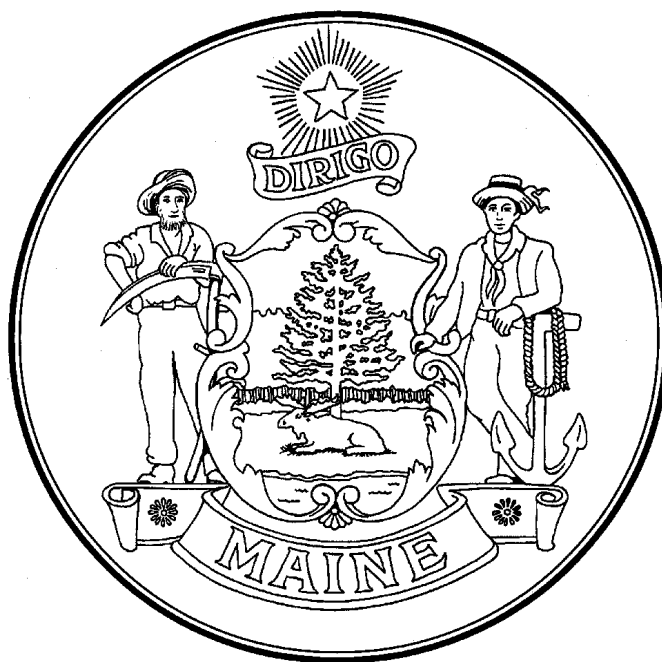


MAINE STATE LEGISLATURE

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SAK
ROS

L.D. 1352

Date: 6/16/21

REPORT B

(Filing No. S-344) Report B

VETERANS AND LEGAL AFFAIRS

Reproduced and distributed under the direction of the Secretary of the Senate.

STATE OF MAINE

SENATE

130TH LEGISLATURE

FIRST SPECIAL SESSION

COMMITTEE AMENDMENT "B" to S.P. 437, L.D. 1352, "An Act To Regulate Sports Betting"

Amend the bill by inserting before section 1 the following:

Sec. 1. 7 MRSA §86, sub-§8, as enacted by PL 2005, c. 563, §3, is amended to read:

8. Maximum allowed distribution from Stipend Fund. A licensee may not receive a stipend from the Stipend Fund greater than the amount actually raised and spent by the licensee on premiums and gratuities in the classes provided in subsection 5. A licensee may not receive a stipend from the Stipend Fund in excess of \$10,000, except that this limitation does not apply to any additional stipend provided for by Title 8, section 287 or to funds distributed from the Fair Fund or in accordance with section 85, the Agricultural Fair Support Fund in accordance with section 91 or the Agricultural Fair Promotion Fund in accordance with section 103.

Sec. 2. 7 MRSA §103 is enacted to read:

§103. Agricultural Fair Promotion Fund

1. Eligible nonprofit organization defined. As used in this section, "eligible nonprofit organization" means a nonprofit organization that is exempt from federal income taxation under Section 501(a) of the United States Internal Revenue Code of 1986 as an organization described by Section 501(c) and that has had, for at least the preceding 25 years, a sole or primary purpose of promoting agricultural fairs in the State.

2. Identification of eligible nonprofit organizations. On January 1st and July 1st of each year, the commissioner shall send a list of all eligible nonprofit organizations to the Treasurer of State.

3. Fund created. The Treasurer of State shall establish an account to be known as "the Agricultural Fair Promotion Fund" and shall credit to it all money received under Title 8, section 1218, subsection 1, paragraph E and Title 8, section 1218, subsection 2, paragraph

COMMITTEE AMENDMENT

1 E. The fund is a dedicated, nonlapsing fund. All revenues deposited in the fund must be
 2 disbursed in accordance with this section.

3 4. Distribution. On January 31st and July 31st of each year, all amounts credited to
 4 the fund established by this section as of the last day of the preceding month and not
 5 distributed before that day must be distributed by the Treasurer of State in equal shares to
 6 each organization in the State that has been identified by the commissioner as an eligible
 7 nonprofit organization under subsection 2.

