

MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 1066

H.P. 735

House of Representatives, March 24, 2015

**An Act To Provide for the Licensing of a Casino Owned by the
Maliseet Tribal Government on Tribal Lands in Aroostook County**

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

Handwritten signature of Robert B. Hunt in cursive.

ROBERT B. HUNT
Clerk

Presented by Representative BEAR of the Houlton Band of Maliseet Indians.

Cosponsored by Senator VALENTINO of York and

Representatives: ALLEY of Beals, BATES of Westbrook, BEAVERS of South Berwick, BECK of Waterville, BEEBE-CENTER of Rockland, BICKFORD of Auburn, BROOKS of Lewiston, BUCKLAND of Farmington, CAMPBELL of Orrington, CHAPMAN of Brooksville, CHENETTE of Saco, COREY of Windham, DANA of the Passamaquoddy Tribe, DAVITT of Hampden, DeCHANT of Bath, DION of Portland, DOORE of Augusta, DUCHESNE of Hudson, DUNPHY of Old Town, EVANGELOS of Friendship, FARNSWORTH of Portland, FARRIN of Norridgewock, GERRISH of Lebanon, GILBERT of Jay, HAMANN of South Portland, HANINGTON of Lincoln, HICKMAN of Winthrop, HOBART of Bowdoinham, HOGAN of Old Orchard Beach, JORGENSEN of Portland, KINNEY of Limington, KUMIEGA of Deer Isle, LAJOIE of Lewiston, LONG of Sherman, LONGSTAFF of Waterville, MAKER of Calais, MARTIN of Eagle Lake, MASTRACCIO of Sanford, McCABE of Skowhegan, McELWEE of Caribou, McLEAN of Gorham, MELARAGNO of Auburn, MONAGHAN of Cape Elizabeth, NADEAU of Winslow, NUTTING of Oakland, O'CONNOR of Berwick, PARRY of Arundel, PETERSON of Rumford, PICCHIOTTI of Fairfield, PIERCE of Dresden, POWERS of Naples, PRESCOTT of Waterboro, ROTUNDO of Lewiston, RUSSELL of Portland, SANBORN of Gorham, SAUCIER of Presque Isle, SHERMAN of Hodgdon, SKOLFIELD of Weld, STANLEY of Medway, STUCKEY of Portland, TEPLER of Topsham, THERIAULT of China, TIPPING-SPITZ of Orono, TUCKER of Brunswick, VEROW of Brewer, WADSWORTH of Hiram, WARREN of Hallowell, Senators: BAKER of Sagadahoc, BRAKEY of Androscoggin, DIAMOND of Cumberland, DILL of Penobscot, GERZOFKY of Cumberland, LIBBY of Androscoggin, McCORMICK of Kennebec, PATRICK of Oxford, ROSEN of Hancock, SAVIELLO of Franklin, WOODSOME of York.

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

2 **Sec. 1. 7 MRSA §82, sub-§5**, as amended by PL 2011, c. 358, §1, is further
3 amended to read:

4 **5. Rulemaking.** The commissioner shall adopt rules to establish procedures for
5 licensing and awarding dates for agricultural fairs and performance standards for
6 evaluating agricultural fairs. The commissioner, in consultation with the executive
7 director of the State Harness Racing Commission, shall adopt rules that require
8 agricultural fairs that receive a distribution of slot machine revenue in accordance with
9 Title 8, section 1036, ~~subsection~~ subsections 2, 2-A and 2-D to submit information
10 regarding the use of that revenue sufficient for the executive director to submit the report
11 required by Title 8, section 1037. Rules adopted pursuant to this subsection are routine
12 technical rules as defined in Title 5, chapter 375, subchapter 2-A.

