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ANNUAL REPORT ON USE OF FUNDS

PURSUANT TO 8 MRS SECTION 1037

2014

PRESENTED TO THE JOINT STANDING COMMITTEES ON:

**VETERANS AND LEGAL AFFAIRS;
AGRICULTURE, CONSERVATION AND FORESTRY; AND,
APPROPRIATIONS AND FINANCIAL AFFAIRS**

FEBRUARY 15, 2015

**SUBMITTED BY:
HENRY W. JACKSON, EXECUTIVE DIRECTOR
MAINE STATE HARNESS RACING COMMISSION
MAINE DEPARTMENT OF AGRICULTURE, CONSERVATION AND FORESTRY**

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STATE OF MAINE
DEPARTMENT OF AGRICULTURE, CONSERVATION AND FORESTRY
MAINE STATE HARNESS RACING COMMISSION
28 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0028

PAUL R. LEPAGE
GOVERNOR

WALTER E. WHITCOMB
COMMISSIONER

BARBARA J. DRESSER
CHAIR

HENRY W. JACKSON
EXECUTIVE DIRECTOR

February 15, 2015

Senator Scott W. Cyrway, Senate Chair
Representative Louis J. Luchini, House Chair
Joint Standing Committee on Veterans and Legal Affairs

Senator Peter E. Edgecomb, Senate Chair
Representative Craig V. Hickman, House Chair
Joint Standing Committee on Agriculture, Conservation and Forestry

Senator James M. Hamper, Senate Chair
Representative Margaret R. Rotundo, House Chair
Joint Standing Committee on Appropriations and Financial Affairs

Dear Committee Chairs:

This report is being submitted on behalf of the Maine Department of Agriculture, Conservation and Forestry and the Maine State Harness Racing Commission pursuant to 8 MRS Section 1037, Annual Report on Use of Funds. The information contained in the Report conforms to the requirements outlined in Section 1037 as it pertains to commercial tracks; agricultural fairs that conduct harness racing; agricultural fairs that do not conduct harness racing; breeders and owners within the Maine Standardbred Program; and, off-track betting facilities.

The Report has been compiled from data that was submitted by licensees that received a share of the funds generated in 8 MRS Section 1036. The figures that are contained in this report are for calendar year 2014.

Respectfully submitted by,

Henry W. Jackson
Executive Director
Maine State Harness Racing Commission

CC: Walter E. Whitcomb, Commissioner, Dept. of Agriculture, Conservation and Forestry
Barbara J. Dresser, Chair, Maine State Harness Racing Commission

Commercial Race Tracks

There were two (2) licensed pari mutuel facilities that met the definition of a Commercial Race Track pursuant to 8 MRS Section 275-A. One is located in Scarborough and the other in Bangor.

Scarborough Downs conducted 102 days of live racing offering wagering on 939 dashes and Bangor Raceway conducted 54 days of live racing and offered wagering on 495 dashes to the Off-track Betting facilities in Maine as well as out-of-state. Both facilities were licensed to accept pari mutuel wagers on simulcast races for 363 days.

The revenues received from the Fund To Encourage Racing At Maine's Commercial Tracks were used by the recipients to defray expenses incurred in conducting live racing and accepting pari mutuel wagers throughout the licensing year.

The information required to be reported in 8 MRS Section 1037 subsection 1 is contained on the following pages.

