

MAINE STATE LEGISLATURE

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STATE OF MAINE
127TH LEGISLATURE
FIRST REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed

**JOINT STANDING COMMITTEE ON VETERANS AND LEGAL
AFFAIRS**

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STATE OF MAINE

127TH LEGISLATURE

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LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* contains summaries of all LDs and adopted amendments and all laws enacted or finally passed during the First Regular Session of the 127th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by Legislative Document (LD) number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each LD title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. An appendix provides a summary of relevant session statistics.

Final action on each LD is noted to the right of the LD title. The following describes the various final actions.

<i>CARRIED OVER</i>	<i>carried over to a subsequent session of the Legislature</i>
<i>CON RES XXX</i>	<i>chapter # of constitutional resolution passed by both houses</i>
<i>CONF CMTE UNABLE TO AGREE</i>	<i>Committee of Conference unable to agree; legislation died</i>
<i>DIED BETWEEN HOUSES</i>	<i>House & Senate disagreed; legislation died</i>
<i>DIED IN CONCURRENCE</i>	<i>defeated in each house, but on different motions; legislation died</i>
<i>DIED ON ADJOURNMENT</i>	<i>action incomplete when session ended; legislation died</i>
<i>EMERGENCY</i>	<i>enacted law takes effect sooner than 90 days after session adjournment</i>
<i>FAILED, EMERGENCY ENACTMENT or FINAL PASSAGE</i>	<i>emergency failed to receive required 2/3 vote</i>
<i>FAILED, ENACTMENT or FINAL PASSAGE</i>	<i>failed to receive final majority vote</i>
<i>FAILED, MANDATE ENACTMENT</i>	<i>legislation proposing local mandate failed required 2/3 vote</i>
<i>HELD BY GOVERNOR</i>	<i>Governor has not signed; final disposition to be determined at subsequent session</i>
<i>LEAVE TO WITHDRAW</i>	<i>sponsor's request to withdraw legislation granted</i>
<i>NOT PROPERLY BEFORE THE BODY</i>	<i>ruled out of order by the presiding officer; legislation died</i>
<i>INDEF PP</i>	<i>indefinitely postponed; legislation died</i>
<i>ONTP, ACCEPTED, MAJORITY, MINORITY or REPORT X</i>	<i>ought-not-to-pass report accepted; legislation died</i>
<i>P&S XXX</i>	<i>chapter # of enacted private & special law</i>
<i>PUBLIC XXX</i>	<i>chapter # of enacted public law</i>
<i>RESOLVE XXX</i>	<i>chapter # of finally passed resolve</i>
<i>VETO SUSTAINED</i>	<i>Legislature failed to override Governor's veto</i>

The effective date for non-emergency legislation enacted in the First Regular Session of the 127th Legislature is October 15, 2015. The effective date for legislation enacted as an emergency measure may be found in the enacted law summary for that legislation.

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total vote for Governor cast in that congressional district in the last gubernatorial election preceding the filing of the direct initiative.

LD 1279 An Act To Authorize Advance Deposit Wagering for Horse Racing

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PICCHIOTTI		

This bill establishes a framework for the conduct of advance deposit wagering on harness and thoroughbred racing. The bill provides that commercial tracks and established off-track betting facilities are eligible for a license to accept wagers made by telephone or electronic communication using advance deposit wagering. Advance deposit wagering is a form of pari-mutuel wagering in which a bettor establishes an account from which wagers on horse races are made and into which prizes are deposited. An advance deposit wager licensee receives a percentage of each wager made using advance deposit wagering. Advance deposit wagering licenses are issued by the State Harness Racing Commission. The bill prescribes the duties of the commission with regard to enforcement and administration of laws and rules that govern advance deposit wagering. The bill also authorizes multijurisdictional account wagering providers from outside the State to provide advance deposit wagering.

This bill was carried over to any regular or special session of the 127th Legislature by joint order, H.P. 992.

LD 1280 An Act To Provide Income Tax Relief by Expanding Gaming Opportunities

CARRIED OVER

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
PARRY COLLINS		

This bill establishes the Independent Facility Location Commission to solicit bids for the operation of a casino to be located in Cumberland County or York County. The commission must select the best-value bidder to be issued a casino operator license by the Department of Public Safety, Gambling Control Board for an initial license fee of \$5,000,000. The winning bidder must construct a destination resort gaming facility with harness racing, slot machines and table games and a resort that includes a hotel, spa, pool, multiple dining options, entertainment venue, retail space and harness racing track. The casino must be approved by the voters of the county in which it is to be located and by the municipal officers or municipality in which the casino is to be located. The casino operator must enter into an agreement with the municipality where the slot machines are located that provides for revenue sharing or other compensation of at least 3% of the net slot machine income. The limit on the number of slot machines that may be registered in the State is raised from 3,000 to 7,500.