13 **Sec. 2. 7 MRSA §91, sub-§1**, as amended by PL 2007, c. 539, Pt. G, §1 and
14 affected by §15, is further amended to read:

15 **1. Fund created.** The Treasurer of State shall establish an account to be known as
16 "the Agricultural Fair Support Fund" and shall credit to it all money received under Title
17 8, section 1036, subsection 2, paragraph D; Title 8, section 1036, subsection 2-A,
18 paragraph G; and Title 8, section 1036, subsection 2-D, paragraph E. The fund is a
19 dedicated, nonlapsing fund. All revenues deposited in the fund must be disbursed in
20 accordance with this section, except that assessments and advances may be withdrawn in
21 accordance with Title 8, section 267-A.

22 **Sec. 3. 8 MRSA §272-B, sub-§1, ¶E**, as enacted by PL 2007, c. 211, §1 and
23 affected by §2, is amended to read:

24 E. The fund to supplement harness racing purses established under section 298 and
25 receiving payment pursuant to section 1036, subsection 2, paragraph B; section 1036,
26 subsection 2-A, paragraph H; and section 1036, subsection 2-D, paragraph G; and

27 **Sec. 4. 8 MRSA §298, sub-§1**, as amended by PL 2007, c. 539, Pt. G, §10 and
28 affected by §15, is further amended to read:

29 **1. Fund created.** A fund is established to supplement harness racing purses to
30 which the commission shall credit all payments received pursuant to section 1036,
31 subsection 2, paragraph B; section 1036, subsection 2-A, paragraph H; and section 1036,
32 subsection 2-D, paragraph G for distribution in accordance with this section. The fund is
33 a dedicated, nonlapsing fund, and all revenues deposited in the fund remain in the fund
34 and must be disbursed in accordance with this section, except that assessments and
35 advances may be withdrawn in accordance with section 267-A. The commission shall
36 distribute in accordance with this section amounts credited to the fund.

37 **Sec. 5. 8 MRSA §1011, sub-§2-C** is enacted to read:

38 **2-C. Houlton Band of Maliseet Indians eligible for casino operator license.**
39 Notwithstanding subsection 2-B, the board may accept an application for a casino

1 operator license from the Houlton Band of Maliseet Indians to operate slot machines and
2 table games at a casino on property of the Houlton Band of Maliseet Indians in the Town
3 of Houlton in Aroostook County.

4 **Sec. 6. 8 MRSA §1018, sub-§1, ¶C-1**, as amended by PL 2011, c. 417, §4, is
5 further amended to read:

6 C-1. The initial application fee for a casino operator license is \$225,000, except that
7 the initial application fee for an applicant that is a commercial track that was licensed
8 to operate slot machines as of January 1, 2011 is \$25,000. A casino licensed in
9 accordance with section 1011, subsection 2-C is not required to pay the initial
10 application fee until one calendar year after the casino opens for operation. The
11 annual renewal fee is \$80,000 plus an amount, set by rules of the board, equal to the
12 cost to the board of licensing casino operators and determined by dividing the costs
13 of administering the casino operator licenses by the total number of casino operators
14 licensed by the board. In addition, a casino operator shall pay an initial gaming table
15 fee of \$100,000 for the privilege to operate each gaming table for a period of 20 years
16 as long as the casino operator is licensed. Each gaming table is also subject to an
17 annual gaming table renewal fee of \$1,000. The gaming table fees authorize the
18 casino operator to conduct any authorized table game at the gaming table during the
19 20-year period. A casino licensed in accordance with section 1011, subsection 2-A,
20 paragraph A is not required to pay the gaming table fees until after one calendar year
21 of table game operation. Fees collected in accordance with this paragraph must be
22 deposited to the Gambling Control Board administrative expenses Other Special
23 Revenue Funds account, which is a nonlapsing dedicated account.

