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VETERANS AND LEGAL AFFAIRS

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
125TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT " " to H.P. 319, L.D. 393, Bill, "An Act To Implement the Recommendations Regarding the Legislative Review of the Allocation of Slot Machine Revenue"

Amend the bill by inserting after the enacting clause and before section 1 the following:

Sec. 1. 7 MRSA §82, sub-§5, as enacted by PL 2005, c. 563, §3, is amended to read:

5. Rulemaking. The commissioner shall adopt rules to establish procedures for licensing and awarding dates for agricultural fairs and performance standards for evaluating agricultural fairs. The commissioner, in consultation with the executive director of the State Harness Racing Commission, shall adopt rules that require agricultural fairs that receive a distribution of slot machine revenue in accordance with Title 8, section 1036, subsection 2 to submit information regarding the use of that revenue sufficient for the executive director to submit the report required by Title 8, section 1037. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 2. 7 MRSA §82, sub-§6 is enacted to read:

6. Report on revenues from the operation of slot machines. The commissioner shall coordinate with the executive director of the State Harness Racing Commission to submit a report regarding the distribution of slot machine revenues as required by Title 8, section 1037.

Sec. 3. 8 MRSA §263-A, sub-§1, ¶C, as enacted by PL 1997, c. 528, §6, is amended to read:

C. The licensing of individuals participating in harness racing and off-track betting facilities, including rules requiring applicants to submit information sufficient for the report required to be submitted by the executive director of the commission as required by section 1037;'

COMMITTEE AMENDMENT

1 Amend the bill by striking out all of section 3 and inserting the following:

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

3 **§1037. Annual report on use of funds**

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

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

20 A. The total amount wagered on live harness races;

21 B. The total amount wagered on intrastate simulcast races;

22 C. The total amount wagered on interstate simulcast races;

23 D. The number of harness races originated in the State and made available for  
24 simulcast outside of the State;

25 E. The amount of the harness racing handle from wagers at the commercial track  
26 kept by that commercial track and the distribution of the handle to the State and  
27 industry recipients under section 286;

28 F. The amount received from the handle distribution from wagers at other tracks and  
29 off-track betting facilities under section 286;

30 G. The amount of revenue received in accordance with section 1036, subsection 2,  
31 paragraphs B, D and H;

32 H. The number of full-time and part-time employees at the commercial track;

33 I. The amount, if any, spent on capital improvements to the commercial track and  
34 related facilities and a description of those improvements. The first report must  
35 include the amount spent since November 2005, shown by year. Subsequent annual  
36 reports must include the amount spent on capital improvements the immediately  
37 preceding calendar year;

38 J. Operating costs for the commercial track;

39 K. Profit and loss or depreciation figures for the commercial track; and

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

8 A. An estimate of the number of people that attended the agricultural fair, including  
9 separate estimates of paid attendance, free-pass attendance, vendor attendance and  
10 attendance under a local campground pass;

11 B. The total amount wagered on harness races at the agricultural fair;

12 C. The number of harness races originated at the agricultural fair and made available  
13 for simulcast outside of the State;

14 D. The amount of the harness racing handle received by the agricultural fair under  
15 section 286;

16 E. The amounts, reported separately, of revenue received in accordance with section  
17 1036, subsection 2, paragraphs B and D, the Stipend Fund under Title 7, section 86  
18 and from any other source in accordance with rules adopted under section 263-A,  
19 subsection 1, paragraph C and Title 7, section 82, subsection 5 by the Commissioner  
20 of Agriculture, Food and Rural Resources or the State Harness Racing Commission;  
21 and

22 F. The amount of revenue received to supplement harness racing purses, pay fair  
23 premiums, make capital improvements to fairground facilities, racing venues or  
24 grandstand operations and labor costs and operating expenses.