Scarborough Downs

Racino Fund to Encourage
Racing At Maine
Commercial Racetracks

1,055,931.02

Capital Improvements

2014

14,000

Commercial Meet Fund
Capital Improvements

0.00

OTB Simulcast Fund

235,291.16

Purse Supplement

Handle 268,076.92

Extended Meet 0.00

Commercial Meet 0.00

Live On Track 27,532.68

Interstate On Track 798,636.96

Intertrack to Original Track 4,336.44

OTB Purse to Original Track 14,614.28

Racino Funds 1,899,350.49

Ag. Fair Support Fund Racino 196,733.75

Casino Funds 274,587.16

Ag. Fair Support Fund Casino 93,359.63

OTB to Original Track

Track Share 16,112.92

Payment MHHA

57,357.28

Purse Paid

3,047,200.00

Days Raced

102.00

Dashes Raced

939.00

Dashes Available

To OTB Intra State 939

To OTB Inter State 939

Total Live Wagers

1,158,374

Total Intra State Wagers

282,532

Total Inter State Wagers

10,243,872

Track Share

1,366,157.76

Ag. Fair Stipend Fund

108,000.34

Sire Stakes Fund

99,178.18

Promotional Board Fund

23,004.18

Purse Supplement Fund

90,974.65

Commission Operating Budget

155,197.35

Horsemen's Purse On Track

798,636.96

Number of Employees

Full Time 31

Part Time 42

Operating Costs

3,875,660

Profit And Loss

-6,129

Depreciation Figures -111,321

Administrative Costs of

Reporting Requirements 500

Bangor Raceway

Racino Fund to Encourage Racing At Maine Commercial Racetracks	559,022.31	Capital Improvements 2014	0.00
Commercial Meet Fund Capital Improvements	0.00		
OTB Simulcast Fund	66,283.02		
Purse Supplement Handle	141,923.07		
Extended Meet	0.00	Number of Employees	
Commercial Meet	0.00	Full Time	4
Live On Track	7,225.95	Part Time	14
Interstate On Track	93,955.06		
Intertrack to OriginalTrack	4,336.44	Operating Costs	1,817,129.00
OTB Purse to Original Track	1,011.63		
Racino Funds	1,001,255.05	Profit And Loss or Depreciation Figures	-363,123.00 65,660.00
Ag. Fair Support Fund Racino	102,128.01		
Casino Funds	144,750.42		
Ag. Fair Support Funds Casino	49,215.14		
OTB to Original Track Track Share	4,772.42	Administrative Costs of Reporting Requirements	1,200.00
Payment MHHA	24,785.37		
Purse Paid	1,512,050.00		
Days Raced	54		
Dashes Raced	495		
Dashes Available			
To OTB Intra State	495		
To OTB Inter State	495		
Total Live Wagers	294,545		
Total Intra State Wagers	86,364		
Total Inter State Wagers	2,833,255		
Track Share	383,398.04		
Ag. Fair Stipend Fund	29,870.26		
Sire Stakes Fund	31,185.21		
Promotional Board Fund	6,372.15		
Purse Supplement Fund	25,209.29		
Commission Operating Budget	47,395.76		
Horsemen's Purse On Track	93,955.06		

Agricultural Fairs that Conduct Harness Racing

There were nine (9) licensed agricultural fairs that conducted harness racing during their annual exhibition. The total number of days these nine agricultural fairs conducted harness racing in 2014 was 57 days. Cumberland Fair conducted one (1) day of racing that is classified as an Extended Meet.

These nine fairs spent a total of \$1,013,693 in premiums and made \$923,655 in capital improvements in 2014. These fairs wagered \$1,718,156 at their tracks and paid out \$1,570,150 in purses.

The information required to be reported in 8 MRS Section 1037 subsection 2 is contained on the following page.

It should be noted that absent a requirement in the statute to keep funds received from the racino in Bangor and the casino in Oxford separate, most fairs comingled these funds in either their general operating account or in the horsemen's purse account. Therefore, there is not an independent accounting for the funds received pursuant to 8 MRS Section 286 and 7 MRS Section 86. However, after reviewing the annual reports required for submission to this office, it has been determined that these funds have been used in accordance with the provisions found in 8 MRS Section 286 and 7 MRS Section 86.

2014 Agricultural Fairs that Conduct Harness Racing

Fair	Handle Purse Supplement	Racino Purse Supplement	Casino Purse Supplement	Ag. Fair Racino Purse Supplement	Ag Fair Casino Purse Supplement	On Track Purse Supplement	OTB Purse Supplement	Payment MHHA Funding	Purses Paid	Days Raced	Dashes Raced	Dashes Available to OTB	Total Live Wagered
Cumberland	21,025.64	157,773.52	22,809.16	16,092.90	7,755.11	3,255.80	1,523.93	3,691.60	212,000.00	8	78	78	150,547
Cumberland Ext.	2,628.21	20,227.38	2,924.25	2,063.19	994.25	340.08	0.00	467.83	25,500.00	1	10	0	14,300
Farmington	18,397.44	139,568.89	20,177.33	14,236.03	6,860.29	3,142.92	1,714.98	3,272.51	188,050.00	7	69	69	155,869
Fryeburg	15,769.23	121,364.25	17,545.51	12,379.15	5,965.47	13,872.78	0.00	2,996.70	172,100.00	6	60	0	616,648
Northern Maine	15,769.23	101,136.87	14,621.25	10,315.96	4,971.24	1,604.08	0.00	2,379.74	137,300.00	6	50	0	71,746
Oxford	10,512.82	84,954.97	12,281.85	8,665.41	4,175.83	1,341.47	1,037.85	1,971.70	101,100.00	4	42	42	67,696
Skowhegan	15,769.23	121,364.25	17,545.51	12,379.15	5,965.47	4,212.42	1,439.81	2,864.89	187,400.00	6	60	70	197,333
Topsham	13,141.03	99,114.14	14,328.83	10,109.64	4,871.80	1,382.03	816.99	2,305.12	140,900.00	5	49	49	59,072
Union	13,141.03	95,068.66	13,743.98	9,697.00	4,672.95	1,670.67	0.00	2,212.60	134,000.00	5	47	0	84,514
Windsor	23,653.84	196,205.54	28,365.23	20,012.97	9,644.18	10,673.83	3,251.91	4,678.84	271,800.00	9	97	86	343,999
	149,807.70	1,136,778.47	164,342.90	115,951.40	55,876.59	41,496.08	9,785.47	26,841.54	1,570,150.00	57.00	562.00	394.00	1,761,724.00

