

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND AND TWELVE

—
H.P. 1400 - L.D. 1897

**An Act Regarding the Issuance of Licenses by the Gambling Control Board
and To Establish a Competitive Bidding Process for Future Operation of Slot
Machines and Table Games in the State**

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

Sec. 1. 8 MRSA §1011, sub-§2-B is enacted to read:

2-B. Licenses for a slot machine facility or casino issued on or after September 1, 2012. Beginning September 1, 2012, the board may not accept any application for an initial license to operate a slot machine facility or casino or any other gambling facility for which the board has licensing authority where slot machines or table games may be operated; except that the board may accept an application submitted by a federally recognized Indian tribe in the State that was licensed to conduct high-stakes beano at a gaming facility in Washington County as of January 1, 2012 if that tribe is authorized expressly by law to operate slot machines at that gaming facility. This subsection does not apply to a casino licensed for operation in the State as of September 1, 2012.

Sec. 2. 8 MRSA §1018, sub-§1-A is enacted to read:

1-A. Fees for slot machine and casino operator licenses on or after September 1, 2012. Notwithstanding subsection 1, paragraphs C and C-1, beginning September 1, 2012, an applicant for a slot machine operator license or a casino operator license must pay a \$250,000 nonrefundable privilege fee to be submitted with the application for the license and a minimum license fee, or cash bid if the license is part of a competitive bidding process established by law, of \$5,000,000. This subsection does not apply to a casino licensed for operation in the State as of September 1, 2012.

Sec. 3. Commission established to develop a competitive bidding process for the operation of additional casinos or slot machine facilities. Notwithstanding Joint Rule 353, the Commission To Develop a Competitive Bidding Process for the Operation of Additional Casinos or Slot Machine Facilities, known in this section as "the commission," is established as follows.

1. Membership. The membership of the commission is as follows:

A. Two Senators who are not enrolled in the same political party and who serve on the joint standing committee of the Legislature having jurisdiction over casino matters appointed by the President of the Senate. The Senators appointed to serve on the commission pursuant to this paragraph continue to serve until the commission has completed its work;

B. Two members of the House of Representatives who are not enrolled in the same political party and who serve on the joint standing committee of the Legislature having jurisdiction over casino matters appointed by the Speaker of the House. The members of the House of Representatives appointed to serve on the commission pursuant to this paragraph continue to serve until the commission has completed its work;

C. One representative from each federally recognized Indian tribe in the State who expresses interest in serving on the commission appointed by the President of the Senate;

D. A representative of charitable nonprofit organizations, as described in the federal Internal Revenue Code of 1986, Sections 501(c)(8) and 501(c)(10), in the State that conduct beano or games of chance appointed by the Speaker of the House;

E. A representative of veterans' service organizations in the State that conduct beano or games of chance appointed by the Speaker of the House;

F. A representative of the harness horse racing industry in the State appointed by the President of the Senate;

G. An operator or representative of a commercial harness horse racing track in the State that is not authorized to operate slot machines appointed by the Speaker of the House;

H. An off-track betting facility operator licensed in the State appointed by the President of the Senate;

I. An operator or representative of each casino licensed in the State appointed by the Speaker of the House;

J. An economist or consultant with experience studying the gambling industry appointed by the President of the Senate;

K. Representatives from 2 groups who represent those who oppose the expansion of gambling in the State, one from a statewide religious organization, appointed by the Speaker of the House;

L. A representative of the agricultural fairs in this State appointed by the President of the Senate; and

M. A representative of the hospitality industry appointed by the Speaker of the House.

2. Appointments; cochairs. Appointments to the commission must be made by February 1, 2013. The first-named Senate member and the first-named House of Representatives member are cochairs of the commission.

3. Commission duties. The commission shall examine the impact of existing casinos on local economies and the state economy overall and any impacts on other forms of legal gambling conducted within the State. The commission shall examine the impact of the establishment of casinos or similar facilities in the states of New Hampshire and Massachusetts and neighboring provinces in Canada on the state economy and on the revenue generated by existing casinos in the State. The commission shall also gather information to determine the potential market for the establishment of new gambling opportunities in the State. The commission shall consider the feasibility of the licensing of expanded gambling activities by persons or groups who are eligible for existing licenses to conduct games of chance, beano, high-stakes beano, harness horse racing and off-track betting, including but not limited to the operation of slot machines and table games. The commission shall develop recommendations for a competitive bidding process for the privilege to submit an application to the Department of Public Safety, Gambling Control Board for the operation of a slot machine facility or a casino. The recommendation for a competitive bidding process must include a minimum nonrefundable application privilege fee of \$250,000 as provided in the Maine Revised Statutes, Title 8, section 1018, subsection 1-A. The recommendation must also include a minimum cash bid or license fee of \$5,000,000 in order to submit an application to the Gambling Control Board for an initial license to operate a slot machine facility or a casino except that the commission may recommend a minimum cash bid or license fee in an amount other than \$5,000,000 when a deviation from the \$5,000,000 amount is warranted based on the geography or demographics of the location of a proposed slot machine facility or casino or the size of the proposed slot machine facility or casino.

4. Meetings; compensation. The commission shall hold no more than 6 meetings. The commission may seek comment from members of the public to assist in the development of the recommendations required by subsection 3. Legislative members are entitled to receive the legislative per diem and reimbursement of necessary expenses for their attendance at authorized meetings of the commission when the Legislature is not in session.

5. Report and legislation. By February 15, 2014, the commission shall submit a report based on its findings under subsection 3, including any recommendations for legislation, to the joint standing committee of the Legislature having jurisdiction over casino matters, which is authorized to report out legislation to the Second Regular Session of the 126th Legislature.

6. Staff. The Department of Administrative and Financial Services shall provide staff to the commission. The Office of Policy and Legal Analysis shall provide drafting assistance to the commission.

In House of Representatives, 2012

Read twice and passed to be enacted.

..... Speaker

In Senate, 2012

Read twice and passed to be enacted.

..... President

Approved 2012

..... Governor