8 **Sec. 3. 8 MRSA §290**, as enacted by PL 1997, c. 528, §46, is amended to read:

9 **§290. Purse supplement**

10 **1. Payment.** Amounts received pursuant to section 1218, subsection 1, paragraph C
 11 and section 1218, subsection 2, paragraph C and amounts calculated as purse supplement
 12 share under section 286 must be paid to the commission for distribution as provided in
 13 subsection 2.

14 **2. Distribution.** On May 30th, September 30th and January 30th, ~~payments made~~
 15 ~~amounts received under this subsection and subsection 1 for distribution in accordance with~~
 16 ~~this subsection must be divided among the licensees conducting live racing in the State.~~
 17 The amount of the payment made to a licensee is calculated by ~~dividing~~ multiplying the
 18 amount of money available for distribution by a fraction, the numerator of which is the
 19 number of race dates on which that licensee conducted live racing in any calendar year by
 20 and the denominator of which is the total number of race dates on which all licensees
 21 conducted live racing in that year. Beginning January 30, 1997, the January 30th payment
 22 must be adjusted to reflect the dates when live racing was actually conducted during the
 23 previous year, not the dates granted.'

24 Amend the bill in section 3 in c. 35 in §1202 in subsection 7 in paragraph B in the first
 25 line (page 2, line 9 in L.D.) by inserting after the following: "1207" the following: 'or 1220'

26 Amend the bill in section 3 in c. 35 in §1202 in subsection 11 in the last line (page 2,
 27 line 28 in L.D.) by inserting after the following: "place." the following: "Prohibited sports
 28 event" does not include any game or match that is part of a tournament in which a Maine
 29 collegiate sports team participates, as long as a Maine collegiate sports team does not
 30 participate in that particular game or match.'

31 Amend the bill in section 3 in c. 35 in §1202 by inserting after subsection 13 the
 32 following:

33 **'14. Sports governing body.** "Sports governing body" means an organization that is
 34 headquartered in the United States and prescribes final rules and enforces codes of conduct
 35 with respect to a sports event and participants in the sports event.'

36 Amend the bill in section 3 in c. 35 in §1202 by renumbering the subsections to read
 37 consecutively.

38 Amend the bill in section 3 in c. 35 in §1203 in subsection 2 by striking out all of
 39 paragraph M (page 4, lines 37 to 42 in L.D.) and inserting the following:

40 'M. Restrictions on the advertisement and marketing of sports wagering under section
 41 1214.'

1 Amend the bill in section 3 in c. 35 in §1204 in subsection 3 by striking out all of
2 paragraph C (page 6, lines 7 to 18 in L.D.) and inserting the following:

3 'C. An individual required to submit to a criminal history record check under this
4 subsection shall submit to having the individual's fingerprints taken. The State Police,
5 upon payment by the individual of the fee required under paragraph E, shall take or
6 cause to be taken the individual's fingerprints and shall immediately forward the
7 fingerprints to the Department of Public Safety, Bureau of State Police, State Bureau
8 of Identification. Any person who fails to transmit criminal fingerprint records to the
9 State Bureau of Identification pursuant to this paragraph is subject to the provisions of
10 Title 25, section 1550.

11 D. The Department of Public Safety, Bureau of State Police, State Bureau of
12 Identification shall conduct the state and national criminal history record checks
13 required under this subsection. Except for the portion of a payment, if any, that
14 constitutes the processing fee for a criminal history record check charged by the Federal
15 Bureau of Investigation, all money received by the State Police under this subsection
16 must be paid to the Treasurer of State, who shall apply the money to the expenses
17 incurred by the Department of Public Safety in the administration of this subsection.'

18 Amend the bill in section 3 in c. 35 in §1204 in subsection 3 in paragraph G in the last
19 line (page 6, line 32 in L.D.) by striking out the following: "E" and inserting the following:
20 'F'

21 Amend the bill in section 3 in c. 35 in §1204 in subsection 3 by relettering the
22 paragraphs to read alphabetically.