24 **Sec. 7. 8 MRSA §1018, sub-§1-A**, as enacted by PL 2011, c. 699, §2, is amended
25 to read:

26 **1-A. Fees for slot machine and casino operator licenses on or after September 1,**
27 **2012.** Notwithstanding subsection 1, paragraphs C and C-1, beginning September 1,
28 2012, an applicant for a slot machine operator license or a casino operator license must
29 pay a \$250,000 nonrefundable privilege fee to be submitted with the application for the
30 license and a minimum license fee, or cash bid if the license is part of a competitive
31 bidding process established by law, of \$5,000,000. This subsection does not apply to a
32 casino licensed for operation in the State as of September 1, 2012 or a license authorizing
33 the operation of a casino by the Houlton Band of Maliseet Indians as provided by section
34 1011, subsection 2-C.

35 **Sec. 8. 8 MRSA §1019, sub-§7**, as amended by PL 2011, c. 417, §6, is further
36 amended to read:

37 **7. Statewide and county referendum; municipal vote.** After January 1, 2011, any
38 proposed casino or slot machine facility may not be issued a license unless it has been
39 approved by a statewide referendum vote and a vote of the municipal officers or
40 municipality in which the casino or slot machine facility is to be located, except that a
41 commercial track licensed to operate slot machines on January 1, 2011 is only required,
42 as a condition to obtain a casino license, to receive approval to operate a casino by means
43 of a referendum of the voters of the county in which the commercial track is located.

1 Notwithstanding this subsection, a casino operated by the Houlton Band of Maliseet
2 Indians is required, as a condition to obtain a casino license, to receive approval to
3 operate a casino by means of a referendum of the voters of only Aroostook County.

4 **Sec. 9. 8 MRSA §1020, sub-§3**, as amended by PL 2011, c. 585, §8, is further
5 amended to read:

6 **3. Limits on total slot machines.** The board shall determine the number of slot
7 machines to be registered in the State. The board shall make this determination based
8 upon the minimum net slot machine income, when distributed pursuant to section 1036,
9 necessary to maintain the harness horse racing industry in this State, except that:

10 A. Except for slot machines used for training and educational purposes at
11 postsecondary institutions as provided by section 1011, subsection 1-B, the total
12 number of slot machines registered in the State may not exceed ~~3,000~~ 3,350; and

13 B. ~~A slot machine operator may not operate more than 1,500 slot machines at any~~
14 ~~one commercial track and a casino operator may not operate more than 1,500 slot~~
15 ~~machines at a casino licensed under section 1011, subsection 2-A or 2-B. A casino~~
16 ~~operator may not operate more than 350 slot machines at a casino licensed under~~
17 ~~section 1011, subsection 2-C.~~

18 **Sec. 10. 8 MRSA §1036, sub-§2-A**, as amended by PL 2013, c. 118, §2, is
19 further amended to read:

20 **2-A. Distribution from casino of slot machine income.** A casino operator, except
21 a casino operator licensed under section 1011, subsection 2-C, shall collect and distribute
22 46% of the net slot machine income from slot machines operated by the casino operator
23 to the board for distribution by the board as follows:

24 A. Twenty-five percent of the net slot machine income must be forwarded directly
25 by the board to the Treasurer of State, who shall credit the money to the Department
26 of Education, to be used to supplement and not to supplant funding for essential
27 programs and services for kindergarten to grade 12 under Title 20-A, chapter 606-B;

28 B. Four percent of the net slot machine income must be forwarded by the board to
29 the University of Maine System Scholarship Fund created in Title 20-A, section
30 10909 and to the Board of Trustees of the Maine Maritime Academy to be applied by
31 the board of trustees to fund its scholarship program. The slot machine income under
32 this paragraph must be distributed as follows:

33 (1) The University of Maine System share is the total amount of the distribution
34 multiplied by the ratio of enrolled students in the system to the total number of
35 enrolled students both in the system and at the Maine Maritime Academy; and

36 (2) The Maine Maritime Academy share is the total amount of the distribution
37 multiplied by the ratio of enrolled students at the academy to the total number of
38 enrolled students both in the system and at the academy;

39 C. Three percent of the net slot machine income must be forwarded by the board to
40 the Board of Trustees of the Maine Community College System to be applied by the

1 board of trustees to fund its scholarships program under Title 20-A, section 12716,
2 subsection 1;

