intended to benefit. For the purposes of this  
35 section, "charitable organization" means a person or entity, including a person or entity in  
36 a foreign state as defined in Title 14, section 8502, that is or purports to be organized or  
37 operated for any charitable purpose or that solicits, accepts or obtains contributions from  
38 the public for any charitable, educational, humane or patriotic purpose.

39           **Sec. 45. 17 MRSA §1836, sub-§6**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
40 amended to read:

1       **6. Cost of administration; surplus.** The ~~Chief of the State Police~~ director may  
2 retain, from license fees collected in accordance with subsection 3, only an amount  
3 necessary to defray the costs of administering this section. All fees collected in excess of  
4 the amount necessary to defray the costs of administration must be allocated as follows:

5           A. Forty percent to the Fractionation Development Center; and

6           B. Sixty percent to the General Fund.

7       **Sec. 46. 17 MRSA §1837, sub-§2**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
8 amended to read:

9       **2. Special raffles; prizes more than \$10,000 but not more than \$75,000.** The  
10 following provisions apply to special raffles licensed under this subsection.

11           A. The ~~Chief of the State Police~~ director may issue one special raffle license per year  
12 to any organization, department or class eligible to hold a raffle under subsection 1.  
13 The special raffle license entitles the licensee to hold one raffle in which the holder of  
14 a winning chance receives something of value worth more than \$10,000 but not more  
15 than \$75,000. A raffle licensed under this paragraph may be structured as a  
16 progressive raffle that is divided into a maximum of 12 multiple drawings with  
17 previous entries rolled into subsequent drawing pots and with the final drawing to be  
18 held within 12 months of the first. Drawings must be used to randomly select a  
19 smaller group to be eligible for the final prize to be awarded after the final drawing.  
20 Section 1835, subsection 1 does not apply to raffles licensed under this section.

21           B. The ~~Chief of the State Police~~ director may not issue a license under this  
22 subsection to hold a raffle in which the holder of a winning chance receives a cash  
23 prize worth more than \$10,000.

24           C. All tickets sold pursuant to a special raffle license must be purchased from a  
25 licensed distributor or licensed printer. Tickets must be sequentially numbered and  
26 have printed on their faces the following information: the name of the special raffle  
27 licensee; a description of the prize or prizes; the price of the ticket; and the date, time  
28 and place of the drawing. Any organization, department or class listed in subsection  
29 1 that conducts a raffle under this section shall retain all unsold raffle tickets for 6  
30 months after the raffle drawing and make those tickets available for inspection at the  
31 request of the ~~Chief of the State Police~~ director.

32       **Sec. 47. 17 MRSA §1837, sub-§4**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
33 amended to read:

34       **4. Raffle tickets sold by volunteers.** Notwithstanding section 1835, subsection 2,  
35 tickets for raffles licensed in accordance with this section may be sold by persons other  
36 than members of the licensed organization as long as the persons selling the tickets are  
37 uncompensated volunteers for the organization and the names of the volunteers who sell  
38 the tickets are provided to the ~~Chief of the State Police~~ director within 10 days of  
39 issuance of the raffle license.

40       **Sec. 48. 17 MRSA §1838, sub-§2, ¶B**, as enacted by PL 2009, c. 487, Pt. A, §2,  
41 is amended to read:

1 B. Defray the expenses or part of the expenses of a member, auxiliary member,  
2 officer or employee of the organization for a serious illness, injury or casualty loss if  
3 the licensee makes an application pursuant to this section and the application is  
4 approved by the ~~licensing division within the Bureau of State Police~~ director. An  
5 application must be made in the form and contain the information the licensing  
6 division requires.

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

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

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

15 **Sec. 49. 17 MRSA §1838, sub-§3**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
16 amended to read:

17 **3. Rules.** The ~~Chief of the State Police~~ director shall adopt routine technical rules in  
18 accordance with Title 5, chapter 375 to carry out this section.

