

# MAINE STATE LEGISLATURE

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**LAWS**  
OF THE  
**STATE OF MAINE**

AS PASSED BY THE  
ONE HUNDRED AND ELEVENTH LEGISLATURE

**SECOND SPECIAL SESSION**

November 18, 1983

AND AT THE

**SECOND REGULAR SESSION**

January 4, 1984 to April 25, 1984

AND AT THE

**THIRD SPECIAL SESSION**

September 4, 1984 to September 11, 1984

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J.S. McCarthy Co., Inc.  
Augusta, Maine  
1986

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**PUBLIC LAWS**  
OF THE  
**STATE OF MAINE**

AS PASSED AT THE  
SECOND REGULAR SESSION  
of the  
ONE HUNDRED AND ELEVENTH LEGISLATURE  
JANUARY 4, 1984 TO APRIL 25, 1984

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## CHAPTER 732

S.P. 823 - L.D. 2203

### AN ACT Concerning the Tri-state Lotto Compact.

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

Sec. 1. 8 MRSA c. 16 is enacted to read:

#### CHAPTER 16

#### TRI-STATE LOTTO COMPACT

##### §401. Short title

This compact may be cited as the "Tri-state Lotto Compact."

##### §402. Compact

The State enters into the following compact with the states of Vermont and New Hampshire, subject to the terms and conditions stated in this chapter.

##### §403. Statement of purpose

This compact is enacted to implement the operation of Tri-state Lotto for the purpose of raising additional revenue for each of the party states. Tri-state Lotto is not intended to replace any existing lottery games in the party states but, rather, to be run in addition to those games. Tri-state Lotto tickets will be sold in each of the party states and processed in a central area to be determined by the commission. Fifty percent of the gross sales from each state will be aggregated in a common prize pool, and operating costs will be charged proportionally, according to sales, to the party states. The remaining revenues generated within each state will remain in that particular state.

##### §404. Definitions

As used in this compact, unless the context otherwise indicates, the following terms have the following meanings.

1. Commission. "Commission" means the Tri-state Lotto Commission created and established by this compact.

2. Concurrent legislation. "Concurrent legislation" means legislation enacted by one of the party states which is concurred in by the other party states in the form of enactments having like effect.

3. Lotto. "Lotto" means a game of chance as prescribed by the commission.

4. Party states. "Party states" means the states of New Hampshire, Vermont and Maine.

5. Tri-state Lotto. "Tri-state Lotto" means a combined lotto game for all member states, with common tickets, common advertising and a common prize pool.

#### §405. Creation of the Tri-state Lotto Commission

The party states, for the purpose of operating Tri-state Lotto, do hereby establish and create the Tri-state Lotto Commission.

#### §406. Nature of the commission

The commission shall be an interstate body, both corporate and politic, serving as a common agency of the party states and representing them both collectively and individually in the exercise of its powers and duties.

#### §407. Organization of the commission

The commission shall be composed of one member from each of the party states. Each compact member state lottery or sweepstakes commission shall appoint one of its members to serve on the Tri-state Lotto Commission. Each member shall hold office at the pleasure of the appointing authority. The commission shall elect a chairman from among its members, annually.

#### §408. Functioning of the commission

1. Commission functions. The commission's functions shall be performed and carried out by its members and by such advisory committees or panels, or both as the commission may establish, and by such officers, independent contractors, agents, employees and consultants as may be appointed by the commission. All such officers, independent contractors, agents, consultants and employees shall hold office at the pleasure of the commission, unless the commission otherwise decides, and the commission shall prescribe the person's powers, duties and qualifications

and fix their compensation and other terms of their employment.

2. Unanimous decision. Any action of the commission shall not be effective or binding unless there is a unanimous decision by all of the representatives of the various party states.

3. Compensation. The members of the commission shall receive compensation for their services, pursuant to this compact and in accordance with the policies of the respective states, and they shall be entitled to be reimbursed for the expenses they naturally and necessarily incur in the performance of their duties.

4. Member. Any member of the commission who is otherwise a public officer or employee shall not suffer a forfeiture of his office or employment, or any loss or diminution in the rights and privileges pertaining thereto, by reason of membership on the commission.