The bill establishes the Income Tax Relief Fund. Allocations from the fund must be made to provide income tax relief to the citizens of this State.

The casino operator must distribute 46% of net slot machine income and 16% of net table game income to the Gambling Control Board for distribution by the board as follows:

1. Two and one-half percent to the General Fund for the administrative expenses of the Gambling Control Board and for the Gambling Addiction Prevention and Treatment Fund;
2. Twenty percent to supplement harness racing purses;
3. Five percent to the Sire Stakes Fund;

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4. Eight and one-half percent to the Agricultural Fair Support Fund;
5. Three percent to the municipality in which the slot machines and table games are located;
6. Five percent to the county in which the slot machines and table games are located;
7. Two percent to the municipalities that abut the municipality in which the slot machines and table games are located;
8. Two and one-half percent to the Fund to Stabilize Off-track Betting Facilities;
9. One and one-half percent to the Coordinated Veterans Assistance Fund; and
10. Fifty percent to the Income Tax Relief Fund.

Committee Amendment "A" (H-491)

This amendment replaces the bill and is the majority report of the committee. The amendment establishes a competitive bid process for the operation of a resort-style casino in either York County or Cumberland County. The amendment establishes the Casino Development Commission, which is an independent board of five members appointed by the Governor and confirmed by the Senate. The commission's purpose is to develop a request for proposals for the privilege to submit an application to the Gambling Control Board for a casino operator license. Prior to submitting a request for proposals, either York County or Cumberland County, or both, would have to hold a referendum vote asking voters to allow the operation of a casino in their county. The referendum must be held on the same date as a statewide election no sooner than June 1, 2016 and no later than July 1, 2017. The fee to submit a bid is \$250,000. The amendment provides for specific supporting information to be submitted by the bidder and considered by the commission including the bidder's ability to make a minimum \$250,000,000 capital investment in the resort-style casino and information regarding job creation, economic development, plans to mitigate negative infrastructure impacts and the bidder's support of the harness racing industry. Under the amendment, the commission is directed to develop a point system for the factors to be considered in evaluating proposals and give priority to proposals that create jobs, promote economic development, increase tourism and support a casino that fits the character of the State. The winning bidder must enter into a contract with the commission that obligates the casino operator to abide by the proposals made in the winning bid. Failure to abide by the terms of the contract could result in financial penalties to the casino operator.

The license fee for a casino under the amendment is \$25,000,000, of which \$5,000,000 is deposited into the General Fund to be used for administrative expenses of the Gambling Control Board. The remaining \$20,000,000 is deposited into an account to be used to mitigate the impact of lost revenue on the municipalities and a county in which casinos are currently located. The Gambling Control Board will distribute money from the account to the municipalities and county based on distributions the municipalities and county had been receiving from the casino.

If a person initially licensed to operate the casino surrenders the license or the license is revoked, a subsequent licensee may operate the casino only for the remainder of the license term and is subject to a \$500,000 transfer fee. A subsequent licensee is subject to the contract executed when the casino in either York County or Cumberland County was initially licensed.

The amendment sets the distribution of net slot machine revenue at 46% and the distribution of net table game revenue at 16% for the resort-style casino. The amendment provides for various recipients of slot machine revenue and requires table game revenue to be deposited to the Fund to Reform Veterans Services, which is established by the amendment to facilitate a coordinated delivery system of benefits and services to veterans in the State.

The amendment also adds an appropriations and allocations section.

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Committee Amendment "B" (H-492)

This amendment replaces the bill and is a minority report of the committee. The amendment establishes a competitive bid process for the operation of a resort-style casino in either York County or Cumberland County. The amendment establishes the Casino Development Commission, which is an independent board of five members appointed by the Governor and confirmed by the Senate. The commission's purpose is to develop a request for proposals for the privilege to submit an application to the Gambling Control Board for a casino operator license. The fee to submit a bid is \$250,000. The amendment provides for specific supporting information to be submitted by the bidder and considered by the commission including the bidder's ability to make a minimum \$250,000,000 capital investment in the resort-style casino and information regarding job creation, economic development and plans to mitigate negative infrastructure impacts. Under the amendment, the commission is directed to develop a point system for the factors to be considered and give priority to factors that create jobs, promote economic development, increase tourism and support a casino that fits the character of the State, with job creation and economic development being the highest priorities. The winning bidder must enter into a contract with the commission that obligates the casino operator to abide by the proposals made in the winning bid. Failure to abide by the terms of the contract could result in financial penalties to the operator.

