

MAINE STATE LEGISLATURE

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STATE OF MAINE
118TH LEGISLATURE

SECOND REGULAR SESSION
AND
SECOND SPECIAL SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
LEGAL AND VETERANS' AFFAIRS

MAY 1998

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Sen. Norman K. Ferguson, Jr.

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ONE HUNDRED EIGHTEENTH LEGISLATURE
SECOND REGULAR AND SECOND SPECIAL SESSIONS

Summary Of Legislation Before The Joint Standing Committees
May 1998

We are pleased to provide this summary of bills that were considered by the Joint Standing Committees of the Maine Legislature. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this Session for the Legislature and each of its joint standing committees.

The document is organized for convenient reference to information on bills handled by the joint standing committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

- CON RES XXX*..... Chapter # of Constitutional Resolution passed by both Houses
- CONF CMTE UNABLE TO AGREE*.....Committee of Conference unable to agree; bill died
- DIED BETWEEN BODIES*.....House & Senate disagree; bill died
- DIED IN CONCURRENCE*.....One body accepts ONTP report; the other indefinitely postpones the bill
- DIED ON ADJOURNMENT*.....Action incomplete when session ended; bill died
- EMERGENCY*.....Enacted law takes effect sooner than 90 days
- FAILED EMERGENCY ENACTMENT/FINAL PASSAGE*.....Emergency bill failed to get 2/3 vote
- FAILED ENACTMENT/FINAL PASSAGE*.....Bill failed to get majority vote
- FAILED MANDATE ENACTMENT*.....Bill imposing local mandate failed to get 2/3 vote
- INDEF PP*.....Bill Indefinitely Postponed
- ONTP*..... Ought Not To Pass report accepted
- OTP ND*..... Committee report Ought To Pass In New Draft
- OTP ND/NT*..... Committee report Ought To Pass In New Draft/New Title
- P&S XXX*..... Chapter # of enacted Private & Special Law
- PUBLIC XXX*..... Chapter # of enacted Public Law
- RESOLVE XXX*..... Chapter # of finally passed Resolve
- UNSIGNED*.....Bill held by Governor
- VETO SUSTAINED*.....Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the Second Regular Session (unless otherwise specified in a particular law) is June 30, 1998 and July 9, 1998 for the Second Special Session. Second Special Session laws include Public Laws beginning with Chapter 718, Private and Special Laws beginning with Chapter 82 and Resolves beginning with Chapter 117.

for the purpose of obtaining terminals from the manufacturer or wholesaler for placement on that licensee's premises.

Net terminal income, which is income after payback to players, would have been divided as follows: 40 percent to the State for payment of administrative expenses, municipal revenue sharing, compulsive gambling treatment and General Fund revenue; 22 percent to the distributor; 24 percent to the licensee; nine percent to the State Harness Racing Commission to used for purse supplements; one percent to the Sire Stakes Fund; two percent to the Agricultural Fair Support Fund to be divided among all fairs as specified in the bill; and two percent to the Harness Racing Promotional Fund.

LD 1799 **An Act to Privatize Liquor Sales** **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KERR AMERO	ONTP	

LD 1799 proposed to remove the State from the liquor business including both retail and wholesale sales. The current system used for the sale of spirits would be replaced with the system currently used for the sale and distribution of beer and wine. A flat tax of \$3.50 per gallon would be assessed on all spirits, in addition to premium and sales taxes.

This bill proposed to require the State to close all liquor related operations by January 1, 1998. All existing restrictions on location and number of agency stores would be repealed. Any retailer would be able to apply for a license. The initial license fee for the first year would be \$1,200 and \$1,000 annually for renewals for those retailers with annual sales greater than or equal to \$400,000. For those retailers with annual sales less than \$400,000 the initial license fee would be \$600 and \$500 annually for renewal. Existing agency stores would be granted a one-year exemption from the renewal fee. Wholesalers that have had a presence in Maine for five years would be able to apply for a wholesale liquor license for \$1,400 annually for a principal location and \$600 for each additional warehouse or distribution center.

LD 1827 **An Act to Authorize the Operation of Video Gaming Terminals by
Certain Nonprofit Organizations** **ONTP**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DAGGETT DUNLAP	OTP-AM MAJ ONTP MIN	

LD 1827 proposed to authorize the operation of video gaming terminals in certain nonprofit establishments and establishments that sell liquor.

Committee Amendment "A" (S-632) would have replaced the bill. It proposed to allow operation of video gaming terminals by nonprofit organizations that are eligible for games of chance licenses and that are exempt from federal tax under Internal Revenue Code sections 501(c)(3), 501(c)(4), 501(c)(8), 501(c)(10) and 501(c)(19). These sections of the tax code refer to charitable organizations, civic leagues, fraternal benefit societies, domestic fraternal societies and association, and veterans organizations.

Video gaming terminal manufacturers, distributors, wholesalers and operators and video gaming terminals would be licensed by the Chief of the State Police. Local approval is required for a license to operate video gaming terminals. A maximum of five terminals would be allowed per licensee. Terminals would be connected to an on-line computer system operated and monitored by the Director of the State Lottery.

Net terminal income, which is income after payback to players, is divided as follows: 33-1/3 percent to the State for payment of administrative expenses, municipal revenue sharing, compulsive gambling treatment and General Fund revenue; 33-1/3 percent to the distributor; 33-1/3 percent to the licensee.

LD 1828 **An Act to Preserve Financial Integrity of the Bureau of Alcoholic Beverages and Lottery Operations** **ONTP**

<u>Sponsor(s)</u> MICHAUD		<u>Committee Report</u> ONTP		<u>Amendments Adopted</u>
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LD 1828 proposed to change the structure of the Bureau of Alcoholic Beverages and Lottery Operations. It would eliminate the State Liquor Commission and place the powers of the commission regarding administration of state liquor stores and the purchase and sale of spirits under the authority of the Bureau. An Alcoholic Beverages Advisory Board would be established by this bill.

State liquor stores would be required to maintain a minimum inventory of 4,000 bottles of liquor plus three weeks inventory. The bill would require relocation of the Kittery discount store and placement of megabucks machines in all state liquor stores. The Bureau would be required to establish special price allowance programs that would permit them to match vendor discounts and increase revenue generated by sales promotions.

LD 1846 **An Act to Prohibit the Opening of Liquor Stores on the Maine Turnpike** **DIED ON ADJOURNMENT**

<u>Sponsor(s)</u> DONNELLY		<u>Committee Report</u> OTP-AM		<u>Amendments Adopted</u>
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LD 1846 proposed to repeal the provision authorizing the establishment of two discount liquor stores at Exit 3 of the Maine Turnpike and to enact law prohibiting the location or operation of a liquor store on the Maine Turnpike.

Committee Amendment "A" (H-830) made technical corrections to the emergency preamble and added a retroactivity clause and a fiscal note to the bill.