



STATE OF MAINE  
Department of Public Safety  
Gambling Control Board  
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COMMISSIONER

STEVEN SILVER  
CHAIRMAN  
MILTON CHAMPION  
EXECUTIVE DIRECTOR

Legislative Briefing  
Veterans and Legal Affairs Committee  
Milton F. Champion – Executive Director  
Gambling Control Unit  
Department of Public Safety  
January 22, 2025, 11:00 am, Room 437, via Zoom

Senator Hickman, Representative Supica and distinguished members of the Veterans and Legal Affairs Committee, I am Milton Champion, Executive Director of the Gambling Control Unit within the Department of Public Safety. I am here today to give you a briefing on the organization and responsibilities of the Gambling Control Board and the Gambling Control Unit.

The State of Maine Gambling Control Board and Unit were established in 2004 in response to a citizen's initiative to allow slot machines in Bangor, Maine. In November 2005 Hollywood Casino opened with slot machines only.

In November of 2010, the citizens of Maine voted to allow a second casino in Oxford County. Oxford Casino began operations as a full casino with both slots and table games in June 2012. In November of 2011, after local approval allowed them to add table games, Hollywood Casino began operating as a full casino in March 2012.

The Gambling Control Board itself is made up of five members, appointed by the Governor, who meet every other month in order to monitor the oversight of gambling at casinos in Maine and advanced deposit wagering on horse racing. As the Executive Director, I report to the Gambling Control Board and provide leadership, administration and oversight of three functional areas within the Gambling Control Unit. These functional areas include Licensing, Auditing and Inspections. Each area focuses on a different aspect of regulation within the gaming industry. Specific responsibilities include, but are not limited to

- Staff development,
- Budget planning,
- Rule promulgation,
- Revenue distribution,
- Individual and business licensing, and
- Enforcement of Maine Statutes and Board Rules through each facilities System of Internal Controls.

Our current staff consists of an Executive Director, Deputy Director, Office Specialist, Office Associate, Office Assistant, two auditors, one casino inspector supervisor, nine casino

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inspectors, two charitable inspectors, a Sports wagering inspector and state police Detective. The Executive Director is responsible for directing the day-to-day operations of the Gambling Control Unit. Some of the functions and responsibilities include, but are not limited to:

- Processing an average of 800 casino employees with new or renewal licenses,
- Distributing weekly collected funds from casino activity to various recipients as directed by statute totaling 67.2 million dollars in 2024,
- Casino inspectors verifying slot machine and software for installation or upgrades and complete inspections and observations of potential violations of casino operations according to Maine statute, Board rules or Facility internal controls, and
- Conducting Background investigations of all business entities and individual licenses.

In addition, there are two Assistant Attorney General's assigned as legal counsel to the Board and the Unit. The AAG's attend meetings of the Board, administrative hearings and work closely with the Executive Director on legal matters that arise. An employee at the State Bureau of Identification is funded by the Gambling Control Board budget due to the additional work imposed by fingerprint background checks.

"An Act to Implement a facility-based Monitoring System for Slot Machines" became law in 2024, with the transition from central monitoring to facility-based monitoring which met the deadline of June 31, 2024. This measure, which began in the current fiscal year 2024-25, will reduce state expenses by 1.1 million dollars annually.

Below you will also see the Gambling Control Board actual expenses for the last two calendar years 2023-24 with the largest expense being the contract for use of the central monitoring system as stated above. Also, there are the revenues collected by the casinos for the last two calendar years.

By March 15, 2025, you will be receiving the Board's Annual Report which will outline the allocation of funds distributed under Maine Revised Statute, title 8, chapter 31 that totaled 67.2 million dollars for 2024. That was a decrease of 3.93% versus 2023.

"An Act to Authorize Advance Deposit Wagering for Horse Racing" became law in 2016. After being ratified by the legislator and approved by the Governor, the Gambling Control Board approved final rules for adoption in June 2018. A Request for Proposal was issued for one awardee of an advance deposit wagering operator by statute. That award was issued to Hollywood Races LLC in May 2020. Collected fees have decreased 10.7% versus 2023. Total funds collected in 2024 were \$209,579.