The license fee for a casino under the amendment is \$10,000,000, which is deposited into an account to be used to mitigate the impact of lost revenue on the municipalities and a county in which casinos are currently located due to the operation of the new resort-style casino. Under the amendment, the Gambling Control Board will distribute money from the account to the municipalities and county based on past distribution amounts the municipalities and county had been receiving from the casino, with the intent of maintaining the same revenue stream.

The amendment sets the distribution of net slot machine revenue at 40% and the distribution of net table game revenue at 16% for the resort-style casino. Table game revenues would be deposited into a fund to develop a coordinated system of delivery of services and benefits to Maine veterans. Upon operation of slot machines at the resort-style casino, the board will hold distributions required of existing casinos until the Legislature establishes a single distribution structure that would apply to all casinos in the State.

The amendment also adds an appropriations and allocations section.

Finally, the amendment makes enactment of this bill contingent upon the approval of the voters of the State at a statewide referendum election.

Committee Amendment "C" (H-493)

This amendment replaces the bill and is a minority report of the committee. The amendment establishes a competitive bid process for the operation of a resort-style casino in either York County or Cumberland County. The amendment establishes the Casino Development Commission, which is an independent board of five members appointed by the Governor and confirmed by the Senate. The commission's purpose is to develop a request for proposals for the privilege to submit an application to the Gambling Control Board for a casino operator license. Prior to submitting a request for proposals, either York County or Cumberland County, or both, would have to hold a referendum vote asking voters to allow the operation of a casino in their county. The referendum must be held on the same date as a statewide election no sooner than June 1, 2016 and no later than July 1, 2017. The fee to submit a bid is \$250,000. The amendment provides for specific supporting information to be submitted by the bidder and considered by the commission including the bidder's ability to make a minimum \$250,000,000 capital investment in the resort-style casino and information regarding job creation, economic development, plans to mitigate negative infrastructure impacts and the bidder's support of the harness racing industry. Under the amendment, the commission is directed to develop a point system for the factors to be considered in evaluating proposals and give priority to proposals that create jobs, promote economic development, increase tourism and support a casino that fits the character of the State. The winning bidder must enter into a contract with the commission that obligates the casino operator to abide by the proposals made in the winning bid. Failure to abide by the terms of the contract could result in financial penalties to the casino operator.

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The license fee for a casino under the amendment is \$25,000,000, of which \$5,000,000 is deposited into the General Fund to be used for administrative expenses of the Gambling Control Board. The remaining \$20,000,000 is deposited into an account to be used to mitigate the impact of lost revenue on the municipalities and a county in which casinos are currently located. The Gambling Control Board will distribute money from the account to the municipalities and county based on distributions the municipalities and county had been receiving from the casino.

If a person initially licensed to operate the casino surrenders the license or the license is revoked, a subsequent licensee may operate the casino only for the remainder of the license term and is subject to a \$500,000 transfer fee. A subsequent licensee is subject to the contract executed when the casino in either York County or Cumberland County was initially licensed.

The amendment sets the distribution of net slot machine revenue at 40% and the distribution of net table game revenue at 16% for the resort-style casino. The amendment provides for various recipients of slot machine revenue and requires table game revenue to be deposited to the Fund to Reform Veterans Services, which is established by the amendment to facilitate a coordinated delivery system of benefits and services to veterans in the State. Upon operation of slot machines at the resort-style casino, the board will hold distributions required of existing casinos until the Legislature establishes a single distribution structure that would apply to all casinos in the State.

The amendment also adds an appropriations and allocations section.