§409. Powers and duties of the commission

1. Operation and administration; rules. The commission shall have the power and it shall be its duty to operate and administer Tri-state Lotto and to promulgate rules governing the establishment and operation thereof, including, but not limited to, the following topics:

A. The type of lottery to be conducted;

B. The price of the tickets;

C. The number and sizes of the prizes on the winning tickets;

D. The manner of selecting the winning tickets and paying the prizes;

E. The frequency of the drawings;

F. The type or types of locations at which tickets may be sold;

G. The method to be used in selling tickets;

H. The compensation required to be paid to Tri-state Lotto sales agents in order to assure adequate availability of tickets and public convenience in purchasing tickets; and

1. The development of an internal security plan designed to prevent player fraud.

2. Licensed sales agents. The commission, or its designee, shall also have the power and it shall be its duty to license sales agents to sell Tri-state Lotto tickets, in accordance with section 411. The commission may require a bond from any licensed agent in an amount to be determined by the commission.

3. Reports. The commission shall make monthly and year-end reports to the commissions of the party states, which shall include a full and complete statement of Tri-state Lotto revenues, prize disbursements and other expenses, and any other information the party states may require.

4. Audits. All Tri-state Lotto accounts and transactions shall be subject to annual post audits conducted by independent auditors retained by the commission for this purpose.

5. Corporate seal; contractual powers. In addition to the powers enumerated in this section, the commission may adopt a corporate seal and enter into contracts, including, but not limited to, contracts with other governments or agencies, to hire, lease, acquire and dispose of property to the extent necessary to carry out its functions, powers and duties as set forth in this chapter and to expend or authorize expenditures of moneys for the purpose of operating Tri-state Lotto pursuant to this compact. The party states each shall have the right to require such audit as that state may from time to time consider proper.

6. Additional powers. The commission also shall have such additional powers, incidental to the express powers granted to it by this compact, as may be necessary or proper for the effective performance of its functions.

§410. Cooperation and assistance of other agencies

To avoid duplication of effort and in the interests of economy, the commission may make use of existing studies, plans, data and other materials in the possession of the governmental agencies of the party states and their respective political subdivisions. Each such agency may make those materials available to the commission and otherwise assist it in the performance of its functions. The officers and personnel of those agencies, and of any other government or agency whatever, may serve at the re-

quest of the commission upon such advisory committees and panels as the commission determines to create, and the officers and personnel may serve upon those committees and panels without forfeiture of office or employment and with no loss or diminution in the status, rights and privileges which they otherwise enjoy.

§411. Licensing of Tri-state Lotto sales agents

1. Agents. The commission, or its designee, may license as agents to sell Tri-state Lotto tickets such persons as in its opinion will best serve the public convenience, except that no license may be issued to any person to engage in business exclusively as such a sales agent.

2. Person. For purposes of this chapter the term "person" shall be construed to mean and include an individual, partnership, association, organization, club, company, corporation, trust, estate, society, joint stock company, receiver, trustee, assignee, referee or any other person acting in a fiduciary or representative capacity, whether appointed by a court or otherwise, and any combination of individuals. "Person" shall also be construed to mean and include agencies and instrumentalities of the State, counties, cities, towns and villages.

3. Issuance of licenses. Before issuing a license to any person, the commission shall consider with respect to that person:

A. Financial responsibility and the security of the business or activity in which the person is engaged;

B. Accessibility of the place of business or activity to the public;

C. Sufficiency of existing licenses to serve public convenience;

D. Whether the place of business or activity is predominantly frequented by persons under the age of 18 years;

E. Volumes of expected sales; and

F. The possession of a valid party state license.



§412. Suspension and revocation of licenses

1. Suspension; revocation. The commission may suspend or revoke, after notice and hearing, any license issued pursuant to this compact. The license may be temporarily suspended by the commission without prior notice, pending any prosecution, investigation or hearing. A license may be suspended or revoked by the commission for just cause, including one or more of the following reasons:

A. Failure to account for tickets received or the proceeds of the sale of tickets or to file a bond, if required by the commission, or to comply with instructions of the commission concerning the licensed activity;

B. Conviction of any criminal offense;

C. Failure to file any return or report, to keep records or to pay any tax;

D. Engaging in fraud, deceit, misrepresentation or conduct prejudicial to public confidence;

E. Insufficiency of the number of tickets sold by the sales agent; or

F. A material change, since issuance of the license, with respect to any of the matters required to be considered by the commission under section 411, subsection 3.