19 **Sec. 50. 17 MRSA §1839, sub-§2**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
20 amended to read:

21 **2. Records required for licensee employing tokens.** If a licensee employs tokens  
22 to account for revenue from games of chance and if the licensee maintains direct control  
23 over the sale and redemption of the tokens and keeps accurate records of all tokens used,  
24 then the ~~chief~~ director may by rule alter or reduce the record-keeping requirements of  
25 subsection 1 to the extent that a licensee's use of tokens renders those records unnecessary  
26 for adequate control of the licensee's games.

27 **Sec. 51. 17 MRSA §1839, sub-§3**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
28 amended to read:

29 **3. Disposition of funds reports.** Within 10 business days after the last day of any  
30 period during which a licensed game of chance is conducted with other than an annual  
31 license or within 10 business days after the end of each calendar month during which a  
32 licensed game of chance is conducted with an annual license, the licensee shall file with  
33 the ~~Chief of the State Police~~ director a disposition of funds form prescribed and furnished  
34 by the ~~Chief of the State Police~~ director, detailing for the period the total receipts and  
35 expenditures of the game and the disposition of funds. Every statement must be made  
36 under oath by an officer of the licensee or by the member in charge of the conduct of the  
37 game.

38 **Sec. 52. 17 MRSA §1839, sub-§4**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
39 amended to read:

1       **4. Disposition of funds reports from licensee using tokens.** If tokens are  
2 employed to account for revenue from games of chance, then the licensee shall report the  
3 number of tokens sold, the number redeemed and the disposition of funds from the  
4 proceeds of sale in addition to such other information as the ~~chief~~ director may require  
5 under subsection 3.

6       **Sec. 53. 17 MRSA §1839, sub-§6,** as enacted by PL 2009, c. 487, Pt. A, §2, is  
7 amended to read:

8       **6. Location.** All records maintained by a licensee pursuant to this section and  
9 pursuant to the rules adopted under this chapter must be kept and maintained on the  
10 premises where the game of chance has been conducted or at the primary business office  
11 of the licensee, which must be designated by the licensee in the license application.  
12 These records must be open to inspection by the ~~Chief of the State Police~~ director or the  
13 ~~chiefs~~ director's representative, and a licensee may not refuse the ~~Chief of the State~~  
14 ~~Police~~ director or the ~~chiefs~~ director's representative permission to inspect or audit the  
15 records. Refusal to permit inspection or audit of the records does not constitute a crime  
16 under this chapter but constitutes grounds for revocation of license.

17       **Sec. 54. 17 MRSA §1840,** as enacted by PL 2009, c. 487, Pt. A, §2, is amended to  
18 read:

19       **§1840. Distributors and printers; records and reports**

20       **1. Printers licensed.** A printer in the State may not print materials to be used in the  
21 conduct of a licensed game of chance unless licensed by the ~~Chief of the State Police~~  
22 director. A printer licensed under this section may act as a distributor without having to  
23 be licensed as a distributor as long as neither the printer nor anyone on the printer's behalf  
24 acts as a seller for services connected with a game of chance outside of the confines of  
25 the printer's premises described in that printer's license. If that printer or someone else  
26 acts as a seller for the printer's services in connection with a game of chance outside of  
27 the premises described on that printer's license, either that printer or any person or  
28 persons acting on that printer's behalf must be licensed as a distributor under subsection  
29 2.

30       The applicant for a printer's license, or, if the applicant is a firm, corporation, association  
31 or other organization, its resident manager, superintendent or official representative shall  
32 file an application with the ~~Chief of the State Police~~ director on a form provided by the  
33 ~~Chief of the State Police~~ director. The ~~Chief of the State Police~~ director shall furnish to  
34 each applicant a current copy of this chapter and the rules adopted under section 1843 and  
35 to each licensee a copy of any changes or additions to this chapter and the rules adopted  
36 under section 1843.

