



125th MAINE LEGISLATURE

FIRST REGULAR SESSION-2011

Legislative Document

No. 393

H.P. 319

House of Representatives, February 8, 2011

An Act To Implement the Recommendations Regarding the Legislative Review of the Allocation of Slot Machine Revenue

Reported by Representative BEAULIEU of Auburn for the Joint Standing Committee on Legal and Veterans Affairs pursuant to Public Law 2009, chapter 571, Part FFF, section 2.

Reference to the Committee on Veterans and Legal Affairs suggested and ordered printed pursuant to Joint Rule 218.

A handwritten signature in cursive script that reads "Heather J.R. Priest".

HEATHER J.R. PRIEST
Clerk

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

2 **Sec. 1. 8 MRSA §1036, sub-§2, ¶H**, as amended by PL 2005, c. 663, §12, is
3 further amended to read:

4 H. Four percent of the net slot machine income must be forwarded by the board to
5 the Treasurer of State, who shall credit the money to the Fund to Encourage Racing at
6 Maine's Commercial Tracks, established in section 299; however, the payment
7 required by this paragraph is terminated when all commercial tracks have obtained a
8 license to operate slot machines in accordance with this chapter, in which case, that
9 4% of the net slot machine income must be credited to the General Fund as
10 undedicated revenue;

11 **Sec. 2. 8 MRSA §1036, sub-§5**, as enacted by PL 2009, c. 571, Pt. FFF, §1, is
12 repealed.

13 **Sec. 3. 8 MRSA §1037** is enacted to read:

14 **§1037. Annual report on use of funds**

15 Beginning in 2011, a recipient of slot machine revenue under section 1036,
16 subsection 2, paragraphs B to I shall submit a report as required by this section to the
17 joint standing committees of the Legislature having jurisdiction over appropriations
18 matters and over the operation of slot machines no later than December 1st, annually. An
19 initial report is due no later than December 1, 2011 and must include information as
20 described in this section for calendar years 2009 and 2010 and up to and including
21 October 31, 2011.

22 **1. Commercial tracks.** A commercial track licensed in accordance with chapter 11
23 that receives a distribution of slot machine revenue under section 1036, subsection 2,
24 paragraphs B, D or H shall submit a report that includes for that commercial track:

25 A. The number of people attending harness races;

26 B. The number of individual wagers placed on live harness races, the average wager
27 amount and the total amount wagered;

28 C. The number of individual wagers placed on intrastate simulcast races, the average
29 wager amount and the total amount wagered;

30 D. The number of individual wagers placed on interstate simulcast races, the average
31 wager amount and the total amount wagered;

32 E. The number of harness races originated in the State and made available for
33 simulcast outside of the State;

34 F. The amount of the harness racing handle from wagers at the commercial track
35 kept by that commercial track and the distribution of the handle to the State and
36 industry recipients under section 286;

37 G. The amount received from the handle distribution from wagers at other tracks and
38 off-track betting facilities under section 286;

- 1 H. The amount of revenue received in accordance with section 1036, subsection 2,
2 paragraphs B, D and H;
- 3 I. The name of the owner and the primary location of the company licensed to
4 operate the commercial track;
- 5 J. The number of full-time and part-time employees at the commercial track and the
6 total payroll amount for all receiving compensation from the commercial track;
- 7 K. The amount spent on capital improvements to the commercial track and related
8 facilities and a description of those improvements. The first report must include the
9 amount spent since November 2005, shown by year. Subsequent annual reports must
10 include the amount spent on capital improvements the previous calendar year;
- 11 L. Operating costs for the commercial track;
- 12 M. Profit and loss or depreciation figures for the commercial track; and
- 13 N. Administrative costs to comply with reporting requirements and contributions to
14 the State Harness Racing Commission's operating account described in section
15 267-A.
- 16 **2. Agricultural fair that conducts harness racing.** An agricultural fair that is
17 licensed under chapter 11 to conduct harness racing and receive distribution of slot
18 machine revenue under section 1036, subsection 2, paragraphs B and D shall submit a
19 report that includes:
- 20 A. The number of people that attended the agricultural fair;
- 21 B. The number of individual wagers placed on harness races at the agricultural fair
22 and the total amount wagered;
- 23 C. The number of harness races originated at the agricultural fair and made available
24 for simulcast outside of the State;
- 25 D. The number of full-time and part-time employees of the agricultural fair;
- 26 E. Reimbursements provided to agricultural fair volunteers or other agricultural fair
27 personnel;
- 28 F. The amount spent on capital improvements at the agricultural fair location and a
29 description of those improvements. The first report must include the amount spent
30 since November 2005, shown by year. Subsequent annual reports must include the
31 amount spent on capital improvements the previous calendar year;
- 32 G. Operating costs for the agricultural fair;
- 33 H. The amount of the harness racing handle retained by the agricultural fair and the
34 distribution of the handle to industry recipients under section 286;
- 35 I. The amount of the harness racing handle received by the agricultural fair under
36 section 286;
- 37 J. The amount of revenue received in accordance with section 1036, subsection 2,
38 paragraphs B and D; and