2. Suspension; tri-state license. Any suspension or revocation of a state license shall automatically result in suspension of the tri-state license.

§413. Inapplicability of other statutes

1. Inapplicability. No other law providing for any penalty or disability for the sale of lottery tickets or any acts done in connection with a lottery applies to the sale of tickets or acts performed under this chapter.

2. Precedence. The provisions of this compact shall apply and take precedence in the event of any conflict between the provisions contained in this compact and the provisions of other laws of any of the member states.

§414. When sale of tickets prohibited

1. Prohibition; price; licensed sales agent. No ticket may be sold at a price greater than those fixed by the commission, nor may a sale be made by any person other than a licensed sales agent. Any person who violates any of these provisions shall be subject to the sanctions of each respective party state's lottery statutes.

2. Prohibition; age limitation. No ticket may be sold to any person under 18 years of age, but this shall not be deemed to prohibit the purchase of a ticket for the purpose of making a gift by a person 18 years of age or older to a person less than that age. Any licensee or the employee or agent of any licensee who sells or offers to sell a ticket to any person under 18 years of age shall be subject to the sanctions of each respective party state's lottery statutes.

3. Prohibition; affiliation with commission. No prize may be paid to any of the following persons:

A. Any member, officer or employee of the commission; or

B. Any spouse, child, brother, sister or parent residing as a member of the same household in the principal place of abode of any of the persons set out in paragraph A.

#### §415. Collection and disposition of revenue

1. Delivery to commission of party state. All moneys received by any and all Tri-state Lotto sales agents from the sales of Tri-state Lotto tickets, less the amount, if any, retained pursuant to section 409, subsection 1, paragraph G shall be delivered weekly to the commission of the party state in which the sales were made.

2. Tri-state Lotto Prize Account. Within one week after a Tri-state Lotto drawing has been held, the party state commission shall pay to the commission, who in turn shall promptly pay to an account known as the Tri-state Lotto Prize Account, such moneys as are necessary for the payment of prizes, less actual prizes paid by the respective party state in the preceding week, but not to exceed 50% of the total amount for which tickets have been sold.

3. Interest; prize account. Interest earned by the Tri-state Lotto Prize Account shall accrue to the party states in direct proportion to their contribu-

tion to the account. Distribution shall be made at least semiannually.

4. Withdrawals. The withdrawals, pursuant to section 416, of moneys from the Tri-state Lotto Prize Account so deposited by the commission, shall be subject to a check signed by a member of the commission or such officer, employee or agent of the commission as the commission may designate. The moneys in the prize payment account shall be paid out of that account on vouchers certified or approved by the commission or its duly designated officer, agent or employee.

5. Tri-state Lotto Operations Account. The commission shall receive from party states, within one week after a Tri-state Lotto drawing, an additional sum of moneys not to exceed 15% of the total amount for which tickets have been sold. The moneys to be deposited in a bank, banking house or trust company selected by the commission in an account to be named the Tri-state Lotto Operations Account. The operations account shall be used to pay Tri-state Lotto current operating costs, which shall be charged proportionally to the party states. If operating costs exceed or fall short of the amount obtained in that account, appropriate adjustments shall be made on a quarterly basis within 30 days of the end of each quarter.

6. Interest; operations account. Interest earned by the Tri-state Lotto Operations Account shall accrue to the party states in direct proportion to their contribution to the account. Distribution shall be made at least semiannually.

§416. Certification of prize winners and payment of prizes

1. Prizes over \$5,000; certified list. All prizes over \$5,000 shall be awarded to holders of winning tickets as provided in this section. Within one week after any drawing or selection of prize winning tickets, the commission shall deliver to each of the party states a certified list of the tickets to which prizes are awarded and the amount of each such prize. Upon delivery of the certified list and voucher of the commission, moneys sufficient for the payment of those prizes may be withdrawn from the prize account established in section 415, subsection 2. The commission shall each month provide each party state with a record of all such withdrawals. Payment of prizes shall be made by the commission, or its designee, to holders of the tickets to which

prizes are awarded, except that payment of any prize drawn may be paid to the estate of a deceased prize winner, and except that any person, pursuant to an appropriate judicial order, may be paid the prize to which the winner is entitled. The commission, its officers, agents and employees shall be discharged of all further liability upon payment of a prize pursuant to this section.