37       **2. Distributors licensed.** A distributor may not sell, lease, market or otherwise  
38 distribute gambling apparatus or implements unless licensed by the ~~Chief of the State~~  
39 ~~Police~~ director, except that a license is not required for the sale, marketing or distribution  
40 of raffle tickets when the holder of the winning chance receives something of value worth  
41 less than \$10,000.

1 A nonresident manufacturer or distributor of gambling apparatus or implements doing  
2 business in the State must have an agent in this State who is licensed as a distributor. A  
3 distributor may not sell, market or otherwise distribute gambling apparatus or implements  
4 to a person or organization, except to persons or organizations licensed to operate or  
5 conduct games of chance under section 1832, licensed to conduct a special raffle under  
6 section 1837, subsection 2 or eligible to conduct a raffle pursuant to section 1837,  
7 subsection 1. A distributor may not lease or loan or otherwise distribute free of charge  
8 any gambling apparatus or implements to an organization eligible to operate a game of  
9 chance, except that a distributor may lease gambling apparatus or implements to an  
10 agricultural society licensed to operate games of chance on the grounds of the agricultural  
11 society and during the annual fair of the agricultural society as long as the distributor  
12 does not charge the agricultural society an amount in excess of 50% of the gross revenue  
13 from any licensed game of chance.

14 A licensee shall acquire gambling apparatus and implements from a distributor licensed  
15 under this section, unless the gambling apparatus or implements are printed,  
16 manufactured or constructed by the licensed organization. At no time may any licensee  
17 print, manufacture or construct any gambling apparatus or implements for distribution to  
18 any other licensee. The applicant for a distributor's license, or, if the applicant is a firm,  
19 corporation, association or other organization, its resident manager, superintendent or  
20 official representative shall file an application with the ~~Chief of the State Police~~ director  
21 on a form provided by the ~~Chief of the State Police~~ director. The ~~Chief of the State Police~~ director  
22 shall furnish to each applicant a current copy of this chapter and the rules  
23 adopted under section 1843 and to each licensee a copy of any changes or additions to  
24 this chapter and the rules adopted under section 1843.

25 **3. Sales agreements.** A distributor shall forward to the ~~Chief of the State Police~~  
26 director, prior to delivery of any gambling machine to the purchaser, a copy of all sales  
27 agreements, sales contracts or any other agreements involving the sale of any gambling  
28 machine. The terms of the sales contract must include, but are not limited to, the name of  
29 seller, name of purchaser, address of seller, address of purchaser, description of the  
30 gambling machine including serial number and model name and number, total sale price,  
31 any arrangement or terms for payments and the date of final payment.

32 Any change, modification or alteration of these agreements must be reported to the ~~Chief~~  
33 ~~of the State Police~~ director by the purchaser within 6 days of the change, modification or  
34 alteration.

35 **4. Service agreements.** With the sale of any gambling machine involving a service  
36 agreement, the distributor shall forward to the ~~Chief of the State Police~~ director a copy of  
37 the agreement prior to delivery of the machine. The terms of the service agreements must  
38 include, but are not limited to, the name of seller, name of purchaser, address of seller,  
39 address of purchaser, description of machine to be serviced including serial number and  
40 model name and number and all prices and payments for that service.

41 Any change, modification or alteration of the agreement must be reported to the ~~Chief of~~  
42 ~~the State Police~~ director by the purchaser within 6 days of the change, modification or  
43 alteration.