3 D. Four percent of the net slot machine income must be forwarded by the board to
4 the Treasurer of State, who shall distribute the funds to the tribal governments of the
5 Penobscot Nation and the Passamaquoddy Tribe;

6 E. Three percent of the net slot machine income must be deposited to the General
7 Fund for administrative expenses of the board, including gambling addiction
8 counseling services, in accordance with rules adopted by the board;

9 F. Two percent of the net slot machine income must be forwarded directly to the
10 municipality in which the casino is located;

11 G. One percent of the net slot machine income must be forwarded by the board to the
12 Treasurer of State, who shall credit the money to the Agricultural Fair Support Fund
13 established in Title 7, section 91;

14 H. One percent of the net slot machine income must be forwarded by the board to the
15 Treasurer of State, who shall credit the money to the fund established in section 298
16 to supplement harness racing purses;

17 I. One percent of the net slot machine income must be credited by the board to the
18 Sire Stakes Fund created in section 281;

19 J. One percent of the net slot machine income must be forwarded directly to the
20 county in which the casino is located to pay for mitigation of costs resulting from
21 gaming operations;

22 L. Beginning July 1, 2013, 1/2 of 1% of the net slot machine income must be
23 forwarded by the board to the Treasurer of State, who shall credit the money to the
24 Maine Milk Pool, Other Special Revenue Funds account within the Department of
25 Agriculture, Conservation and Forestry to help fund dairy farm stabilization pursuant
26 to Title 7, sections 3153-B and 3153-D; and

27 M. Beginning July 1, 2013, 1/2 of 1% of the net slot machine income must be
28 forwarded by the board to the Treasurer of State, who shall credit the money to the
29 Dairy Improvement Fund established under Title 10, section 1023-P.

30 If a recipient of net slot machine income in paragraph D, H or I owns or receives funds
31 from a slot machine facility or casino, other than the casino in Oxford County, a casino
32 operated by the Houlton Band of Maliseet Indians or the slot machine facility in Bangor,
33 then the recipient may not receive funds under this subsection, and those funds must be
34 retained by the Oxford County casino operator or the Houlton Band of Maliseet Indians.

35 **Sec. 11. 8 MRSA §1036, sub-§§2-D and 2-E** are enacted to read:

36 **2-D. Distribution of slot machine income from casino operated by the Houlton**
37 **Band of Maliseet Indians.** A casino operator licensed in accordance with section 1011,
38 subsection 2-C shall collect and distribute 35% of the net slot machine income from slot
39 machines operated by the casino operator to the board for distribution by the board as
40 follows:

1 A. One percent of the net slot machine income must be forwarded by the board to the
2 University of Maine System Scholarship Fund created in Title 20-A, section 10909
3 and to the Board of Trustees of the Maine Maritime Academy to be applied by the
4 board of trustees to fund its scholarship program. The slot machine income under
5 this paragraph must be distributed as follows:

6 (1) The University of Maine System share is the total amount of the distribution
7 multiplied by the ratio of enrolled students in the system to the total number of
8 enrolled students both in the system and at the Maine Maritime Academy; and

9 (2) The Maine Maritime Academy share is the total amount of the distribution
10 multiplied by the ratio of enrolled students at the academy to the total number of
11 enrolled students both in the system and at the academy;

12 B. One percent of the net slot machine income must be forwarded by the board to the
13 Board of Trustees of the Maine Community College System to be applied by the
14 board of trustees to fund its scholarships program under Title 20-A, section 12716,
15 subsection 1;

16 C. Nine percent of the net slot machine income must be forwarded by the board to
17 the Treasurer of State, who shall distribute the funds equally and directly to each of
18 the tribal governments of the Penobscot Nation, the Passamaquoddy Tribe and the
19 Aroostook Band of Micmaes;

20 D. One percent of the net slot machine income must be deposited to the General
21 Fund for administrative expenses of the board, including gambling addiction
22 counseling services, in accordance with rules adopted by the board;