23 Amend the bill in section 3 in c. 35 in §1207 in subsection 2 in paragraph E in the first
24 line (page 10, line 28 in L.D.) by inserting after the following: "entity" the following: ',
25 except that a qualified gaming entity may not be licensed under this section until 2 years
26 after issuance of the first license under paragraph A, B, C or D but may be licensed through
27 the competitive bid process described in section 1220'

28 Amend the bill in section 3 in c. 35 in §1207 in subsection 4 in the first line (page 10,
29 line 36 in L.D.) by striking out the following: "\$20,000" and inserting the following:
30 '\$100,000'

31 Amend the bill in section 3 in c. 35 in §1207 in subsection 6 in the 3rd line (page 11,
32 line 8 in L.D.) by striking out the following: "\$20,000" and inserting the following:
33 '\$100,000'

34 Amend the bill in section 3 in c. 35 by striking out all of §§1214 to 1216 (page 14, line
35 42 to page 18, line 6 in L.D.) and inserting the following:

36 **'§1214. Signs, advertising and marketing**

37 **1. Prohibitions.** Signs, advertising and marketing used by or on behalf of a licensee
38 under this chapter:

39 A. May not be misleading, deceptive or false;

40 B. May not involve advertising or marketing that has a high likelihood of reaching
41 persons under 21 years of age or that is specifically designed to appeal particularly to
42 persons under 21 years of age; and

1 C. May not be placed or otherwise used within 1,000 feet of the property line of a
2 preexisting public or private school.

3 **2. Rulemaking.** The director shall adopt rules regarding the placement, content and
4 use of signs, advertising and marketing to implement this section. Rules adopted pursuant
5 to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter
6 2-A.

7 **§1215. Abnormal wagering activity**

8 **1. Duty to report.** An operator shall, as soon as practicable, report to the director any
9 information relating to abnormal wagering activity or patterns that may indicate a concern
10 with the integrity of a sports event or any other conduct that corrupts a wagering outcome
11 of a sports event for purposes of financial gain, including match fixing. An operator shall
12 concurrently report that information to the relevant sports governing body.

13 **2. Cooperation efforts.** An operator shall use commercially reasonable efforts to
14 cooperate with investigations conducted by sports governing bodies or law enforcement
15 agencies, including but not limited to using commercially reasonable efforts to provide or
16 facilitate the provision of wagering information.

17 **3. Information confidentiality.** The director and operators shall maintain the
18 confidentiality of information provided by a sports governing body for purposes of
19 investigating or preventing the conduct described in this section, unless disclosure is
20 otherwise required by the director or by law, or unless the sports governing body consents
21 to disclosure.

22 **4. Information use and disclosure.** With respect to any information provided by an
23 operator to a sports governing body relating to conduct described in this section, a sports
24 governing body:

25 A. May use such information only for integrity-monitoring purposes and may not use
26 the information for any commercial or other purpose; and

27 B. Shall maintain the confidentiality of the information, unless disclosure is otherwise
28 required by the director or by law, or unless the operator consents to disclosure, except
29 that the sports governing body may make disclosures necessary to conduct and resolve
30 integrity-related investigations and may publicly disclose such information if required
31 by the sports governing body's integrity policies or if determined by the sports
32 governing body in its reasonable judgment to be necessary to maintain the actual or
33 perceived integrity of its sports events. Prior to any public disclosure that would
34 identify the operator by name, the sports governing body shall provide that operator
35 with notice of the disclosure and an opportunity to object to the disclosure.

36 **§1216. Security, maintenance and sharing of wagering records**

37 **1. Records maintenance.** An operator shall maintain records of all wagers placed,
38 including personally identifiable information of the person placing the wager, amount and
39 type of wager, time the wager was placed, location of the wager, including the Internet
40 protocol address if applicable, the outcome of the wager and instances of abnormal
41 wagering activity for 3 years after the sports event occurs, as well as video recordings in
42 the case of in-person wagers, for at least one year after the sports event occurs and shall
43 make that data available for inspection upon request of the director or as required by court
44 order.