1           **5. Agricultural societies; lease agreements.** When a gambling apparatus or  
2 implement is leased as provided in subsection 2 to an agricultural society, the distributor  
3 shall forward to the ~~Chief of the State Police~~ director a copy of the lease agreement prior  
4 to delivery of the gambling apparatus or implement. The terms of the lease must include,  
5 but are not limited to, the name of the lessor; address of the lessor; name of the lessee;  
6 address of the lessee; description of the gambling apparatus or implement; serial number,  
7 model name or number of the gambling apparatus or implement; and all prices and  
8 payments for the lease. Each lease must be for a specific period of time no longer than  
9 the duration of the annual fair of that lessee, and each gambling apparatus must have its  
10 own separate lease. Gambling apparatus or implements leased under this section:

11           A. May be operated only for the exclusive benefit of the agricultural society, except  
12 that the agricultural society may pay a distributor up to 50% of gross gaming revenue  
13 in accordance with subsection 2; and

14           B. Must bear the name and address of the distributor.

15           **6. Reports.** At the end of each calendar month, a distributor or printer shall file with  
16 the ~~Chief of the State Police~~ director a report indicating:

17           A. The names and addresses of all persons or organizations to which the distributor  
18 or printer has distributed equipment and the dates of the distribution;

19           B. A description of the equipment distributed, including serial number and model  
20 name and number; and

21           C. The quantities of any equipment distributed.

22           **7. Retention and inspection of records.** A distributor or printer shall maintain and  
23 keep for a period of 3 years, on the premises of the distributor or printer, any records that  
24 may be necessary to substantiate the reports required by this section or by the rules  
25 adopted under this chapter. The records must be open to inspection, and a licensee may  
26 not refuse the ~~Chief of the State Police~~ director or the ~~chief's~~ director's representative  
27 permission to inspect or audit the records. Refusal to permit inspection or audit of the  
28 records does not constitute a crime under this chapter but constitutes grounds for  
29 revocation of license.

30           **8. Reports generally.** The ~~Chief of the State Police~~ director shall require from any  
31 licensed printer or distributor, or from any organization authorized to operate a game of  
32 chance, whatever reports determined necessary by the chief for the purpose of the  
33 administration and enforcement of this chapter.

34           **Sec. 55. 17 MRSA §1842**, as enacted by PL 2009, c. 487, Pt. A, §2, is amended to  
35 read:

36           **§1842. Investigations and actions on licenses; evidence**

37           **1. Investigation.** The Chief of the State Police shall investigate or cause to be  
38 investigated all complaints made to the chief or to the director and all violations of this  
39 chapter or the rules adopted pursuant to section 1843.

1           **2. Refusal to issue, modify or renew; modification; suspension; revocation.** Each  
2 of the following is grounds for an action to refuse to issue, modify or renew or to modify,  
3 suspend or revoke the license of a distributor or printer licensed under this chapter:

4           A. The distributor or printer or its resident manager, superintendent or official  
5 representative made or caused to be made a false statement of material fact in  
6 obtaining a license under this chapter or in connection with service rendered within  
7 the scope of the license issued;

8           B. The distributor or printer or its resident manager, superintendent or official  
9 representative violated any provision of this chapter or any rule adopted by the ~~Chief~~  
10 ~~of the State Police~~ director under section 1843.

11                 (1) Except as provided in subparagraph (2), the ~~Chief of the State Police~~ director  
12 shall give written notice of any violation to the distributor or printer who then has  
13 14 days to comply. Failure to comply within the 14-day period is grounds for an  
14 action under this section.

15                 (2) If a distributor or printer violates section 1840, subsection 1 or 2, the ~~Chief of~~  
16 ~~the State Police~~ director is not required to give the notice or allow the compliance  
17 period provided in subparagraph (1); or

18           C. The distributor or printer or its resident manager, superintendent or official  
19 representative has been:

20                 (1) Convicted of a crime under this chapter or Title 17-A, chapter 39; or

21                 (2) Convicted within the prior 10 years of any crime for which imprisonment for  
22 more than one year may be imposed.

