

# MAINE STATE LEGISLATURE

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SMC  
RCS

L.D. 1633

Date: 6/10/19

Minority

(Filing No. H-535)

VETERANS AND LEGAL AFFAIRS

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
129TH LEGISLATURE  
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 1176, L.D. 1633, Bill, "An Act To Legalize Keno and Historical Instant Racing"

Amend the bill in section 26 in subsection 2-D by striking out all of paragraph B (page 9, lines 19 to 22 in L.D.) and inserting the following:

'B. Ten percent of the net historical instant racing income and 10% of the net keno income must be deposited to the General Fund.'

Amend the bill by adding after section 34 the following:

**'Sec. 35. Appropriations and allocations.** The following appropriations and allocations are made.

**PUBLIC SAFETY, DEPARTMENT OF  
Gambling Control Board Z002**

Initiative: Provides appropriation to establish one Public Safety Manager II, 7 Public Safety Inspector III and 14 Public Safety Inspector I positions and provides All Other funding for associated position costs.

GENERAL FUND	2019-20	2020-21
POSITIONS - LEGISLATIVE COUNT	22.000	22.000
Personal Services	\$1,232,632	\$1,717,727
All Other	\$69,432	\$92,576
GENERAL FUND TOTAL	<u>\$1,302,064</u>	<u>\$1,810,303</u>

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

**COMMITTEE AMENDMENT**

ROFS

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**SUMMARY**

This amendment is the minority report of the committee. Unlike the bill, which directs that 10% of the net income from historical instant racing and keno be remitted to the State and credited to the Department of Education for essential programs and services for kindergarten to grade 12, the amendment directs that this 10% of the net income from historical instant racing and keno be deposited to the General Fund.

This amendment also adds an appropriations and allocations section.

**FISCAL NOTE REQUIRED**

(See attached)



# 129th MAINE LEGISLATURE

LD 1633

LR 1969(02)

## An Act To Legalize Keno and Historical Instant Racing

Fiscal Note for Bill as Amended by Committee Amendment *A(H-535)*

Committee: Veterans and Legal Affairs

Fiscal Note Required: Yes

### Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
<b>Net Cost (Savings)</b>				
General Fund	(\$1,005,811)	(\$497,572)	(\$449,819)	(\$400,739)
<b>Appropriations/Allocations</b>				
General Fund	\$1,302,064	\$1,810,303	\$1,858,056	\$1,907,136
<b>Revenue</b>				
General Fund	\$2,307,875	\$2,307,875	\$2,307,875	\$2,307,875
Other Special Revenue Funds	\$35,000	\$35,000	\$35,000	\$35,000

### Fiscal Detail and Notes

This bill authorizes historical instant racing and keno and directs that 10% of the net income from historical instant racing and keno be deposited into the General Fund and that 1% be retained by the Gambling Control Board for administrative expenses. Applicants for a historical instant racing and keno license are required to pay a one-time application fee of \$5,000 and an annual renewal fee of \$5,000. License fees are estimated to generate \$35,000 in Other Special Revenue Funds revenue annually.

The bill includes appropriations of \$1,302,064 in fiscal year 2019-20 and \$1,810,303 in fiscal year 2020-21 for 14 Public Safety Inspector I positions, 7 Public Safety Inspector III positions and one Public Safety Manager II position and associated All Other costs. General Fund revenue of \$2,107,875 is estimated to be generated annually from instant historical racing. This assumes that 7 locations will operate 100 instant racing machines with a win average of \$75 per day. While the bill also authorizes keno, the bill does not specify the number of games per time frame, wager limits or location criteria to operate keno games. This fiscal note includes an estimate of \$200,000 in annual General Fund revenue from keno starting in fiscal year 2019-20, with the assumption that future revenue estimates will be adjusted once the regulatory structure of keno has been decided through rulemaking.