1 **2. Anonymized information.** An operator shall use commercially reasonable efforts
2 to maintain, in real time and at the account level, anonymized information regarding a
3 person who places a wager and the amount and type of the wager, the time the wager was
4 placed, the location of the wager, including the Internet protocol address if applicable, the
5 outcome of the wager and records of abnormal wagering activity. The director may request
6 that information in the form and manner required by rule. Nothing in this subsection
7 requires an operator to provide any information that is prohibited by federal or state law,
8 including without limitation laws and rules relating to privacy and personally identifiable
9 information.

10 **3. Records monitoring.** If a sports governing body has notified the director that
11 access to the information described in subsection 2 for wagers placed on sports events of
12 that sports governing body is necessary to monitor the integrity of that sports governing
13 body's sports events, and the sports governing body represents to the director that it
14 specifically uses that data for the purpose of monitoring the integrity of sports events of
15 that sports governing body, then an operator shall share, in a commercially reasonable
16 frequency, form and manner, with the sports governing body or its designee the same
17 information the operator is required to maintain under subsection 2 with respect to sports
18 wagers on sports events of that sports governing body. A sports governing body and its
19 designee may use information received under this subsection only for integrity-monitoring
20 purposes and may not use information received under this subsection for any commercial
21 or other purpose. Nothing in this subsection requires an operator to provide any
22 information if prohibited by federal or state law, including without limitation laws and rules
23 relating to privacy and personally identifiable information.

24 **4. Security.** An operator shall use commercially reasonable methods to maintain the
25 security of wagering data, customer data and other confidential information from
26 unauthorized access and dissemination. Nothing in this chapter precludes the use of
27 Internet-based or so-called cloud-based hosting of that data and information or disclosure
28 as required by law.

29 **§1217. Interception of sports wagering winnings to pay child support debt**

30 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
31 following terms have the following meanings.

32 A. "Child support debt" means child support debt that has been liquidated by judicial
33 or administrative action.

34 B. "Department" means the Department of Health and Human Services.

35 C. "Licensee" means a facility operator, a mobile operator or a management services
36 licensee under section 1209.

37 D. "Registry operator" means the department or an entity with which the department
38 enters into a contract to maintain the registry pursuant to subsection 3.

39 E. "Winner" means a sports wagering patron to whom cash is returned as winnings for
40 placement of a sports wager.

41 **2. Interception.** A licensee shall intercept sports wagering winnings to pay child
42 support debt in accordance with this section.

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1 **3. Registry.** The department shall create and maintain, or shall contract with a private
2 entity to create and maintain, a secure, electronically accessible registry containing
3 information regarding individuals with outstanding child support debt. The department
4 shall regularly enter into the registry information including:

5 A. The name and social security number of each individual with outstanding child
6 support debt;

7 B. The account number or identifier assigned by the department to the outstanding
8 child support debt;

9 C. The amount of the outstanding child support debt; and

10 D. Any other information necessary to effectuate the purposes of this section.

11 **4. Electronic access to information; procedures.** A licensee shall electronically
12 access the registry in accordance with this subsection.

13 A. Before making a payout of winnings of an amount equal to or greater than the
14 amount for which the licensee is required to file a Form W-2G or substantially
15 equivalent form with the United States Internal Revenue Service, the licensee shall
16 obtain the name, address, date of birth and social security number of the winner and
17 shall electronically submit this information to the registry operator.

18 B. Upon receipt of information pursuant to paragraph A, the registry operator shall
19 electronically inform the licensee whether the winner is listed in the registry. If the
20 winner is listed in the registry, the registry operator shall inform the licensee of the
21 amount of the winner's outstanding child support debt and the account number or
22 identifier assigned to the outstanding child support debt and shall provide the licensee
23 with a notice of withholding that informs the winner of the right to an administrative
24 hearing.

25 C. If the registry operator informs the licensee that the winner is not listed in the
26 registry or if the licensee is unable to obtain information from the registry operator on
27 a real-time basis after attempting in good faith to do so, the licensee may make payment
28 to the winner.

