

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)



131st MAINE LEGISLATURE

FIRST SPECIAL SESSION-2023

Legislative Document

No. 1992

H.P. 1275

House of Representatives, May 23, 2023

**An Act to Legalize Historical Horse Racing and Electronic Beano to
Allow Maine Gaming Licensees and Federally Recognized Indian
Tribes to Compete with Other Gaming States**

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

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative COLLINGS of Portland.

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

2 **Sec. 1. 8 MRSA c. 37** is enacted to read:

3 **CHAPTER 37**

4 **ELECTRONIC BEANO AND HISTORICAL HORSE RACING**

5 **§1301. Definitions**

6 As used in this chapter, unless the context indicates otherwise, the following terms
7 have the following meanings.

8 **1. Director.** "Director" means the director of the Gambling Control Unit within the
9 Department of Public Safety.

10 **2. Electronic beano terminal.** "Electronic beano terminal" means an electronic
11 device used by a beano participant to play high-stakes electronic beano. An electronic
12 beano terminal allows a participant, upon payment of cash, token or credit, to play a game
13 of chance resembling beano from a draw of no more than 75 letters and numbers that
14 correspond to the electronic beano game. The element of chance is determined by a central
15 computer server system that communicates with the electronic beano terminal. An
16 electronic beano terminal is not a slot machine as defined in section 1001, subsection 39.

17 **3. Gambling facility.** "Gambling facility" means a race track, off-track betting facility
18 or high-stakes beano or beano facility licensed under Title 17, chapter 13-A or slot machine
19 facility or casino licensed under chapter 31.

20 **4. Historical horse race.** "Historical horse race" means a horse race that:

21 A. Was previously run at a licensed pari-mutuel facility located in the United States;

22 B. Concluded with official results; and

23 C. Concluded without scratches, disqualifications or dead-heat finishes.

24 **5. Historical horse racing terminal.** "Historical horse racing terminal" means an
25 electronic device that allows a player to place a pari-mutuel wager on a historical horse
26 race upon payment of cash, token or credit. A historical horse racing terminal is not a slot
27 machine as defined in section 1001, subsection 39.

28 **6. License.** "License" means a license issued by the director under this chapter.

29 **7. Licensee.** "Licensee" means a person granted a license under this chapter.

30 **8. Net terminal income.** "Net terminal income" means cash, tokens, credits or similar
31 objects or things of value used to play on an electronic beano terminal or a historical horse
32 racing terminal minus cash, credits or prizes paid out to winners.

33 **9. Pari-mutuel wagering.** "Pari-mutuel wagering" means a method of wagering in
34 which those who wager on horses that finish in the position or positions for which wagers
35 are taken share in the total amounts wagered.

36 **§1302. Powers of director**

37 **1. Powers.** In administering and enforcing this chapter, the director may:

- 1 A. Pursuant to section 1303, approve or deny any application and issue, limit, restrict,
2 suspend or revoke any license issued under this chapter;
- 3 B. Review reports of the investigation and qualifications of an applicant before a
4 license is issued;
- 5 C. Prescribe the manner for the collection of all revenues under this chapter;
- 6 D. Adopt rules the director determines necessary to administer this chapter;
- 7 E. Investigate complaints regarding the operation of electronic beano terminals and
8 historical horse racing terminals in violation of this chapter and rules adopted pursuant
9 to this chapter;
- 10 F. Impose sanctions, penalties and costs of investigation and hearing against an
11 applicant or licensee for violation of this chapter or rules adopted pursuant to this
12 chapter; and
- 13 G. Conduct a financial audit of any licensee, at any time, to ensure compliance with
14 this chapter.

15 **§1303. License to operate electronic beano or historical horse racing terminals**

16 1. License required. A person may not operate an electronic beano terminal or
17 historical horse racing terminal unless the person has been issued a license by the director.
18 An electronic beano license authorizes a licensee to own or lease electronic beano terminals
19 at a licensed gambling facility. A historical horse racing license authorizes a licensee to
20 own or lease historical horse racing terminals at a licensed gambling facility.

21 2. Persons eligible for license. The director may issue licenses to operate electronic
22 beano terminals and may issue licenses to operate historical horse racing terminals to:

23 A. Federally recognized Indian tribes authorized to conduct high-stakes beano in
24 accordance with Title 17, section 314-A;

25 B. Operators of commercial tracks and off-track betting facilities licensed to conduct
26 pari-mutuel wagering under chapter 11; and

27 C. Operators of slot machine facilities or casinos licensed under chapter 31.

28 3. Location. Operation of an electronic beano terminal or a historical horse racing
29 terminal licensed in accordance with this section must be at the gambling facility where the
30 licensee is authorized to conduct beano, accept pari-mutuel wagers, operate slot machines
31 or operate table games.

32 **§1304. Allocation of funds**

33 1. Distribution of net terminal income. A person licensed under this chapter shall
34 collect and distribute 10% of the net terminal income from electronic beano terminals and
35 historical horse racing terminals to the director for distribution by the director as follows:

36 A. One percent of net terminal income must be deposited to the General Fund for
37 administrative expenses of the Gambling Control Unit in the Department of Public
38 Safety;

39 B. One percent of net terminal income must be forwarded by the director to the
40 Treasurer of State, who shall credit the money to the Gambling Addiction Prevention
41 and Treatment Fund established by Title 5, section 20006-B;

1 C. Four percent of net terminal income must be forwarded by the director to the
2 Treasurer of State, who shall credit the money to the Agricultural Fair Support Fund
3 established pursuant to Title 7, section 91; and

4 D. Four percent of net terminal income must be forwarded by the director to the
5 Treasurer of State, who shall credit the money to the fund established in section 298 to
6 supplement harness racing purses.

7 **2. Failure to collect and distribute funds.** A person licensed under this chapter who
8 knowingly or intentionally fails to comply with this section commits a Class C crime. In
9 addition to any other sanction available by law, the license of a person may be revoked by
10 the director and electronic beano terminals and historical horse racing terminals operated
11 by the licensee may be disabled and the proceeds and associated gaming equipment may
12 be confiscated by the director and are subject to forfeiture under Title 17-A, section 959 or
13 960.

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

17 **§1305. Violations and penalties**

18 **1. Violation.** A person, firm, corporation or association or an agent or employee of
19 one of those entities may not violate this chapter or a rule adopted pursuant to this chapter.

20 **2. Penalty.** For each violation of this chapter or of a rule adopted pursuant to this
21 chapter, the director may:

22 A. Impose a fine of up to \$1,000 per violation; or

23 B. Impose a fine not to exceed \$5,000 for violations arising out of the same transaction
24 or occurrence.

25 **§1306. Applicability of other laws**

26 Unless expressly provided in this chapter, the provisions of Title 17, chapter 62 and
27 Title 17-A, chapter 39 do not apply to the conduct of electronic beano and historical horse
28 racing operated in accordance with this chapter and rules adopted pursuant to this chapter.

29 **§1307. Rulemaking**

30 The director may adopt rules to implement this chapter. Rules adopted pursuant to this
31 section are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

32 **SUMMARY**

33 This bill authorizes the licensed operation of electronic beano terminals and historical
34 horse racing terminals by federally recognized Indian tribes, off-track betting facilities,
35 commercial tracks, slot machine facilities and casinos. Licenses are issued by the director
36 of the Gambling Control Unit within the Department of Public Safety. The bill requires an
37 operator of an electronic beano terminal or a historical horse racing terminal to collect 10%
38 of net terminal income for distribution to the General Fund for administrative expenses of
39 the Gambling Control Unit and to gambling addiction prevention and treatment services,
40 harness racing purses and agricultural fairs.