

1	L.D. 2117
2 Date: 3/19/24	(Filing No. S-53)
3 VETERA	NS AND LEGAL AFFAIRS
4 Reproduced and distributed un	der the direction of the Secretary of the Senate.
5 <b>S</b>	TATE OF MAINE
6	SENATE
7 131	IST LEGISLATURE
8 SECON	ND REGULAR SESSION
9 COMMITTEE AMENDMEN 10 Laws Regarding Sports Wagering	T "A " to S.P. 913, L.D. 2117, "An Act to Amend the Licensing"
11Amend the bill by striking out12following:	t everything after the enacting clause and inserting the
13         'Sec. 1. 8 MRSA §1206, s           14         amended to read:	sub-§4, as enacted by PL 2021, c. 681, Pt. J, §6, is
16to September 1, 2024 is \$4,000 and17issued on or after September 1, 20218the costs of administering this cha19charge a processing fee for an initia20cost of processing the application21actual cost exceeds the projected co	or renewed facility sports wagering license issued prior for an initial or renewed facility sports wagering license (4  is  1,000). The fee must be retained by the director for apter. In addition to the license fee, the director may all or renewed license in an amount equal to the projected and performing any background investigations. If the post, an additional fee may be charged to meet the actual is the actual cost, the difference may be refunded to the
24 Sec. 2. 8 MRSA §1206, sub 25 to read:	<b>-§5,</b> as enacted by PL 2021, c. 681, Pt. J, §6, is amended
<ul> <li>27 under this section <u>prior to Septemb</u></li> <li>28 <u>renewed under this section on or aft</u></li> <li>29 revoked by the director or the complete</li> </ul>	provided in subsection 6, a license granted or renewed over 1, 2024 is valid for 4 years and a license granted or er September 1, 2024 is valid for one year unless sooner missioner under section 1205. The failure of a facility cain its underlying off-track betting license voids the
• • • • •	<b>-§6,</b> as enacted by PL 2021, c. 681, Pt. J, §6, is amended
	blicant for a facility sports wagering license may submit temporary license. A request for a temporary license

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1 must include the initial license fee of \$4,000 under subsection 4. If the director determines 2 that the applicant is qualified under subsection 2, meets the requirements established by 3 rule for a temporary license and has paid the initial license fee and the director is not aware 4 of any reason the applicant is ineligible for a license under this section, the director may 5 issue a temporary facility sports wagering license. A temporary license issued under this 6 subsection is valid for one year the length of the term of the license under subsection 5 or 7 until a final determination on the facility sports wagering license application is made, 8 whichever is sooner. If after investigation the director determines that the applicant is 9 eligible for a facility sports wagering license under this chapter, the director shall issue the 10 initial facility sports wagering license, at which time the temporary license terminates. The initial facility sports wagering license is valid for 4 years from the date that the temporary 11 license was issued by the director for an applicant that applied for an initial license prior to 12 September 1, 2024 and for one year from the date that the temporary license was issued by 13 14 the director for an applicant that applied for an initial license on or after September 1, 2024. Sports wagering conducted under authority of a temporary license must comply with the 15 16 facility operator's house rules adopted under section 1211.

Sec. 4. 8 MRSA §1207, sub-§4, as enacted by PL 2021, c. 681, Pt. J, §6, is amended
 to read:

19 4. Fees. The fee for an initial or renewed mobile sports wagering license issued prior 20 to September 1, 2024 is \$200,000 and for an initial or renewed mobile sports wagering 21 license issued on or after September 1, 2024 is \$50,000. The fee must be retained by the 22 director for the costs of administering this chapter. In addition to the license fee, the 23 director may charge a processing fee for an initial or renewed license in an amount equal 24 to the projected cost of processing the application and performing any background 25 investigations. If the actual cost exceeds the projected cost, an additional fee may be charged to meet the actual cost. If the projected cost exceeds the actual cost, the difference 26 27 may be refunded to the applicant or licensee.