29 D. If the registry operator informs the licensee that the winner is listed in the registry,
30 the licensee may not make payment to the winner unless the amount of the payout
31 exceeds the amount of outstanding child support debt, in which case the licensee may
32 make payment to the winner of the amount of winnings that is in excess of the amount
33 of the winner's outstanding child support debt.

34 **5. Lien against winnings.** If the registry operator informs a licensee pursuant to this
35 section that a winner is listed in the registry, the department has a valid lien upon and claim
36 of lien against the winnings in the amount of the winner's outstanding child support debt.

37 **6. Withholding of winnings.** The licensee shall withhold from any winnings an
38 amount equal to the amount of the lien created under subsection 5 and shall provide a notice
39 of withholding to the winner. Within 7 days after withholding an amount pursuant to this
40 subsection, the licensee shall transmit the amount withheld to the department together with
41 a report of the name, address and social security number of the winner, the account number
42 or identifier assigned to the debt, the amount withheld, the date of withholding and the
43 name and location of the licensee.

ROS

1 7. Licensee costs. Notwithstanding subsection 6, the licensee may retain \$10 from an
2 amount withheld pursuant to this section to cover the cost of the licensee's compliance with
3 this section.

4 8. Administrative hearing. A winner from whom an amount was withheld pursuant
5 to this section has the right, within 15 days of receipt of the notice of withholding, to request
6 from the department an administrative hearing. The hearing is limited to questions of
7 whether the debt is liquidated and whether any postliquidation events have affected the
8 winner's liability. The administrative hearing decision constitutes final agency action.

9 9. Authorization to provide information. Notwithstanding any provision of law to
10 the contrary, the licensee may provide to the department or registry operator any
11 information necessary to effectuate the intent of this section. The department or registry
12 operator may provide to the licensee any information necessary to effectuate the intent of
13 this section.

14 10. Confidentiality of information. The information obtained by the department or
15 registry operator from a licensee pursuant to this section and the information obtained by
16 the licensee from the department or registry operator pursuant to this section are
17 confidential and may be used only for the purposes set forth in this section. An employee
18 or prior employee of the department, the registry operator or a licensee who knowingly or
19 intentionally discloses any such information commits a civil violation for which a fine not
20 to exceed \$1,000 may be adjudged.

21 11. Effect of compliance; noncompliance. A licensee, the department and the
22 registry operator are not liable for any action taken in good faith to comply with this section.
23 A licensee who fails to make a good faith effort to obtain information from the registry
24 operator or who fails to withhold and transmit the amount of the lien created under
25 subsection 5 is liable to the department for the greater of \$500 and the amount the person
26 was required to withhold and transmit to the department under this section, together with
27 costs, interest and reasonable attorney's fees.

28 12. Biennial review. The department shall include in its report to the Legislature
29 under section 1066 the following information:

30 A. The number of names of winners submitted by licensees to the registry operator
31 pursuant to this section in each of the preceding 2 calendar years;

32 B. The number of winners who were found to be listed in the registry in each of the
33 preceding 2 calendar years;

34 C. The amount of winnings withheld by licensees pursuant to this section in each of
35 the preceding 2 calendar years; and

36 D. The amount of withheld winnings refunded to winners as the result of
37 administrative hearings requested pursuant to this section in each of the preceding 2
38 calendar years.

39 **§1218. Allocation of funds**

40 1. Tax imposed on facility operator; allocation of funds. A facility operator shall
41 collect and distribute 10% of adjusted gross sports wagering receipts to the director to be
42 forwarded by the director to the Treasurer of State for distribution as follows:

1 A. One percent of the adjusted gross sports wagering receipts must be deposited in the
2 General Fund for the administrative expenses of the Gambling Control Unit within the
3 department;

4 B. One percent of the adjusted gross sports wagering receipts must be deposited in the
5 Gambling Addiction Prevention and Treatment Fund established by Title 5, section
6 20006-B;

7 C. Fifty-five hundredths of 1% of the adjusted gross sports wagering receipts must be
8 paid to the State Harness Racing Commission for distribution as described in section
9 290, subsection 2;