23 E. Three percent of the net slot machine income must be forwarded directly to the
24 Town of Houlton;

25 F. One percent of the net slot machine income must be forwarded by the board to the
26 Treasurer of State, who shall credit the money to the Agricultural Fair Support Fund
27 established in Title 7, section 91;

28 G. One percent of the net slot machine income must be forwarded by the board to the
29 Treasurer of State, who shall credit the money to the fund established in section 298
30 to supplement harness racing purses;

31 H. One percent of the net slot machine income must be credited by the board to the
32 Sire Stakes Fund created in section 281;

33 I. One and one-half percent of the net slot machine income must be forwarded
34 directly to Aroostook County to pay for mitigation of costs resulting from gaming
35 operations;

36 J. One and one-half percent of the net slot machine income must be forwarded
37 directly to Washington County;

38 K. One percent of the net slot machine income must be forwarded by the board to the
39 Treasurer of State, who shall credit the money to the Coordinated Veterans
40 Assistance Fund established in Title 37-B, section 514;

1 L. One percent of the net slot machine income must be forwarded directly to each of
2 the following municipalities in Aroostook County: Presque Isle, Fort Kent, Fort
3 Fairfield, Caribou, Mars Hill and Madawaska; and

4 M. One percent of the net slot machine income must be forwarded directly to each of
5 the following municipalities in Washington County: Machias, Calais, Eastport,
6 Jonesport, Lubec and Danforth.

7 **2-E. Distribution of table game income from casino operated by the Houlton**
8 **Band of Maliseet Indians.** A casino operator licensed in accordance with section 1011,
9 subsection 2-C shall collect and distribute 16% of the net table game income from table
10 games operated by the casino operator to the board for distribution by the board as
11 follows:

12 A. Four percent of the net table game income must be forwarded by the board to the
13 Treasurer of State, who shall credit the money to the Department of Education, to be
14 used to supplement and not to supplant funding for essential programs and services
15 for kindergarten to grade 12 under Title 20-A, chapter 606-B;

16 B. Two percent of the net table game income must be deposited to the Gambling
17 Control Board administrative expenses Other Special Revenue Funds account, which
18 is a nonlapsing dedicated account;

19 C. Four percent of the net table game income must be forwarded by the board to the
20 Treasurer of State, who shall credit the money to the Coordinated Veterans
21 Assistance Fund established in Title 37-B, section 514;

22 D. Three percent of the net table game income must be forwarded directly to
23 Aroostook County; and

24 E. Three percent of the net table game income must be forwarded directly to
25 Washington County.

26 **Sec. 12. 8 MRSA §1037, first ¶**, as enacted by PL 2011, c. 358, §6 and amended
27 by c. 657, Pt. W, §6, is further amended to read:

28 Beginning February 15, 2012, the executive director of the State Harness Racing
29 Commission, in consultation with the Commissioner of Agriculture, Conservation and
30 Forestry, annually shall submit a report to the joint standing committees of the
31 Legislature having jurisdiction over slot machines, harness racing, agricultural fairs and
32 appropriations and financial affairs regarding the use of slot machine revenue deposited
33 in funds under section 1036, subsection 2, paragraphs B, C, D, H and I; section 1036,
34 subsection 2-A, paragraphs G, H and I; and section 1036, subsection 2-D, paragraphs F,
35 G and H. The executive director and the commissioner shall obtain the information as
36 described in this section. The report required by this section must be completed using
37 budgeted resources. The executive director may not distribute funds listed under section
38 1036, subsection 2, subsection 2-A and subsection 2-D, as applicable, to harness racing
39 tracks, off-track betting facilities, agricultural fairs or the Sire Stakes Fund under section
40 281 until the information required to submit the report required by this section is
41 provided.