Fair	OTB Simulcast Fund	Premiums Approved	Facilities Approved	Bangor Racino Stipend	Oxford Casino Stipend	Premium Stipend	Facility Stipend	Attendance Paid	Attendance Free & Vendor	Attendance Total	Labor Costs	Operating Expenses
Cumberland	12,883.42	92,877	76,812	43,720.13	22,956.49	9,277	13,608	38,551	15,758	54,309	137,306.46	411,768.43
Farmington	17,583.11	68,165	50,154	34,864.41	16,848.40	6,808	13,608	21,793	1,207	23,000	85,519.51	222,883.42
Fryeburg	0.00	350,437	616,386	161,034.45	86,617.81	35,002	13,608	152,437	152,063	304,500	1,224,048.00	1,535,787.00
Northern Maine	0.00	72,704	50,111	35,675.69	17,970.31	7,262	13,608	20,113	3,043	23,156	64,459.85	133,791.91
Oxford	9,625.26	50,251	0	27,338.82	12,420.56	5,019	13,608	10,500	1,500	12,000	17,898.00	146,426.00
Skowhegan	13,105.20	114,178	21,100	58,485.94	28,221.47	11,404	13,608	53,000	3,000	56,000	35,428.00	644,059.00
Topsham	7,385.62	54,634	21,814	24,783.75	13,503.93	5,457	13,608	21,110	5,890	27,000	50,915.00	151,459.47
Union	0.00	76,018	10,000	37,671.82	18,789.43	7,593	13,608	24,112	6,028	30,140	30,321.00	263,863.00
Windsor	33,190.79	134,429	77,278	58,727.91	33,226.93	13,427	13,608	46,050	48,950	95,000	138,835.00	641,412.00
	93,773.40	1,013,693	923,655	482,302.92	250,555.33	101,249	122,472	387,666	237,439	625,105	1,784,731	4,151,450

Agricultural Fairs that do not Conduct Harness Racing

There were fifteen (15) licensed agricultural fairs that did not conduct harness racing during their annual exhibition in 2014. These fifteen fairs paid out \$545,131 in premiums and made \$418,379 in capital improvements.

The information required to be reported in 8 MRS Section 1037 subsection 3 is contained on the following page.

It should be noted that absent a requirement in the statute to keep the funds received from the racino in Bangor and the casino in Oxford separate, most fairs comingled these funds in their general operating account. Therefore, there is not an independent accounting for the funds received pursuant to 8 MRS Section 286 and 7 MRS Section 86. However, after reviewing the annual reports required for submission to this office, it has been determined that these funds have been used in accordance with the provisions found in 8 MRS Section 286 and 7 MRS Section 86.

2014 Agricultural Fairs that do not Conduct Harness Racing

Fair	Premiums Approved	Facilities Approved	Bangor Racino Stipend	Oxford Casino Stipend	Handle Premium Stipend	Handle Facility Stipend	Attendance Paid	Attendance Free & Vendor	Attendance Total	Labor Costs	Operating Expenses
Acton Fair	33,991	10,801	14,703.56	8,401.59	3,395	1,389	9,394	606	10,000	11,429.93	78,159.95
Bangor Fair	71,436	9,348	22,866.38	17,656.90	7,135	2,920	43,378	3,047	46,425	89,446.00	385,673.00
Blue Hill Fair	60,560	1,000	29,820.30	14,968.67	6,049	2,475	21,769	0	21,769	63,805.40	181,241.12
Clinton Fair	43,960	138,970	18,919.87	10,798.90	4,364	1,786	12,391	1,936	14,327	4,101.00	49,577.30
Common Ground Fair	33,959	137,300	26,280.37	8,393.68	3,392	1,388	39,178	16,973	56,151	51,071.38	461,078.38
Harmony Free Fair	8,304	1,493	5,673.79	2,052.51	829	340	0	0	10,000	0.00	37,822.20
Houlton Fair	80,482	11,897	37,735.97	19,895.80	8,037	3,290	8,500	440	8,940	11,749.00	56,259.00
Litchfield Fair	45,683	20,880	20,344.80	11,291.51	4,563	1,867	10,359	4,912	15,271	11,564.50	62,378.99
Monmouth Fair	18,135	2,076	7,893.97	4,482.44	1,811	741	3,176	1,099	4,275	60.00	25,541.15
North New Portland Fair	9,610	8,940	4,987.97	2,375.31	960	393	4,680	70	4,750	2,453.00	2,197.00
Ossipee Valley Fair	37,103	12,550	18,029.82	9,170.78	3,706	1,517	5,094	2,500	7,594	2,829.50	45,932.96
Piscataquis Valley Fair	30,758	13,354	14,573.38	7,602.48	3,072	1,257	10,100	400	10,500	3,500.00	100,491.06
Pittston Fair	24,370	26,046	12,637.14	6,023.55	2,434	996	2,832	622	3,454	56,000.00	21,224.26
Springfield Fair	37,657	16,532	21,043.36	9,307.71	3,761	1,539	7,700	1,000 990	8,700	15,039.53	81,477.32
Waterford World's Fair	9,123	7,192	5,588.42	2,254.94	911	373	1,010	303	1,313	0.00	44,711.40
TOTALS	545,131	418,379	261,099.10	134,676.77	54,419	22,271	179,561	33,908	223,469	323,049.24	1,633,765.09

Maine Standardbred Program

The industry has experienced an increase in the number of Sire Stakes eligibles participating in overnight events at the various licensed racetracks. However, it is not sufficient enough to replace the number of horses that are no longer able to participate in the overnight racing program. Therefore, we continue to import horses from other racing jurisdictions that are unable to compete favorably in their racing program.