10 D. Fifty-five hundredths of 1% of the adjusted gross sports wagering receipts must be
11 deposited in the Sire Stakes Fund established in section 281;

12 E. Four-tenths of 1% of the adjusted gross sports wagering receipts must be deposited
13 in the Agricultural Fair Promotion Fund established in Title 7, section 103; and

14 F. Six and one-half percent of the adjusted gross sports wagering receipts must be
15 deposited in the General Fund.

16 **2. Tax imposed on mobile operator; allocation of funds.** A mobile operator shall
17 collect and distribute 16% of adjusted gross sports wagering receipts to the director to be
18 forwarded by the director to the Treasurer of State for distribution as follows:

19 A. One percent of the adjusted gross sports wagering receipts must be deposited in the
20 General Fund for the administrative expenses of the Gambling Control Unit within the
21 department;

22 B. One percent of the adjusted gross sports wagering receipts must be deposited in the
23 Gambling Addiction Prevention and Treatment Fund established by Title 5, section
24 20006-B;

25 C. Fifty-five hundredths of 1% of the adjusted gross sports wagering receipts must be
26 paid to the State Harness Racing Commission for distribution as described in section
27 290, subsection 2;

28 D. Fifty-five hundredths of 1% of the adjusted gross sports wagering receipts must be
29 deposited in the Sire Stakes Fund established in section 281;

30 E. Four-tenths of 1% of the adjusted gross sports wagering receipts must be deposited
31 in the Agricultural Fair Promotion Fund established in Title 7, section 103; and

32 F. Twelve and one-half percent of the adjusted gross sports wagering receipts must be
33 deposited in the General Fund.

34 **3. Due dates; late payments.** The director may adopt rules establishing the dates on
35 which payments required by this section are due. All payments not remitted when due must
36 be paid together with interest on the unpaid balance at a rate of 1.5% per month.

37 **§1219. Applicability of other laws**

38 **1. Authorized conduct.** The provisions of Title 17, chapter 62 and Title 17-A, chapter
39 39 do not apply to sports wagering conducted in accordance with this chapter and the rules
40 adopted under this chapter.

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2. Unlicensed conduct. A person who engages in an activity for which a license is required under this chapter and who does not possess the required license to engage in that activity is subject to any criminal or civil penalties that may be imposed pursuant to Title 17-A, chapter 39.

3. Unauthorized conduct by licensees. In addition to any penalties that may be imposed pursuant to section 1205, a licensee who conducts sports wagering in violation of this chapter or the rules adopted under this chapter is subject to any criminal or civil penalties that may be imposed pursuant to Title 17-A, chapter 39.

§1220. Mobile sports wagering licenses issued pursuant to competitive bid

1. Request for proposals. Notwithstanding section 1207, subsection 2, paragraph E, the director shall develop a request for proposals for the purpose of awarding 3 qualified gaming entities the privilege to receive a mobile sports wagering license. The director shall ensure that the request for proposals clearly identifies the deadline for submission and all bid requirements. The director shall follow, as nearly as practicable, the provisions governing the competitive bid process prescribed by Title 5, chapter 155, subchapter 1-A and the rules adopted pursuant to that subchapter.

2. Bid submission fees. A bidder seeking a mobile sports wagering license under subsection 1 shall include with the bid a nonrefundable application fee of \$1,000 and an agreement to pay the costs of processing the application and performing background investigations described in section 1204.

3. Eligible bidders; selection criteria. The director may accept bids under subsection 1 from a qualified gaming entity. When selecting the 3 winning bids under this section, the director shall consider the following:

A. The factors set forth in section 1205, subsection 1, paragraphs A through I; and

B. The number of jurisdictions in the United States in which the qualified gaming entity currently operates.

The director shall develop a system of priority by assigning points to the factors required to be considered under this subsection.