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

27 A. The amount spent to pay fair premiums make capital improvements to fairground  
28 facilities and labor costs and operating expenses;

29 B. The amounts, reported separately, received from slot machine revenue in  
30 accordance with section 1036, subsection 2, paragraph D, the Stipend Fund under  
31 Title 7, section 86 and from any other source in accordance with rules adopted under  
32 section 263-A, subsection 1, paragraph C and Title 7, section 82, subsection 5 by the  
33 Commissioner of Agriculture, Food and Rural Resources or the State Harness Racing  
34 Commission; and

35 C. An estimate of the number of people that attended the agricultural fair, including  
36 separate estimates of paid attendance, free-pass attendance, vendor attendance and  
37 attendance under a local campground pass.

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

1 A. The number of mares bred by each Maine Standardbred stallion as reported to the  
2 State Harness Racing Commission;

3 B. An assessment of whether the number of Maine Standardbred horses in the State  
4 is sufficient to grow and sustain harness racing in the State;

5 C. The number of yearling horses eligible and nominated to participate in sire stakes  
6 racing;

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

9 E. The total number of qualifying dashes for sire stakes races and the average purse  
10 for each dash sorted by the age of the horse and the average purse for each sire stakes  
11 final dash sorted by the age of the horse; and

12 F. An accounting of the Sire Stakes Fund, including the total amount of the fund at  
13 the beginning and end of the racing season and, reported separately, expenditures  
14 used to supplement purses, pay breeder promotional contracts, pay advertising costs,  
15 make payments to a statewide horsemen association, pay administrative costs and  
16 make contributions to the operating account described in section 267-A.

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

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

21 B. The number of full-time and part-time employees of the off-track betting facility;

22 C. The operating costs for the off-track betting facility;

23 D. The name and primary location of the company licensed to operate the off-track  
24 betting facility;

25 E. The total number of races originating in the State received for simulcast as  
26 reported by the off-track betting facility;

27 F. The amount, if any, spent on capital improvements to the off-track betting facility  
28 and a description of those improvements. The first report must include the amount  
29 spent since November 2005, shown by year. Subsequent annual reports must include  
30 the amount spent on capital improvements the immediately preceding calendar year;

31 G. The amount of the harness racing handle kept by the off-track betting facility and  
32 the distribution of the handle to the State and industry recipients under section 286;

33 H. The amount received from the handle distribution from wagers at tracks and other  
34 off-track betting facilities under section 286; and

35 I. The amount of revenue received in accordance with section 1036, subsection 2,  
36 paragraph I.

37 **6. Other recipients.** The Fund for a Healthy Maine's program providing  
38 prescription drugs for adults who are elderly or disabled, the University of Maine System  
39 and the Maine Community College System shall submit reports that include the amount  
40 of slot machine revenue received under section 1036, subsection 2 and how that revenue

1 was used to meet the statutory requirements cited in section 1036, subsection 2,  
2 paragraphs E, F and G, respectively.'

3 Amend the bill by relettering or renumbering any nonconsecutive Part letter or  
4 section number to read consecutively.

5 **SUMMARY**

6 This amendment transfers the responsibility of reporting to the joint standing  
7 committees of the Legislature having jurisdiction over slot machines, harness racing,  
8 agricultural fairs and appropriations and financial affairs on the use of slot machine  
9 revenues by commercial tracks, agricultural fairs, off-track betting facilities and  
10 standardbred horse breeders from the entities themselves to the executive director of the  
11 State Harness Racing Commission, in consultation with the Commissioner of Agriculture,  
12 Food and Rural Resources. The reporting requirements for other recipients of slot  
13 machine revenue under the bill are not changed. The amendment requires the  
14 commissioner, in consultation with the State Harness Racing Commission, to adopt rules  
15 to ensure the reporting requirements are met. The amendment strikes some of the more  
16 detailed reporting requirements, including the number of people attending harness races  
17 at commercial tracks, detailed payroll information and the number of races originating in  
18 the State for simulcasting outside of the State. The amendment makes changes to the  
19 information required of horsebreeders in the Maine Standardbred program by clarifying  
20 how to quantify the number of Maine Standardbred horses and how to report money from  
21 the Sire Stakes Fund. It removes the requirement that the number of breeders and the  
22 breeders' geographic locations be reported.

23 **FISCAL NOTE REQUIRED**

24 **(See attached)**