2014

Yearlings Nominated	95
Mares Bred	143
Stallions Registered	35
Total Number of Dashes	156
2 year olds	53
Average Purse per Dash	\$ 9,662
Average Final Purse	\$57,296
Average Consolation Final	\$13,900
3 year olds	103
Average Purse per Dash	\$ 9,742
Average Final Purse	\$84,909
Average Consolation Final	\$14,200

The revenues generated for 2014 from the operation of the slot facility in Bangor was \$1,254,429.42; from the Oxford Casino was \$583,680.48; and from the wagering handle was \$302,897.59.

Page 13 contains the individuals who received purse money from the Sire Stakes Program and how much each individual earned. It also contains the number of horses that earned purse winnings throughout the racing program.

I have included an accounting of the funds received and the expenditures made from that account. At the end of the 2014 racing year, there was a balance of \$148,125.43. Of that amount, \$140,000 was distributed to the participants that earned points throughout the racing program; \$2,244.76 was distributed to the Maine Harness Horsemen's Association per 8 MRS 272-B; and, \$5,880.67 is being carried forward to the 2015 racing program.

Further, I have included a breakdown of the number of participants for calendar year 2014.

2014 STALLIONS REGISTERED AND NUMBER OF MARES COVERED

B Dramattic	0
Baron Biltmore	5
Berley	0
Boy Band	16
Cheyenne Hollywood	8
CR Power Glide	6
Credible Winner	0
Credit Marker	2
Current Cast	4
Denver Cyclone	1
Destry Hanover	1
Deuce Seelster	16
Dropofthehammer	0
Fox Ridge Connor	2
Freedom Hanover	1
Heifetz Hanover	0
Keystone Rodeo	4
Lord Valentine	2
Luckcamotion	5
Musclini	5
Neutralize	6
Noble Venture	12
Pictonian One	2
R S Banker	2
Rare Bunny	0
Shady Character	9
Shipps Super Cruise	1
Solo Speed	4
Tenant In Chief	4
Tequila Spur	6
Victor Blue Chip	1
Western Bay	0
Western Maverick	18
Yebo	0

2014 PARTICIPATION STATISTICS

Stallions Registered		35
Mares Bred		143
Yearlings Nominated		95
Two Year Old Continued		128
Two Year Old Sustained		120
	Pacing	
	Colts:	32
	Pacing	
	Fillies:	34
	Trotting	
	Colts:	27
	Trotting	
	Fillies:	27
Three Year Old Continued		105
Three Year Old Sustained		98
	Pacing	
	Colts:	38
	Pacing	
	Fillies:	30
	Trotting	
	Colts:	18
	Trotting	
	Fillies:	12

2014 STANDARD BRED BREEDERS SIRE STAKES FINANCIAL REPORT

TOTAL HANDLE: 30,125,955

REVENUES:

Revenue from the handle	\$302,897.59
2013 Commercial Meet Fund	00.00
Fees	30,900.00
Revenue from the Racino, 2013	1,254,429.42
Revenue from Oxford Casino, 2013	583,680.48
TOTAL	\$2,171,907.49

EXPENSES:

Total legs	\$1,267,784.00
Finals	559,218.00
Consolation Finals	38,700.00
MHHA Contract 1.6034%	31,733.58
MSBOA Promotion Contract, Handle, 2014	15,144.88
MSBOA Promotion Contract, Racino, 2014	62,721.47
Printing	40.96
2013 Shortfall, Transfer from 01 Acct.	7,462.23
Transfer to Commission Operating Budget	43,214.24
Dicap Charges	7.46
Balance Distributed in March	140,000.00
TOTAL	\$2,166,026.82

BALANCE 2014: \$5,880.67

BALANCE CARRIED FORWARD TO 2015: \$5,880.67

Shortfall in 2013 was \$7,462.23. This amount was transferred from 2014 revenues to Balance 2013 Accounts.