1 **Sec. 13. 8 MRSA §1037, sub-§1**, as enacted by PL 2011, c. 358, §6, is amended
2 to read:

3 **1. Commercial tracks.** A report required by this section must include the following
4 information from commercial tracks licensed in accordance with chapter 11 that receive a
5 distribution of slot machine revenue under section 1036, subsection 2, paragraph B, D or
6 H; section 1036, subsection 2-A, paragraph G, H or I; or section 1036, subsection 2-D,
7 paragraph F, G or H:

8 A. The total amount wagered on live harness races;

9 B. The total amount wagered on intrastate simulcast races;

10 C. The total amount wagered on interstate simulcast races;

11 D. The number of harness races originated in the State and made available for
12 simulcast outside of the State;

13 E. The amount of the harness racing handle from wagers at the commercial track
14 kept by that commercial track and the distribution of the handle to the State and
15 industry recipients under section 286;

16 F. The amount received from the handle distribution from wagers at other tracks and
17 off-track betting facilities under section 286;

18 G. The amount of revenue received in accordance with section 1036, subsection 2,
19 paragraphs B, D and H; section 1036, subsection 2-A, paragraphs G, H and I; and
20 section 1036, subsection 2-D, paragraphs F, G and H;

21 H. The number of full-time and part-time employees at the commercial track;

22 I. The amount, if any, spent on capital improvements to the commercial track and
23 related facilities and a description of those improvements. The first report must
24 include the amount spent since November 2005, shown by year. Subsequent annual
25 reports must include the amount spent on capital improvements the immediately
26 preceding calendar year;

27 J. Operating costs for the commercial track;

28 K. Profit and loss or depreciation figures for the commercial track; and

29 L. Administrative costs to comply with reporting requirements and contributions to
30 the State Harness Racing Commission's operating account described in section
31 267-A.

32 **Sec. 14. 8 MRSA §1037, sub-§2, ¶E**, as enacted by PL 2011, c. 358, §6 and
33 amended by c. 657, Pt. W, §6, is further amended to read:

34 E. The amounts, reported separately, of revenue received in accordance with section
35 1036, subsection 2, paragraphs B and D; section 1036, subsection 2-A, paragraphs G
36 and H; and section 1036, subsection 2-D, paragraphs F and G, in accordance with the
37 Stipend Fund under Title 7, section 86 and from any other source in accordance with
38 rules adopted under section 263-A, subsection 1, paragraph C and Title 7, section 82,

1 subsection 5 by the Commissioner of Agriculture, Conservation and Forestry or the
2 State Harness Racing Commission; and

3 **Sec. 15. 8 MRSA §1037, sub-§3, ¶B**, as enacted by PL 2011, c. 358, §6 and
4 amended by c. 657, Pt. W, §6, is further amended to read:

5 B. The amounts, reported separately, received from slot machine revenue in
6 accordance with section 1036, subsection 2, paragraph D; section 1036, subsection
7 2-A, paragraph G; and section 1036, subsection 2-D, paragraph F, in accordance with
8 the Stipend Fund under Title 7, section 86 and from any other source in accordance
9 with rules adopted under section 263-A, subsection 1, paragraph C and Title 7,
10 section 82, subsection 5 by the Commissioner of Agriculture, Conservation and
11 Forestry or the State Harness Racing Commission; and

12 **Sec. 16. 8 MRSA §1037, sub-§4**, as enacted by PL 2011, c. 358, §6, is amended
13 to read:

14 **4. Breeders and owners within the Maine Standardbred program.** A report
15 required by this section must include the following information from horse breeders and
16 owners within the Maine Standardbred program established pursuant to section 281 who
17 receive a distribution under section 1036, subsection 2, paragraph C; section 1036,
18 subsection 2-A, paragraph I; and section 1036, subsection 2-D, paragraph H:

19 A. The number of mares bred by each Maine Standardbred stallion as reported to the
20 State Harness Racing Commission;

21 B. An assessment of whether the number of Maine Standardbred horses in the State
22 is sufficient to grow and sustain harness racing in the State;