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 Sec. 5. 8 MRSA §1207, sub-§5, as enacted by PL 2021, c. 681, Pt. J, §6, is amended

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 to read:

5. Term of license. Except as provided in subsection 6, a license granted or renewed
 under this section prior to September 1, 2024 is valid for 4 years and a license granted or
 renewed under this section on or after September 1, 2024 is valid for one year unless sooner
 revoked by the director or the commissioner under section 1205.

34 Sec. 6. 8 MRSA §1207, sub-§6, as enacted by PL 2021, c. 681, Pt. J, §6, is amended
 35 to read:

6. Temporary license. An applicant for a mobile sports wagering license may submit 36 37 with the application a request for a temporary license. A request for a temporary license must include the initial license fee of \$200,000 under subsection 4. If the director 38 39 determines that the applicant is qualified under subsection 2, meets the requirements established by rule for a temporary license and has paid the initial license fee and the 40 41 director is not aware of any reason the applicant is ineligible for a license under this section, 42 the director may issue a temporary mobile sports wagering license. A temporary license 43 issued under this subsection is valid for one year the length of the term of the license under subsection 5 or until a final determination on the mobile sports wagering license application 44 is made, whichever is sooner. If after investigation the director determines that the 45

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applicant is eligible for a mobile sports wagering license under this chapter, the director shall issue the initial mobile sports wagering license, at which time the temporary license terminates. The initial mobile sports wagering license is valid for 4 years from the date that the temporary license was issued by the director for an applicant that applied for an <u>initial license prior to September 1, 2024 and for one year from the date that the temporary license was issued by the director for an applicant that applied for an initial license on or <u>after September 1, 2024</u>. Sports wagering conducted under authority of a temporary license must comply with the mobile operator's house rules adopted under section 1211.</u>

Sec. 7. 8 MRSA §1208, sub-§4, as enacted by PL 2021, c. 681, Pt. J, §6, is amended to read:

4. Fees. The fee for an initial or renewed supplier license issued prior to September 1, 2024 is \$40,000 and for an initial or renewed supplier license issued on or after September 1, 2024 is \$10,000. The fee must be retained by the director for the costs of administering this chapter. In addition to the license fee, the director may charge a processing fee for an initial or renewed license in an amount equal to the projected cost of processing the application and performing any background investigations. If the actual cost exceeds the projected cost, an additional fee may be charged to meet the actual cost. If the projected cost exceeds the actual cost, the difference may be refunded to the applicant or licensee.

Sec. 8. 8 MRSA §1208, sub-§5, as enacted by PL 2021, c. 681, Pt. J, §6, is amended to read:

5. Term of license. Except as provided in subsection 6, a license granted or renewed under this section <u>prior to September 1, 2024</u> is valid for 4 years <u>and a license granted or</u> <u>renewed under this section on or after September 1, 2024 is valid for one year</u> unless sooner revoked by the director or the commissioner under section 1205.

Sec. 9. 8 MRSA §1208, sub-§6, as enacted by PL 2021, c. 681, Pt. J, §6, is amended to read:

28 6. Temporary license. An applicant for a supplier license may submit with the 29 application a request for a temporary license. A request for a temporary license must include the initial license fee of \$40,000 under subsection 4. If the director determines that 30 31 the applicant is qualified under subsection 2 1, meets the requirements established by rule 32 for a temporary license and has paid the initial license fee and the director is not aware of 33 any reason the applicant is ineligible for a license under this section, the director may issue 34 a temporary supplier license. A temporary license issued under this subsection is valid for 35 one year the length of the term of the license under subsection 5 or until a final 36 determination on the supplier license application is made, whichever is sooner. If after 37 investigation the director determines that the applicant is eligible for a supplier license under this chapter, the director shall issue the initial supplier license, at which time the 38 39 temporary license terminates. The initial supplier license is valid for 4 years from the date 40 that the temporary license was issued by the director for an applicant that applied for an 41 initial license prior to September 1, 2024 and for one year from the date that the temporary license was issued by the director for an applicant that applied for an initial license on or 42 43 after September 1, 2024.