2014 Purse Distribution to Participants

Owner	No. of Horses Earned Purse Money	Amount Earned	Owner	No. of Horses Earned Purse Money	Amount Earned
Allen, Kermit	3	11,974.19	Humphrey, Michael	1	1,321.06
Andrew, Michael	5	31,109.86	Ireland, Kim	1	3,120.94
Beckwith, Douglass	1	8,379.52	KDK Standardbreds	3	41,577.43
Bowie, Cindie	1	12,446.86	Kelley, James	4	25,225.67
Ben Bill and Will Stable	7	116,259.65	Korhonen, John	2	15,398.97
Campbell, Drew	1	24,674.54	Lacasse, Stephen	1	15,403.12
Card, Andrew	3	114,562.08	Lyons, Philip	1	4,956.73
Childs, Dana	2	31,426.25	Malin, Dean	1	15,275.28
Childs, William	1	1,819.19	Marean, Donald	1	6604.5
Clements, Jack	1	2,350.32	Marston, Emily	2	14,123.43
Cole, Roland	1	32,130.98	MacDonald, Donya	1	779.11
Corso, Carolyn	1	47,483.23	McGee, Scott	1	765.11
Crochere, Robyn	1	2,401.65	Muldoon, susan	1	6,688.61
Cushing, Robert	1	31,488.27	Niles, Dakota	1	21,486.33
Cushing, Charlene	1	28,228.30	O'Keefe, Florence	1	49,953.47
Davies, Owen	1	27,059.07	Poulin, Roger	1	539.74
Dearborn, Tony	1	24,255.44	Phipps, William	1	7,518.28
Dickison, Donald	3	34,672.99	Pratt, Stephen	1	551.04
Dillon, Thomas	6	209,712.50	Ragin Cajun Strable	1	2,824.50
Dowling, Marcella	1	6,712.52	Ralph, Ronald	1	10,235.54
Dresser, Harold	2	9,127.73	Reny, Paul	1	6,976.93
East Pond Stable	2	58,063.96	Regina, John	1	3,666.83
Fernald, Mary	1	1,057.29	Richards, Donald	1	6,725.27
Flynn, Joseph	1	811.51	Ross, Alfred	1	534.14
Fontaine, Paul	1	5,047.74	Silva, Lynn	1	23,946.16
Foss, Dennis	2	92,591.99	Smallwood, James	2	79,562.45
Frazier, Diane	2	17,944.43	Smythe, William	1	27,820.81
Gilman, Goodwin	1	4,737.52	Soule, Barry	1	13,231.89
Gordon, Heidi	1	38,945.22	Sowers, Tammy	1	11,837.76
Graffam, Michael	4	89,938.92	St. Clair, Normand	1	81,978.20
Hall, Sandra	1	2,195.72	Tibbetts, Darrell	1	34,065.27
Hebert, Kevin	1	486.94	Trice, Joseph	4	72,476.51
Hiscock, Allie	1	34,407.69	Varney, William	10	478,964.85
Holden, Robert	1	6,842.26	Varnum, Luke	1	1,066.79

Off-track Betting Facilities

There were four (4) licensed off-track betting facilities that operated in 2014. Pioneer Gaming LLC is located in Waterville; Winners OTB is located in Brunswick; Winners Circle OTB is located in Lewiston and, OTB Facilitators is located in Sanford.

On March 16, 2014 the operators of the Sanford OTB closed the facility. On May 1, 2014 Pioneer Gaming, LLC took over the management responsibility of the facility and was licensed on August 27, 2014 to operate the facility.

All four facilities offer pari mutuel wagering on races that originate in Maine as well as races from other states.

The information required to be reported in 8 MRS Section 1037 subsection 5 is contained on the following pages.

It should be noted that the requirement for Section 1037 subsection 5 paragraph A is not included in this report. None of the off-track betting facilities were able to extract this information from the totalizator records that were in their custody.

Off-track Betting Facility Information

Pioneer Gaming LLC
Favorites OTB

Number of Wagers	
Amount Wagered	
Intrastate	163,570
Interstate	2,764,680
Number of Employees	
Full Time	1
Part Time	4
Operating Costs	665,538.00
Primary Location	Waterville
Number of Races	
In State	1,996
Capital Improvements	350.00
Distribution of Wagering Handle	
OTB Share	316,516.56
Ag. Fair Stipend	30,861.81
Sire Stakes	33,098.01
Purse Supplement	93,954.32
Promotional Board Fund	6,585.72
Commission Operations	57,952.32
OTB Simulcast Fund	84,271.76
Originating Track Share	10,171.83
Horsemen's Purse Acct.	9,365.79
Racino Fund to Stabilize OTB	100,934.60

Off-track Betting Facility Information

LRI, Inc. D/B/A
Winners Circle OTB

Number of Wagers	
Amount Wagered	
Intrastate	154,133
Interstate	4,075,992
Number of Employees	
Full Time	4
Part Time	8
Operating Costs	766,023.28
Primary Location	Lewiston
Number of Races	
In State	1,996
Capital Improvements	60,000.00
Distribution of Wagering Handle	
OTB Share	430,810.04
Ag. Fair Stipend	42,842.70
Sire Stakes	38,638.45
Purse Supplement	117,613.74
Promotional Board Fund	9,123.44
Commission Operations	71,715.86
OTB Simulcast Fund	117,484.19
Originating Track Share	12,201.53
Horsemen's Purse Acct.	11,046.92
Racino Fund to Stabilize OTB	100,934.60

Off-track Betting Facility Information

Midcoast OTB D/B/A
Winners.... OTB

Number of Wagers	
Amount Wagered	
Intrastate	60,301
Interstate	4,016,745
Number of Employees	
Full Time	4
Part Time	1
Operating Costs	1,047,557.28
Primary Location	Brunswick
Number of Races	
In State	1,996
Capital Improvements	0.00
Distribution of Wagering Handle	
OTB Share	440,171.25
Ag. Fair Stipend	42,874.52
Sire Stakes	39,629.08
Purse Supplement	122,857.12
Promotional Board Fund	9,132.87
Commission Operations	72,890.00
OTB Simulcast Fund	120,774.08
Originating Track Share	4,774.08
Horsemen's Purse Acct.	4,383.82
Racino Fund to Stabilize OTB	100,934.60

