

# MAINE STATE LEGISLATURE

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# 126th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2014

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Legislative Document

No. 1856

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H.P. 1343

House of Representatives, April 9, 2014

**Resolve, To Conduct a Market Analysis Regarding the Feasibility of  
Expanded Gaming in Maine**

(EMERGENCY)

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Reported by the Majority from the Joint Standing Committee on Veterans and Legal  
Affairs pursuant to Public Law 2011, chapter 699, section 3, subsection 5.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

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

3           **Whereas,** development of a statewide gaming policy is critical in light of recent  
4 expansion of casino-style gaming in northern New England; and

5           **Whereas,** proposals for expanded gaming in Maine should be based on an objective  
6 analysis of what is feasible within the existing market; and

7           **Whereas,** a market analysis will provide the Legislature with valuable information  
8 as it considers future proposals for expanded gaming in Maine; and

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

13           **Sec. 1. Department of Public Safety, Gambling Control Board to transfer**  
14 **funds. Resolved:** That the executive director of the Gambling Control Board within  
15 the Department of Public Safety shall transfer \$150,000 from the Gambling Control  
16 Board administrative expenses Other Special Revenue Funds account to the General Fund  
17 unappropriated surplus. The transfer made pursuant to this section must be made no later  
18 than October 1, 2014; and be it further

19           **Sec. 2. Legislative Council to contract for market analysis regarding the**  
20 **potential for expanded gaming in the State. Resolved:** That the Legislative  
21 Council, through the Executive Director of the Legislative Council, shall contract with a  
22 qualified consulting firm that has, within the last 12 months, provided consulting  
23 regarding legislative proposals for expanded gaming in New England, to conduct an  
24 analysis of the potential market for expanded casino-style gaming in the State. The  
25 executive director shall arrange for the analysis to be completed and a report submitted to  
26 the Joint Standing Committee on Veterans and Legal Affairs no later than September 1,  
27 2014. The executive director shall ensure that the contract requires the consulting firm to  
28 provide an analysis that considers the following:

29           1. The current regional gaming market's capacity for additional casino-style gaming  
30 facilities in the State, considering all existing facilities where wagering is currently  
31 conducted in the State and the potential or imminent establishment of casino facilities in  
32 Massachusetts and New Hampshire; and

33           2. If a market exists:

34           A. The best location for an additional casino-style gaming facility or facilities in the  
35 State;

36           B. The scope of a facility or facilities that will best serve the objective of promotion  
37 of economic development in a region where a facility may be located, with a focus on  
38 job creation and increased tourism;

- 1 C. Establishment of a tax rate or revenue distribution structure for a facility that
- 2 ensures the facility's commercial viability balanced with maximizing revenue to the
- 3 State or to funds the Legislature has prioritized for receipt of casino revenues;
- 4 D. Development of requirements for minimum capital investments and
- 5 reinvestments;
- 6 E. Providing for an estimate of the impact of expanded gaming on existing casinos
- 7 operating in the State; and
- 8 F. Establishment of a license fee for a facility that is representative of market value;
- 9 and be it further

10 **Sec. 3. Joint Standing Committee on Veterans and Legal Affairs**  
 11 **authorized to meet; legislation. Resolved:** That the Joint Standing Committee on  
 12 Veterans and Legal Affairs is authorized to hold up to 4 meetings to consider the analysis  
 13 and report described in section 2 and shall complete its work related to the report and  
 14 develop any recommended legislation by December 3, 2014. The joint standing  
 15 committee of the Legislature having jurisdiction over veterans and legal affairs is  
 16 authorized to submit a bill, based on the report and any recommendations contained in the  
 17 report, to the First Regular Session of the 127th Legislature; and be it further

18 **Sec. 4. Appropriations and allocations. Resolved:** That the following  
 19 appropriations and allocations are made.

20 **LEGISLATURE**

21 **Legislature 0081**

22 Initiative: Provides one-time funding for the purpose of entering into a contract with a  
 23 firm experienced in providing consulting on casino-style gaming.

24	<b>GENERAL FUND</b>	<b>2013-14</b>	<b>2014-15</b>
25	All Other	\$0	\$150,000
26			
27	GENERAL FUND TOTAL	\$0	\$150,000

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

30 **SUMMARY**

31 This resolve is submitted by the Joint Standing Committee on Veterans and Legal  
 32 Affairs pursuant to authority granted by Public Law 2011, chapter 699. The resolve  
 33 directs the Executive Director of the Legislative Council to enter into a contract with an  
 34 experienced gaming consulting firm to conduct an analysis of the potential market for  
 35 expanded casino-style gaming in the State. The resolve requires the analysis and a report  
 36 to be completed by September 1, 2014. The resolve authorizes the Joint Standing  
 37 Committee on Veterans and Legal Affairs to hold up to 4 meetings to review the analysis

1 and authorizes the joint standing committee of the Legislature having jurisdiction over  
2 veterans and legal affairs to report out legislation to the First Regular Session of the 127th  
3 Legislature.

4 The resolve transfers \$150,000 from the Gambling Control Board administrative  
5 expenses Other Special Revenue Funds account to the General Fund and transfers  
6 \$150,000 to the Legislative Council from the General Fund to fund the contract.



# 126th MAINE LEGISLATURE

LD 1856

LR 2893(01)

## Resolve, To Conduct a Market Analysis Regarding the Feasibility of Expanded Gaming in Maine

**Fiscal Note for Original Bill**  
**Committee: Veterans and Legal Affairs**  
**Fiscal Note Required: Yes**

### Fiscal Note

#### Legislative Cost/Study

	FY 2013-14	FY 2014-15	Projections FY 2015-16	Projections FY 2016-17
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$150,000	\$0	\$0
<b>Revenue</b>				
Other Special Revenue Funds	\$0	(\$150,000)	\$0	\$0
<b>Transfers</b>				
General Fund	\$0	\$150,000	\$0	\$0

#### Legislative Cost/Study

This bill authorizes the Joint Standing Committee on Veterans and Legal Affairs to meet up to 4 times during the interim. The projected costs of these meetings are \$7,500 in fiscal year 2014-15. The Legislature's proposed budget includes \$10,000 in fiscal year 2014-15 for legislative studies. Whether this amount is sufficient to fund all studies will depend on the number of studies authorized by the Legislative Council and the Legislature. The additional costs of providing staffing assistance to the study during the interim can be absorbed utilizing existing budgeted staff resources.

#### Fiscal Detail and Notes

The bill includes a General Fund appropriation of \$150,000 in fiscal year 2014-15 to the Legislature to provide funding for the purpose of entering into a contract with a firm experienced in providing consulting on casino-style gaming.

The bill transfers \$150,000 in fiscal year 2014-15 from the Department of Public Safety, Gambling Control Board program, Other Special Revenue Funds account, to the General Fund.