23 C. The number of yearling horses eligible and nominated to participate in sire stakes
24 racing;

25 D. The amount received from slot machine revenue in accordance with section 1036,
26 subsection 2, paragraph C; section 1036, subsection 2-A, paragraph I; and section
27 1036, subsection 2-D, paragraph H;

28 E. The total number of qualifying dashes for sire stakes races and the average purse
29 for each dash sorted by the age of the horse and the average purse for each sire stakes
30 final dash sorted by the age of the horse; and

31 F. An accounting of the Sire Stakes Fund, including the total amount of the fund at
32 the beginning and end of the racing season and, reported separately, expenditures
33 used to supplement purses, pay breeder promotional contracts, pay advertising costs,
34 make payments to a statewide horsemen association, pay administrative costs and
35 make contributions to the operating account described in section 267-A.

36 **Sec. 17. 8 MRSA §1037, sub-§6**, as enacted by PL 2011, c. 358, §6, is amended
37 to read:

38 **6. Other recipients.** The Fund for a Healthy Maine's program providing
39 prescription drugs for adults who are elderly or disabled, the University of Maine System
40 and the Maine Community College System shall submit reports that include the amount

1 of slot machine revenue received under section 1036, ~~subsection~~ subsections 2, 2-A and
2 2-D and how that revenue was used to meet the statutory requirements ~~ited in section~~
3 ~~1036, subsection 2, paragraphs E, F and G, respectively~~ of those distributions.

4 **Sec. 18. 8 MRSA §1054, sub-§8**, as enacted by PL 2003, c. 687, Pt. A, §5 and
5 affected by Pt. B, §11, is amended to read:

6 **8. Failure to deposit funds.** Violates section 1036, ~~subsection 2~~; or

7 **Sec. 19. 20-A MRSA §15671, sub-§5-A**, as amended by PL 2013, c. 581, §6, is
8 further amended to read:

9 **5-A. Funds from casino slot machines or table games.** Revenues received by the
10 department from casino slot machines or casino table games pursuant to Title 8, section
11 1036, subsection 2-A, paragraph A ~~or~~; Title 8, section 1036, subsection 2-B, paragraph A;
12 Title 8, section 1036; or Title 8, section 1036, subsection 2-E, paragraph A must be
13 distributed until the end of fiscal year 2014-15 as general purpose aid for local schools,
14 and each school administrative unit shall make its own determination as to how to
15 allocate these resources. Beginning in fiscal year 2015-16, \$4,000,000 in revenues must
16 be distributed by the department to provide start-up funds for approved public preschool
17 programs for children 4 years of age in accordance with chapter 203, subchapter 3.
18 Neither the Governor nor the Legislature may divert the revenues payable to the
19 department to any other fund or for any other use. Any proposal to enact or amend a law
20 to allow distribution of the revenues paid to the department from casino slot machines or
21 casino table games for another purpose must be submitted to the Legislative Council and
22 to the joint standing committee of the Legislature having jurisdiction over education
23 matters at least 30 days prior to any vote or public hearing on the proposal.

24 SUMMARY

25 This bill authorizes the Department of Public Safety, Gambling Control Board to
26 issue a casino license to the Houlton Band of Maliseet Indians. A casino licensed under
27 this bill would be located on tribal land in the Town of Houlton and would be limited to
28 350 slot machines at the facility. The casino would be required to distribute 35% of net
29 slot machine income and 16% of net table game income to scholarships at secondary
30 educational institutions in the State, federally recognized Indian tribes in the State,
31 gambling addiction services, agricultural fairs, harness racing purses, the casino host
32 county and municipality, Washington County and multiple municipalities in both
33 Aroostook and Washington counties, the Coordinated Veterans Assistance Fund and
34 other funds. Approval for the casino is contingent on a referendum vote in Aroostook
35 County. The bill also provides that the initial application fee of \$225,000 is not due until
36 the casino has been in operation for one calendar year. The bill also amends existing law
37 that requires entities receiving slot machine revenue to report on how those funds are
38 spent.