23           **3. Director.** The ~~Chief of the State Police~~ director may:

24           A. Investigate all aspects of this chapter including the direct and indirect ownership  
25 or control of any licenses;

26           B. Suspend, revoke or refuse to issue a license, after notice and the opportunity for a  
27 hearing, if the applicant, applicant's agent or employee, licensee or licensee's agent or  
28 employee violates a provision of this chapter or Title 17-A, chapter 39 or fails to  
29 meet the statutory requirements for licensure pursuant to this chapter;

30           C. Immediately suspend or revoke a license if there is probable cause to believe that  
31 the licensee or the licensee's agent or employee violated section 1832, subsection 8,  
32 paragraph C; section 1841, subsection 2; or a provision of Title 17-A, chapter 39;

33           D. Issue a subpoena in the name of the State Police in accordance with Title 5,  
34 section 9060, except that this authority applies to any stage of an investigation under  
35 this chapter and is not limited to an adjudicatory hearing. This authority may not be  
36 used in the absence of reasonable cause to believe a violation has occurred. If a  
37 witness refuses to obey a subpoena or to give any evidence relevant to proper inquiry  
38 by the chief, the Attorney General may petition the Superior Court in the county  
39 where the refusal occurred to find the witness in contempt. The Attorney General  
40 shall cause to be served on that witness an order requiring the witness to appear  
41 before the Superior Court to show cause why the witness should not be adjudged in



1 contempt. The court shall, in a summary manner, hear the evidence and, if it is such  
2 as to warrant the court in doing so, punish that witness in the same manner and to the  
3 same extent as for contempt committed before the Superior Court or with reference to  
4 the process of the Superior Court; and

5 E. Require such evidence as the ~~chief~~ director determines necessary to satisfy the  
6 ~~chief~~ director that an applicant or organization licensed to conduct games of chance  
7 conforms to the restrictions and other provisions of this chapter. Charters,  
8 organizational papers, bylaws or other such written orders of founding that outline or  
9 otherwise explain the purpose for which an organization was founded, must, upon  
10 request, be forwarded to the ~~Chief of the State Police~~ director. The ~~Chief of the State~~  
11 ~~Police~~ director may require of any licensee or of any person operating, conducting or  
12 assisting in the operation of a licensed game of chance evidence as the ~~chief~~ director  
13 may determine necessary to satisfy the ~~chief~~ director that the person is a duly  
14 authorized member of the licensee or a person employed by the licensee as a  
15 bartender as required by section 1835, subsection 2. Upon request, this evidence  
16 must be forwarded to the ~~Chief of the State Police~~ director. The ~~Chief of the State~~  
17 ~~Police~~ director may require such evidence as the ~~chief~~ director may determine  
18 necessary regarding the conduct of games of chance by a licensee to determine  
19 compliance with this chapter.

20 **4. Licensing actions after notice and opportunity for hearing.** The ~~Chief of the~~  
21 ~~State Police~~ director shall notify the applicant or licensee in writing, before a license is  
22 denied, suspended or revoked pursuant to subsection 3, paragraph B, of the intended  
23 denial or commencement date of the suspension or revocation, which may not be made  
24 any sooner than 96 hours after the licensee's receipt of the notice, of the duration of the  
25 suspension or revocation and of the right to a hearing pursuant to this subsection. The  
26 applicant or licensee has the right to request a hearing before the Commissioner of Public  
27 Safety or the commissioner's designee. Upon the applicant's or licensee's request for a  
28 hearing, the Commissioner of Public Safety shall provide a hearing. The hearing must  
29 comply with the Maine Administrative Procedure Act. The purpose of the hearing is to  
30 determine whether a preponderance of the evidence establishes that the applicant,  
31 applicant's agent or employee or the licensee or licensee's agent or employee violated a  
32 provision of this chapter or Title 17-A, chapter 39. A request for a hearing may not be  
33 made any later than 10 days after the applicant or licensee is notified of the proposed  
34 denial, suspension or revocation. The suspension or revocation must be stayed pending  
35 the hearing; the hearing may not be held any later than 30 days after the date the  
36 commissioner receives the request unless otherwise agreed by the parties or continued  
37 upon request of a party for cause shown.