4. License fee; renewal. A qualified gaming entity selected as a winning bidder under subsection 2 may conduct sports wagering in which wagers are placed by persons who are physically located in the State through any mobile applications or digital platforms approved by the director within the terms and conditions of the license, this chapter and any rules adopted under this chapter upon payment of a \$100,000 initial license fee. A license granted under this section is valid for 2 years unless sooner revoked by the director or the commissioner under section 1205. Upon expiration of the 2-year license term, the qualified gaming entity may, after payment of a \$100,000 renewal fee, obtain a mobile sports wagering license under section 1207.

Amend the bill in section 3 in c. 35 by renumbering the sections to read consecutively.

Amend the bill by inserting after section 20 the following:

'Sec. 21. Appropriations and allocations. The following appropriations and allocations are made.

HEALTH AND HUMAN SERVICES, DEPARTMENT OF

ROS

COMMITTEE AMENDMENT "**B**" to S.P. 437, L.D. 1352 (S-344)**Office of Substance Abuse and Mental Health Services 0679**

Initiative: Provides allocations to allow expenditure of sports betting revenue.

OTHER SPECIAL REVENUE FUNDS

All Other

2021-22

\$358,625

2022-23

\$566,250

OTHER SPECIAL REVENUE FUNDS TOTAL

\$358,625

\$566,250

**HEALTH AND HUMAN SERVICES,
DEPARTMENT OF
DEPARTMENT TOTALS****2021-22****2022-23****OTHER SPECIAL REVENUE FUNDS**

\$358,625

\$566,250

DEPARTMENT TOTAL - ALL FUNDS

\$358,625

\$566,250

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

Initiative: Provides funding for one Public Safety Manager II position and associated All Other costs.

GENERAL FUND**2021-22****2022-23**

POSITIONS - LEGISLATIVE COUNT

1.000

1.000

Personal Services

\$116,850

\$122,168

All Other

\$2,500

\$2,500

GENERAL FUND TOTAL

\$119,350

\$124,668

**PUBLIC SAFETY, DEPARTMENT OF
DEPARTMENT TOTALS****2021-22****2022-23****GENERAL FUND**

\$119,350

\$124,668

DEPARTMENT TOTAL - ALL FUNDS

\$119,350

\$124,668

SECTION TOTALS**2021-22****2022-23****GENERAL FUND**

\$119,350

\$124,668

OTHER SPECIAL REVENUE FUNDS

\$358,625

\$566,250

SECTION TOTAL - ALL FUNDS

\$477,975

\$690,918

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

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SUMMARY

This amendment, which is a minority report of the committee, makes the following changes to the bill.

1. It increases from \$20,000 to \$100,000 the 2-year initial and renewal fees for a mobile sports wagering license.

2. It limits to 3 the number of qualified gaming entities, defined in the bill as entities that offer sports wagering through mobile applications or digital platforms in any other jurisdiction in the United States, that may obtain a mobile sports wagering license for the first 2 years in which mobile sports wagering is conducted in the State. The 3 qualified gaming entities that may receive a mobile sports wagering license must be selected by the Director of the Gambling Control Unit within the Department of Public Safety through a competitive bid process.

3. It clarifies that a wager may be placed on a game or match that is part of a tournament in which a Maine collegiate sports team participates, as long as a Maine collegiate sports team does not participate in that particular game or match.

4. It prohibits by statute, instead of only through rulemaking as in the bill, the use of misleading, deceptive or false sports wagering advertising; the marketing or advertising of sports wagering to persons under 21 years of age; and the placement of signs or other advertisements for sports wagering near public or private schools.

5. It requires facility and mobile operators to report abnormal wagering activity to the Director of the Gambling Control Unit within the Department of Public Safety and to the relevant sports governing body.