1 K. Administrative costs to comply with reporting requirements and contributions to
2 the State Harness Racing Commission's operating account described in section
3 267-A.

4 **3. Agricultural fair that does not conduct harness racing.** An agricultural fair
5 that receives a distribution of slot machine revenue under section 1036, subsection 2,
6 paragraph D shall submit a report that includes:

7 A. The amount spent on fair premiums using revenue allocated from slot machines;

8 B. A detailed accounting of slot machine revenue not used for fair premiums, if any;
9 and

10 C. Administrative costs to comply with reporting requirements and contributions to
11 the State Harness Racing Commission's operating account described in section
12 267-A.

13 **4. Breeders and owners within the Maine Standardbred program.** Horse
14 breeders and owners within the Maine Standardbred program established pursuant to
15 section 281 who receive a distribution from the Sire Stakes Fund through the Department
16 of Agriculture, Food and Rural Resources, State Harness Racing Commission shall
17 submit a report that includes:

18 A. The number and geographic distribution of licensed Maine Standardbred breeders
19 in the State;

20 B. The number of horses bred by each Maine Standardbred breeder and the number
21 of those horses actively racing in the State and that participate in harness races out of
22 state;

23 C. An assessment of whether the number of Maine Standardbred horses in the State
24 is sufficient to meet the needs of harness races conducted in the State;

25 D. The amount received from slot machine revenue in accordance with section 1036,
26 subsection 2, paragraph C;

27 E. The amount in the Sire Stakes Fund, the amount that is spent to supplement
28 harness racing purses and the average purse amount;

29 F. A detailed accounting of the other uses of the Sire Stakes Fund, including direct
30 payment to Maine Standardbred breeders, promotional contracts, advertising,
31 payments to a statewide association of horsemen and administrative costs; and

32 G. Administrative costs to comply with reporting requirements and contributions to
33 the State Harness Racing Commission's operating account described in section
34 267-A.

35 **5. Off-track betting facility.** A facility licensed to conduct off-track betting on
36 harness racing that receives a distribution of slot machine revenue under section 1036,
37 subsection 2, paragraph I shall submit a report that includes for that facility:

38 A. The number of individual wagers placed on intrastate and interstate simulcast
39 races and the total amount for each;

- 1 B. The number of full-time and part-time employees of the off-track betting facility
2 and the total payroll amount for all receiving compensation from the off-track betting
3 facility;
- 4 C. The operating costs for the off-track betting facility;
- 5 D. The name and primary location of the company licensed to operate the off-track
6 betting facility;
- 7 E. The amount spent on capital improvements to the off-track betting facility and a
8 description of those improvements. The first report must include the amount spent
9 since November 2005, shown by year. Subsequent annual reports must include the
10 amount spent on capital improvements the previous calendar year;
- 11 F. The amount of the harness racing handle kept by the off-track betting facility and
12 the distribution of the handle to the State and industry recipients under section 286;
- 13 G. The amount received from the handle distribution from wagers at tracks and other
14 off-track betting facilities under section 286;
- 15 H. The amount of revenue received in accordance with section 1036, subsection 2,
16 paragraph I; and
- 17 I. Administrative costs to comply with reporting requirements and contributions to
18 the State Harness Racing Commission's operating account described in section
19 267-A.
- 20 **6. Other recipients.** The Fund for a Healthy Maine's program providing
21 prescription drugs for adults who are elderly or disabled, the University of Maine System
22 and the Maine Community College System shall submit reports that include the amount
23 of slot machine revenue received under section 1036, subsection 2 and how that revenue
24 was used to meet the statutory requirements cited in section 1036, subsection 2,
25 paragraphs E, F and G, respectively.

26

SUMMARY

27 This bill implements the recommendations of the Joint Standing Committee on Legal
28 and Veterans Affairs from the 124th Legislature regarding the allocation of slot machine
29 revenue. The bill establishes a system of reporting by those who receive a distribution of
30 net slot machine income under the Maine Revised Statutes, Title 8, section 1036.