2. Payment; persons under 18 years of age. If the person entitled to a prize on any winning ticket is under 18 years of age and the prize is less than \$5,000, the commission may make payment by delivery to an adult member of the minor's family or a guardian of the minor of a check or draft payable to the order of the minor. If the person entitled to a prize on any winning ticket is under 18 years of age and if the prize is \$5,000 or more, the commission may make payment to the minor by depositing the amount of the prize in any bank to the credit of an adult member of the minor's family or a guardian of the minor as custodian for the minor. The commission shall be discharged of all further liability upon payment of a prize to a minor pursuant to this subsection.

3. Prizes under \$5,000. Prizes of less than \$5,000 may be paid in such manner as the commission may direct in its rules, as long as those rules are not inconsistent with this compact.

§417. Unclaimed prize money

Unclaimed prize money for the prize on a winning ticket shall be retained by the commission for payment to the person entitled thereto for one year after the drawing in which the prize was won. If no claim is made for the prize within one year from the date of the drawing, the prize money shall be credited to the prize pool. Upon the expiration of a one-year time period from the drawing date, the ticket holder shall forfeit any claim or entitlement to the prize moneys.

§418. Duration of commission and Tri-state Lotto

The commission and Tri-state Lotto shall continue in existence until this compact is revoked by all of the party states. The withdrawal of one party state shall not render the compact invalid between the remaining states.

§419. Interpretation

This compact shall be construed liberally to effectuate its purposes.

§420. Amendments

Amendments and supplements to this compact may be adopted by concurrent legislation of the party states.

§421. Immunity and limitation on liability

1. Sovereign Immunity. The commission shall enjoy the sovereign immunity of the party states and neither it nor any of its officers or employees may be sued in any court or tribunal whatsoever by any player in connection with their activities in administering the Tri-state Lotto Game.

2. Liability; pledge of credit. The commission may not pledge the credit of the party states, or any of them individually, or impose any liability upon them, or any of them, directly or indirectly.

3. Disputes concerning tickets. In the event a dispute arises as to whether a ticket is a winning ticket, and irrespective of whether the basis for the dispute is a claim of negligence, breach of contract, intentional tort or any other culpable conduct on the part of the commission, its members or employees, the player's sole remedy shall be to apply to the commission for a refund of the price allegedly wagered, and whether that price is refunded lies solely within the discretion of the commission. The provisions of this section are essential to the compact.

§422. Fiscal year

The fiscal year of the Tri-state Lotto Commission shall be from July 1st of one calendar year to June 30th of the succeeding calendar year.

§423. State tax exemption

The cash prizes received pursuant to this compact shall be exempt from all state, county, municipal and local taxes within the party state.

Sec. 2. Sunset provision. This chapter shall be reviewed by the Legislature 2 years after the effective date of this Act and reviewed by the Legislature again 5 years after the effective date of this Act.

Sec. 3. Effective date. This chapter shall become effective when at least 2 party states with a combined population of 2 million or more people enact the compact into law.

Effective July 25, 1984, unless otherwise indicated.

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## CHAPTER 733

H.P. 1718 - L.D. 2277

AN ACT Regarding the Effective Date  
of Interest Charges on Overdue  
Contributions to the Unemployment  
Compensation Fund.

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

26 MRSA §1225, sub-§3, as amended by PL 1983, c. 351, §26, is further amended to read:

3. Interest on past-due contributions. Contributions which are unpaid on the date on which they are due and payable, as prescribed by regulation, shall bear interest at the rate determined by the State Tax Assessor as established by Title 36, section 186, from and after the due date, until payment is received by the bureau. The interest rate determined by the State Tax Assessor, for the purposes of this section, shall be in effect for the full calendar year following the year in which it is determined. If it is shown to the satisfaction of the commissioner that the delinquency arose from reasonable questions of liability under this subchapter, the commissioner, in his discretion, may abate part of the interest not to exceed 75% of the total interest. If it is shown to the satisfaction of the commissioner that the delinquency arose through no fault of the employer, no assessment of interest shall be made.

Effective July 25, 1984.

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## CHAPTER 734

H.P. 1657 - L.D. 2187

AN ACT to Require Prisoners on Work  
Release to Pay for the Cost of Their Board in  
a Correctional Facility.