Off-track Betting Facility Information

OTB Facilitators, LLC
Pioneer Gaming, LLC

Number of Wagers	
Amount Wagered	
Intrastate	35,266
Interstate	2,435,160
Number of Employees	
Full Time	2
Part Time	3
Operating Costs	494,217.00
Primary Location	Sanford
Number of Races	
In State	1,996
Capital Improvements	0.00
Distribution of Wagering Handle	
OTB Share	266,465.24
Ag. Fair Stipend	25,823.75
Sire Stakes	24,740.04
Purse Supplement	75,798.79
Promotional Board Fund	5,503.09
Commission Operations	44,942.21
OTB Simulcast Fund	72,817.53
Originating Track Share	2,791.18
Horsemen's Purse Acct.	2,458.93
Racino Fund to Stabilize OTB	100,934.60

APPENDIX



STATE OF MAINE
DEPARTMENT OF AGRICULTURE, CONSERVATION AND FORESTRY
MAINE STATE HARNESS RACING COMMISSION
28 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0028

PAUL R. LEPAGE
GOVERNOR

WALTER E. WHITCOMB
COMMISSIONER

BARBARA J. DRESSER
CHAIR

HENRY W. JACKSON
EXECUTIVE DIRECTOR

February 2, 2015

TO: Licensed Off-track Betting Facilities and Licensed Commercial Race Tracks that Received Funds from the Operation of Slot Facilities in Maine in 2014.

FROM: Henry W. Jackson, Executive Director

RE: The Reporting Requirements are Found in 8 MRS Section 1037.

Pursuant to 8 MRS Section 1037, the Department of Agriculture, Conservation and Forestry is required by to prepare a report outlining the use of the funds generated in 8 MRS Section 1036 and distributed to recipients pursuant to 8 MRS Sections 281, 298, 299 and 300 and 7 MRS Section 91. These numbers I have access to in my office.

All licensed Off-track Betting Facilities and Commercial Racetracks are to report the number of part-time and full time employees engaged in your operation and the operating costs incurred with your facility. Also, indicate how many wagers were paced on your signal from our-of-state facilities as well as the amount of money received from those facilities for your signal.

Please provide me with the required information on or before February 11, 2015.

I will try to answer any questions you may have regarding this reporting requirement.

Title 8: AMUSEMENTS AND SPORTS
Chapter 31: GAMBLING CONTROL BOARD

Subchapter 3: SLOT MACHINE OPERATION; ALLOCATION OF FUNDS

§1036. Allocation of funds

1. **Distribution for administrative expenses of board.** A slot machine operator licensed under section 1011, subsection 2 or a casino operator that is a commercial track that was licensed to operate slot machines under section 1011, subsection 2 on January 1, 2011 shall collect and distribute 1% of gross slot machine income to the Treasurer of State for deposit in the General Fund for the administrative expenses of the board.
[2011, c. 417, §7 (AMD) .]
2. **Distribution of net slot machine income from casino with commercial track.** A slot machine operator licensed under section 1011, subsection 2 or a casino operator that is a commercial track that was licensed to operate slot machines under section 1011, subsection 2 on January 1, 2011 shall collect and distribute 39% of the net slot machine income from slot machines operated by the slot machine operator to the board for distribution by the board as follows:
 - A. Three percent of the net slot machine income must be deposited to the General Fund for administrative expenses of the board in accordance with rules adopted by the board, except that of the amount calculated pursuant to this paragraph, the following amounts must be transferred annually to the Gambling Addiction Prevention and Treatment Fund established by Title 5, section 20006□B:
 - (1) For the fiscal year beginning July 1, 2011, \$50,000;
 - (2) For the fiscal year beginning July 1, 2012, \$50,000; and
 - (3) For the fiscal year beginning July 1, 2013 and for each fiscal year thereafter, \$100,000; [2009, c. 622, §2 (AMD).]
 - B. Ten percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the fund established in section 298 to supplement harness racing purses; [2005, c. 663, §12 (AMD).]
 - C. Three percent of the net slot machine income must be credited by the board to the Sire Stakes Fund created in section 281; [2005, c. 663, §12 (AMD).]
 - D. Three percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Agricultural Fair Support Fund established in Title 7, section 91; [2007, c. 466, Pt. A, §29 (RPR).]
 - E. Ten percent of the net slot machine income must be forwarded by the board to the State Controller to be credited to the Fund for a Healthy Maine established by Title 22, section 1511 and segregated into a separate account under Title 22, section 1511, subsection 11, with the use of funds in the account restricted to the purposes described in Title 22, section 1511, subsection 6, paragraph E. For the fiscal years ending June 30, 2010, June 30, 2011 , June 30, 2012 and June 30, 2013, the amount credited annually by the State Controller to the Fund for a Healthy Maine under this paragraph may not exceed \$4,500,000 annually and any funds in excess of \$4,500,000 annually during these fiscal years must be credited as General Fund undedicated revenue; [2011, c. 380, Pt. II, §1 (AMD).]