6. It imposes statutory records maintenance and data security requirements on facility and mobile operators.

7. Like the bill, it requires a facility sports wagering licensee to remit 10% of the licensee's adjusted gross sports wagering receipts to the State and a mobile sports wagering licensee to remit 16% of the licensee's adjusted gross sports wagering receipts to the State. Also like the bill, it requires one percent of the adjusted gross sports wagering receipts to be deposited in the General Fund for the administrative expenses of the Gambling Control Unit and one percent of the adjusted gross sports wagering receipts to be deposited in the Gambling Addiction Prevention and Treatment Fund. Unlike the bill, it requires 0.55% of the adjusted gross sports wagering receipts to be distributed by the State Harness Racing Commission to entities that conduct live harness racing in the State; 0.55% of the adjusted gross sports wagering receipts to be deposited in the Sire Stakes Fund; and 0.4% of the adjusted gross sports wagering receipts to be deposited in the Agricultural Fair Promotion Fund, which is established in the amendment to provide monetary support to eligible nonprofit organizations that have had, for at least the preceding 25 years, a sole or primary purpose of promoting agricultural fairs in the State. The remaining adjusted gross sports wagering receipts remitted to the State must be deposited in the General Fund.

The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)

**130th MAINE LEGISLATURE****LD 1352****LR 546(04)****An Act To Regulate Sports Betting****Fiscal Note for Bill as Amended by Committee Amendment " " (S-344)****Committee: Veterans and Legal Affairs****Fiscal Note Required: Yes****Fiscal Note**

	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)				
General Fund	(\$2,784,088)	(\$4,459,707)	(\$6,365,953)	(\$7,125,982)
Appropriations/Allocations				
General Fund	\$119,350	\$124,668	\$128,578	\$132,612
Other Special Revenue Funds	\$358,625	\$566,250	\$802,188	\$896,563
Revenue				
General Fund	\$2,903,438	\$4,584,375	\$6,494,531	\$7,258,594
Other Special Revenue Funds	\$1,622,063	\$1,418,125	\$2,560,969	\$2,243,907

Correctional and Judicial Impact Statements

This bill may increase the number of civil suits filed in the court system.

The additional workload associated with the minimal number of new cases filed in the court system does not require additional funding at this time.

The collection of additional filing fees may increase General Fund and other dedicated revenue by minor amounts.

Fiscal Detail and Notes

This bill authorizes the Gambling Control Unit (GCU) within the Department of Public Safety to regulate sports wagering in the State and directs that 10% of gross sports wagering facility revenue and 16% of gross sports wagering mobile revenue be credited to the State as follows: 1% to the GCU for administrative expenses; 1% to the Gambling Addiction and Prevention Treatment Fund; 0.55% to the State Harness Racing Commission to be distributed to entities that conduct live harness racing in the State; 0.55% to the Sire Stakes Fund; 0.4% to the Agricultural Fair Promotion Fund established in the bill and the remainder (6.5% of facility wagering and 12.5% of mobile wagering) to the General Fund. Facility and mobile operators will retain the remainder of the gross. Based on assumptions contained in the May 2017, Oxford Economics' "Economic Impact of Legalized Sports Betting" report, using the criteria of moderate availability for in-person sports wagering and convenient availability for mobile wagering, General Fund revenues are estimated to be \$2,903,438 in fiscal year 2021-22 and \$4,584,375 in fiscal year 2022-23 and Other Special Revenue Funds revenues are estimated to be \$896,563 in fiscal year 2021-22 and \$1,415,625 in fiscal year 2022-23.

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This bill includes General Fund appropriations to the Department of Public Safety of \$119,350 in fiscal year 2021-22 and \$124,668 in fiscal year 2022-23 for one Public Safety Manager II position and associated All Other costs. The bill creates facility sports wagering licenses, mobile sports wagering licenses, supplier licenses, management services licenses and employee occupational licenses. License fees are estimated to generate Other Special Revenue Funds revenue of \$725,500 in fiscal year 2021-22 and \$2,500 in fiscal year 2022-23. License fee revenue assumes that two casinos will have both facility and mobile sports betting, four off-track betting facilities and one commercial track will have facility betting only, three mobile operators will have mobile licenses, and four Indian tribes will have facility only.

This bill also includes Other Special Revenue Funds allocations to the Department of Health and Human Services of \$358,625 in fiscal year 2021-22 and \$566,250 in fiscal year 2022-23 to allow expenditure of sports betting revenue. Additional costs to the Department of Public Safety associated with performing criminal history background checks can be absorbed within existing budgeted resources.