38 **5. Immediate suspension or revocation.** A licensee whose license is immediately  
39 suspended or revoked by the ~~Chief of the State Police~~ director pursuant to subsection 3,  
40 paragraph C must be notified in writing of the duration of the suspension or revocation  
41 and the licensee's right to request a hearing before the Commissioner of Public Safety or  
42 the commissioner's designee. Upon the licensee's request for a hearing, the  
43 Commissioner of Public Safety shall provide a hearing. The hearing must comply with  
44 the Maine Administrative Procedure Act. The purpose of the hearing is to determine  
45 whether a preponderance of the evidence establishes that the licensee or the licensee's  
46 agent or employee violated section 1832, subsection 8, paragraph C; section 1841,

1 subsection 2; or a provision of Title 17-A, chapter 39. A request for a hearing may not be  
2 made any later than 48 hours after the licensee is notified of the suspension or revocation.  
3 A hearing may not be held any later than 10 days after the date the commissioner receives  
4 the request.

5 **6. Access to premises.** A person, firm, corporation, association or organization  
6 making application to the ~~Chief of the State Police~~ director to conduct or operate a game  
7 of chance or any such person, firm, corporation, association or organization authorized  
8 under this chapter to conduct or operate a game of chance shall permit inspection of any  
9 equipment, prizes, records or items and materials used or to be used in the conduct or  
10 operation of a game of chance by the ~~Chief of the State Police~~ director or the ~~chief's~~  
11 director's authorized representative.

12 A firm, corporation, association or organization licensed to conduct or operate a game of  
13 chance shall permit at any time the Department of Public Safety or the city or town fire  
14 inspectors of the municipality in which the licensed game is being conducted to enter and  
15 inspect the licensed premises.

16 **Sec. 56. 17 MRSA §1843, first ¶**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
17 amended to read:

18 The ~~Chief of the State Police~~ director may adopt routine technical rules pursuant to  
19 Title 5, chapter 375, subchapter 2-A necessary for the administration and enforcement of  
20 this chapter and for the licensing, conduct and operation of games of chance. The ~~Chief~~  
21 ~~of the State Police~~ director may regulate, supervise and exercise general control over the  
22 operation of such games. In establishing such rules, the ~~Chief of the State Police~~ director  
23 must, in addition to the standards set forth in other provisions of this chapter, set forth  
24 conduct, conditions and activity considered undesirable, including:

25 **Sec. 57. 17 MRSA §1843, last ¶**, as enacted by PL 2009, c. 487, Pt. A, §2, is  
26 amended to read:

27 The ~~Chief of the State Police~~ director shall provide a mechanism for individuals and  
28 businesses to request a determination from the ~~State Police~~ director as to whether a  
29 particular game, contest, scheme or device qualifies as a game of chance or a game of  
30 skill.

31 **Sec. 58. Report; legislation.** The Executive Director of the Gambling Control  
32 Board within the Department of Public Safety shall review the laws governing the  
33 administration and enforcement of the laws governing beano and games of chance and  
34 submit a report by February 1, 2012 to the Joint Standing Committee on Veterans and  
35 Legal Affairs. The report must include recommendations for legislation to amend the  
36 laws governing beano and games of chance to ensure that the executive director is vested  
37 with the authority to administer those laws and that the Commissioner of Public Safety  
38 will provide law enforcement assistance as necessary. The Joint Standing Committee on  
39 Veterans and Legal Affairs is authorized to submit legislation in relation to this report to  
40 the Second Regular Session of the 125th Legislature.

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## **SUMMARY**

This bill transfers the responsibility of the administration of the laws governing beano and games of chance from the Chief of the State Police to the Executive Director of the Gambling Control Board within the Department of Public Safety. It also requires the executive director to submit a report to the Joint Standing Committee on Veterans and Legal Affairs with recommended legislation to ensure that the executive director has been vested with the authority to completely administer those laws.