- F. Two percent of the net slot machine income must be forwarded by the board to the University of Maine System Scholarship Fund created in Title 20-A, section 10909; [2005, c. 663, §12 (AMD).]
- G. One percent of the net slot machine income must be forwarded by the board to the board of trustees of the Maine Community College System to be applied by the board of trustees to fund its scholarships program under Title 20-A, section 12716, subsection 1; [2005, c. 663, §12 (AMD).]
- H. Four percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Fund to Encourage Racing at Maine's Commercial Tracks, established in section 299; however, the payment required by this paragraph is terminated when all commercial tracks have obtained a license to operate slot machines in accordance with this chapter, in which case, that 4% of the net slot machine income must be credited to the General Fund as undedicated revenue; [2011, c. 358, §4 (AMD).]
- I. Two percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Fund to Stabilize Off-track Betting Facilities established by section 300, as long as a facility has conducted off-track wagering operations for a minimum of 250 days during the preceding 12-month period in which the first payment to the fund is required. After 48 months of receiving an allocation of the net slot machine income from a licensed operator, the percent of net slot machine income forwarded to the Fund to Stabilize Off-track Betting Facilities is reduced to 1% with the remaining 1% to be forwarded to the State in accordance with subsection 1; and [2005, c. 663, §12 (AMD).]
- J. One percent of the net slot machine income must be forwarded directly to the municipality in which the slot machines are located. [2005, c. 663, §12 (AMD).] [2011, c. 358, §4 (AMD); 2011, c. 380, Pt. II, §1 (AMD); 2011, c. 417, §8 (AMD) .]

Title 8: AMUSEMENTS AND SPORTS
Chapter 31: GAMBLING CONTROL BOARD

Subchapter 3: SLOT MACHINE OPERATION; ALLOCATION OF FUNDS

§1037. Annual report on use of funds

Beginning February 15, 2012, the executive director of the State Harness Racing Commission, in consultation with the Commissioner of Agriculture, Food and Rural Resources, annually shall submit a report to the joint standing committees of the Legislature having jurisdiction over slot machines, harness racing, agricultural fairs and appropriations and financial affairs regarding the use of slot machine revenue deposited in funds under section 1036, subsection 2, paragraphs B, C, D, H and I. The executive director and the commissioner shall obtain the information as described in this section. The report required by this section must be completed using budgeted resources. The executive director may not distribute funds listed under section 1036, subsection 2, as applicable, to harness racing tracks, off-track betting facilities, agricultural fairs or the Sire Stakes Fund under section 281 until the information required to submit the report required by this section is provided. [2011, c. 358, §6 (NEW).]

1. Commercial tracks. A report required by this section must include the following information from commercial tracks licensed in accordance with chapter 11 that receive a distribution of slot machine revenue under section 1036, subsection 2, paragraph B, D or H:

- A. The total amount wagered on live harness races; [2011, c. 358, §6 (NEW).]
- B. The total amount wagered on intrastate simulcast races; [2011, c. 358, §6 (NEW).]
- C. The total amount wagered on interstate simulcast races; [2011, c. 358, §6 (NEW).]
- D. The number of harness races originated in the State and made available for simulcast outside of the State; [2011, c. 358, §6 (NEW).]
- E. The amount of the harness racing handle from wagers at the commercial track kept by that commercial track and the distribution of the handle to the State and industry recipients under section 286; [2011, c. 358, §6 (NEW).]
- F. The amount received from the handle distribution from wagers at other tracks and off-track betting facilities under section 286; [2011, c. 358, §6 (NEW).]
- G. The amount of revenue received in accordance with section 1036, subsection 2, paragraphs B, D and H; [2011, c. 358, §6 (NEW).]
- H. The number of full-time and part-time employees at the commercial track; [2011, c. 358, §6 (NEW).]
- I. The amount, if any, spent on capital improvements to the commercial track and related facilities and a description of those improvements. The first report must include the amount spent since November 2005, shown by year. Subsequent annual reports must include the amount spent on capital improvements the immediately preceding calendar year; [2011, c. 358, §6 (NEW).]
- J. Operating costs for the commercial track; [2011, c. 358, §6 (NEW).]
- K. Profit and loss or depreciation figures for the commercial track; and [2011, c. 358, §6 (NEW).]

L. Administrative costs to comply with reporting requirements and contributions to the State Harness Racing Commission's operating account described in section 267-A. [2011, c. 358, §6 (NEW).]
[2011, c. 358, §6 (NEW).]

2. Agricultural fair that conducts harness racing. The report required by this section must include the following with regard to the use of slot machine revenue distributed to an agricultural fair that is licensed under chapter 11 to conduct harness racing:

A. An estimate of the number of people that attended the agricultural fair, including separate estimates of paid attendance, free-pass attendance, vendor attendance and attendance under a local campground pass; [2011, c. 358, §6 (NEW).]

B. The total amount wagered on harness races at the agricultural fair; [2011, c. 358, §6 (NEW).]

C. The number of harness races originated at the agricultural fair and made available for simulcast outside of the State; [2011, c. 358, §6 (NEW).]