Committee Amendment "D" (H-494)

This amendment replaces the bill and is a minority report of the committee. The amendment establishes a competitive bid process for the operation of a resort-style casino in either York County or Cumberland County. The amendment establishes the Casino Development Commission, which is an independent board of five members appointed by the Governor and confirmed by the Senate. The commission's purpose is to develop a request for proposals for the privilege to submit an application to the Gambling Control Board for a casino operator license. The fee to submit a bid is \$250,000. The amendment provides for specific supporting information to be submitted by the bidder and considered by the commission including the bidder's ability to make a minimum \$250,000,000 capital investment in the resort-style casino and information regarding job creation, economic development and plans to mitigate negative infrastructure impacts. Under the amendment, the commission is directed to develop a point system for the factors to be considered and give priority to factors that create jobs, promote economic development, increase tourism and support a casino that fits the character of the State. The winning bidder must enter into a contract with the commission that obligates the casino operator to abide by the proposals made in the winning bid. Failure to abide by the terms of the contract could result in financial penalties to the operator.

The license fee for a casino under the amendment is \$50,000,000, of which \$5,000,000 is deposited with the Gambling Control Board and \$15,000,000 is deposited into the General Fund. The remaining \$30,000,000 is deposited into an account to be used to mitigate the impact of lost revenue on the municipalities and a county in which casinos are currently located. If an existing casino closes, the Gambling Control Board will distribute money from the account to the municipalities and county based on distributions the municipality or county had been receiving from the casino.

If a person initially licensed to operate the casino surrenders the license or the license is revoked, a subsequent licensee may operate the casino only for the remainder of the license term and is subject to a \$500,000 transfer fee. A subsequent licensee is subject to the contract executed when the casino in either York County or Cumberland County was initially licensed.

The amendment sets the distribution of net slot machine revenue at 40% and the distribution of net table game revenue at 16% for the resort-style casino. Upon commencement of table game operations at a casino in York County or Cumberland County, a single distribution of slot machine and table game revenue will be applied to all casinos in the State. The amendment authorizes the Joint Standing Committee on Veterans and Legal Affairs to

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submit legislation developing this distribution of revenue and provides a list of funds and programs that are required to be included in that distribution.

Finally, the amendment makes enactment of this bill contingent upon the approval of the voters of the State at a statewide referendum held in November 2016.

This bill was reported out of committee, then committed back to the Joint Standing Committee on Veterans and Legal Affairs and carried over to any special or regular session of the 127th Legislature by joint order, H.P. 994 as amended by H-504.

LD 1283 *An Act To Stimulate Economic Development and Create Jobs by* **ONTP
*Amending the Laws Governing Gaming***

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
VALENTINO RUSSELL	ONTP	

This bill establishes five regions in the State for the operation of casinos. Region 1 includes York County and the Town of Scarborough in Cumberland County. Region 2 includes Androscoggin, Franklin, Kennebec, Oxford and Cumberland counties, with the exception of the Town of Scarborough in Cumberland County. Region 3 includes Penobscot, Somerset, Waldo, Lincoln, Sagadahoc and Knox counties. Region 4 includes Washington and Hancock counties. Region 5 includes Aroostook and Piscataquis counties. If a region does not have a casino or if an existing casino ceases operation, the Department of Administrative and Financial Services is required to administer a competitive bid process for the privilege to operate a casino, subject to application to and investigation by the Gambling Control Board.

Bids in Region 1 are granted preference if the bidder is associated with the operator of an existing commercial harness racing track in that region. Bids in Regions 4 and 5 are given preference if the operator is associated with a federally recognized Indian tribe eligible to conduct high-stakes beano in that region. The bill provides for a staggered schedule for the authorization of casinos in regions where casinos are not currently operated. The bill provides for minimum bids and requirements for a minimum number of slot machines, table games and other amenities at a facility in each region. Each bidder is also required to submit a nonrefundable privilege fee intended to mitigate the costs of administering the competitive bid process by the Department of Administrative and Financial Services and meet the costs of background checks and investigations conducted by the Gambling Control Board. The bill establishes distribution of table game and slot machine revenue for casinos and specifies that the revenue must be used for the purposes specifically described unless otherwise authorized. This distribution will apply to all casinos and slot machine facilities operated in the State as soon as a casino in Region 1 is authorized via the competitive bid process. If an alternative purpose is authorized for the table game or slot machine revenue, all distributions must be reduced in equal proportion.

LD 1289 *An Act To Allow Retail Liquor Licensees To Sell Alcoholic Beverages for* **Accepted Majority
On-premises and Off-premises Consumption at One Location **(ONTP) Report****

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
BRAKEY TURNER	ONTP OTP	

This bill provides that a retail establishment licensed to sell alcoholic beverages for off-premises consumption may also be licensed as a Class A restaurant or an establishment licensed to sell beer and wine for consumption on the premises as long as alcoholic beverages are served as individual servings by an employee of the on-premises