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## СОММІТТЕЕ AMENDMENT " Д" to S.P. 913, L.D. 2117 (5583)

Sec. 10. 8 MRSA §1209, sub-§4, as enacted by PL 2021, c. 681, Pt. J, §6, is amended to read:

4. Fees. The fee for an initial or renewed management services license <u>issued prior to</u> <u>September 1, 2024</u> is \$40,000 and <u>for an initial or renewed management services license</u> <u>issued on or after September 1, 2024 is \$10,000. The fee</u> must be retained by the director for the costs of administering this chapter. In addition to the license fee, the director may charge a processing fee for an initial or renewed license in an amount equal to the projected cost of processing the application and performing any background investigations. If the actual cost exceeds the projected cost, an additional fee may be charged to meet the actual cost. If the projected cost exceeds the actual cost, the difference may be refunded to the applicant or licensee.

12 Sec. 11. 8 MRSA §1209, sub-§5, as enacted by PL 2021, c. 681, Pt. J, §6, is 13 amended to read:

5. Term of license. Except as provided in subsection 6, a license granted or renewed
 under this section prior to September 1, 2024 is valid for 4 years and a license granted or
 renewed under this section on or after September 1, 2024 is valid for one year unless sooner
 revoked by the director or the commissioner under section 1205.

18 Sec. 12. 8 MRSA §1209, sub-§6, as enacted by PL 2021, c. 681, Pt. J, §6, is
 amended to read:

20 6. Temporary license. An applicant for a management services license may submit 21 with the application a request for a temporary license. A request for a temporary license 22 must include the initial license fee of \$40,000 under subsection 4. If the director determines 23 that the applicant is qualified under subsection 1, meets the requirements established by 24 rule for a temporary license and has paid the initial license fee and the director is not aware 25 of any reason the applicant is ineligible for a license under this section, the director may 26 issue a temporary management services license. A temporary license issued under this 27 subsection is valid for one year the length of the term of the license under subsection 5 or 28 until a final determination on the management services license application is made, 29 whichever is sooner. If after investigation the director determines that the applicant is 30 eligible for a management services license under this chapter, the director shall issue the 31 initial management services license, at which time the temporary license terminates. The 32 initial management services license is valid for 4 years from the date that the temporary 33 license was issued by the director for an applicant that applied for an initial license prior to 34 September 1, 2024 and for one year from the date that the temporary license was issued by 35 the director for an applicant that applied for an initial license on or after September 1, 2024.

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

#### **SUMMARY**

This amendment replaces the bill. The amendment retains the license fee and license
 term reductions in the bill but applies those changes to licenses issued on or after September
 1, 2024 instead of on or after the effective date of the legislation.

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3 4 The amendment also changes the provisions regarding temporary licenses by aligning the license fees and license terms with the initial or renewed license fees and license terms.

### FISCAL NOTE REQUIRED (See attached)

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## **131st MAINE LEGISLATURE**

### LD 2117

#### LR 2777(02)

#### An Act to Amend the Laws Regarding Sports Wagering Licensing

Fiscal Note for Bill as Amended by Committee Amendment "#"(5583) Committee: Veterans and Legal Affairs Fiscal Note Required: Yes

#### **Fiscal Note**

4 year licenses changed to annual No net change to revenue over time

#### **Fiscal Detail and Notes**

This bill changes the license term for certain sports betting-related licenses from a 4-year term to a 1-year term and reduces the associated license fee by a proportional amount. Over time, the net impact on General Fund revenue from these changes will be zero as the revenue received shifts from once every 4 years to yearly with the annual renewals. Since the Gambling Control Unit issued all current licenses in the current fiscal year (2023-24) and doesn't anticipate any new licenses, the changed terms and fees will not impact anticipated revenues until fiscal year 2027-28.