D. The amount of the harness racing handle received by the agricultural fair under section 286; [2011, c. 358, §6 (NEW).]

E. The amounts, reported separately, of revenue received in accordance with section 1036, subsection 2, paragraphs B and D, the Stipend Fund under Title 7, section 86 and from any other source in accordance with rules adopted under section 263-A, subsection 1, paragraph C and Title 7, section 82, subsection 5 by the Commissioner of Agriculture, Food and Rural Resources or the State Harness Racing Commission; and [2011, c. 358, §6 (NEW).]

F. The amount of revenue received to supplement harness racing purses, pay fair premiums, make capital improvements to fairground facilities, racing venues or grandstand operations and labor costs and operating expenses. [2011, c. 358, §6 (NEW).]
[2011, c. 358, §6 (NEW).]

3. Agricultural fair that does not conduct harness racing. The report required by this section must include the following with regard to an agricultural fair:

A. The amount spent to pay fair premiums make capital improvements to fairground facilities and labor costs and operating expenses; [2011, c. 358, §6 (NEW).]

B. The amounts, reported separately, received from slot machine revenue in accordance with section 1036, subsection 2, paragraph D, the Stipend Fund under Title 7, section 86 and from any other source in accordance with rules adopted under section 263-A, subsection 1, paragraph C and Title 7, section 82, subsection 5 by the Commissioner of Agriculture, Food and Rural Resources or the State Harness Racing Commission; and [2011, c. 358, §6 (NEW).]

C. An estimate of the number of people that attended the agricultural fair, including separate estimates of paid attendance, free-pass attendance, vendor attendance and attendance under a local campground pass. [2011, c. 358, §6 (NEW).]
[2011, c. 358, §6 (NEW).]

4. Breeders and owners within the Maine Standardbred program. A report required by this section must include the following information from horse breeders and owners within the Maine Standardbred program established pursuant to section 281 who receive a distribution under section 1036, subsection 2, paragraph C:

A. The number of mares bred by each Maine Standardbred stallion as reported to the State Harness Racing Commission; [2011, c. 358, §6 (NEW).]

B. An assessment of whether the number of Maine Standardbred horses in the State is sufficient to grow and sustain harness racing in the State; [2011, c. 358, §6 (NEW).]

C. The number of yearling horses eligible and nominated to participate in sire stakes racing; [2011, c. 358, §6 (NEW).]

D. The amount received from slot machine revenue in accordance with section 1036, subsection 2, paragraph C; [2011, c. 358, §6 (NEW).]

E. The total number of qualifying dashes for sire stakes races and the average purse for each dash sorted by the age of the horse and the average purse for each sire stakes final dash sorted by the age of the horse; and [2011, c. 358, §6 (NEW).]

F. An accounting of the Sire Stakes Fund, including the total amount of the fund at the beginning and end of the racing season and, reported separately, expenditures used to supplement purses, pay breeder promotional contracts, pay advertising costs, make payments to a statewide horsemen association, pay administrative costs and make contributions to the operating account described in section 267-A. [2011, c. 358, §6 (NEW).] [2011, c. 358, §6 (NEW) .]

5. Off-track betting facility. The report required by this section must include, with regard to a facility licensed to conduct off-track betting on harness racing:

A. The number of individual wagers placed on intrastate and interstate simulcast races and the total amount for each; [2011, c. 358, §6 (NEW).]

B. The number of full-time and part-time employees of the off-track betting facility; [2011, c. 358, §6 (NEW).]

C. The operating costs for the off-track betting facility; [2011, c. 358, §6 (NEW).]

D. The name and primary location of the company licensed to operate the off-track betting facility; [2011, c. 358, §6 (NEW).]

E. The total number of races originating in the State received for simulcast as reported by the off-track betting facility; [2011, c. 358, §6 (NEW).]

F. The amount, if any, spent on capital improvements to the off-track betting facility and a description of those improvements. The first report must include the amount spent since November 2005, shown by year. Subsequent annual reports must include the amount spent on capital improvements the immediately preceding calendar year; [2011, c. 358, §6 (NEW).]

G. The amount of the harness racing handle kept by the off-track betting facility and the distribution of the handle to the State and industry recipients under section 286; [2011, c. 358, §6 (NEW).]

H. The amount received from the handle distribution from wagers at tracks and other off-track betting facilities under section 286; and [2011, c. 358, §6 (NEW).]

I. The amount of revenue received in accordance with section 1036, subsection 2, paragraph I. [2011, c. 358, §6 (NEW).] [2011, c. 358, §6 (NEW) .]

6. Other recipients. The Fund for a Healthy Maine's program providing prescription drugs for adults who are elderly or disabled, the University of Maine System and the Maine Community College System shall submit reports that include the amount of slot machine revenue received under section 1036, subsection 2 and how that revenue was used to meet the statutory requirements cited in section 1036, subsection 2, paragraphs E, F and G, respectively.

[2011, c. 358, §6 (NEW) .]

SECTION HISTORY

2011, c. 358, §6 (NEW).