"An Act Regarding the Licensing of Persons to Conduct Advance Deposit Wagering" became law in 2023, allowing for eligible organizations under Title 8, sub 1073 to apply for a license. Rules were adopted and there are currently two applications to conduct advance deposit wagering for Board approval this current year.

Outside of the oversight of the Gambling Control Board, in 2017 regulatory oversight of non-profit charitable gaming of eligible organizations was transferred from the Maine State Police to the Gambling Control Unit. In 2024 the Unit processed 4,224 license and/or registrations of Games of Chance, Beano or Bingo and collected fees of \$491,805. which was a 6.5% increase in collected fees from 2023.

Also, in 2017 regulatory oversight of Fantasy Contests were assigned to the Executive Director position within the Gambling Control Unit. In 2024, the Unit collected \$171,159. which was a decrease of 45 % versus 2023.

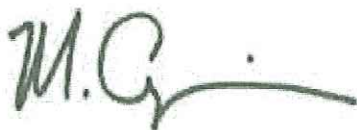
And finally in 2022 “An Act to Enhance Tribal-State Collaboration, To Revise the Tax Laws Regarding the Houlton Band of Maliseet Indians, the Passamaquoddy Tribe and the Penobscot Nation and To Authorize Casinos, Off-track Betting Facilities, Federally Recognized Indian Tribes and Certain Commercial Tracks To Conduct Sports Wagering” became law in 2022 and wagering began November of 2023. Total revenue collected from sports wagering in 2024 totaled \$5,536,035.

With the increased oversight of charitable gaming, advance deposit wagering, fantasy contests and sports wagering, the total revenue collected in 2016 from the two casinos was \$53 million. The total revenue collected from all areas distributed by the Gambling Control Unit in 2024 was \$73 million which is an increase of 38%.

Since 2017 we have added a Deputy Director, Charitable Inspector, Sports Wagering Inspector and part-time Office Assistant. We are seeking to add at some point three auditors to cover charitable, Fantasy and sports wagering, an Office Specialist II to assist the Executive Director and Deputy Director’s assigned duties and responsibilities and a Public Service Coordinator II to cover rule making processes as we are always developing or changing rules. In fact, since 2017 I have personally completed 47 rulemaking packages with currently two more in the development stages.

In closing I wanted to also give you an update of the cascade recipients from 2016 to 2024 for future reference and I will update the committee each year going forward. Thank you for the opportunity to appear before the committee today and I would be happy to answer any questions you may have at this time.

Respectfully,

A handwritten signature in dark ink, appearing to read "M.G." followed by a long horizontal flourish.

### Gambling Control Board Actual Expenses

<i>Gambling Control Board</i>	<i>FY 2023</i>	<i>FY 2024</i>
Part I: Personnel Services	\$1,518,715.45	\$1,755,173.55
Part II: All Other Expenses	\$1,700,945.03	\$1,984,594.86
<b>Total Expenses</b>	<b>\$3,219,660.48</b>	<b>\$3,739,768.41</b>

### Casino Tax Revenue Collected

<i>Gambling Control Board</i>	<i>2023</i>	<i>2024</i>
Hollywood Casino Slots	\$24,525,131.52	\$24,165,044.88
Hollywood Casino Table Games	\$1,225,652.20	\$1,617,513.55
Oxford Casino Slots	\$41,615,583.53	\$39,171,028.43
Oxford Casino Table Games	\$2,645,551.15	\$2,307,341.29
<b>Total Revenue</b>	<b>\$57,928,806.50</b>	<b>\$67,260,928.15</b>

CASCADE RECIPIENTS

	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
*General Fund	6,694,287.30	6,374,501.08	6,095,060.86	6,476,773.88	3,938,778.54	7,517,491.17	8,267,044.24	9,638,535.89	12,796,485.04	\$ 67,798,958
Dept of Education for K-12	17,777,907.14	18,937,113.23	21,189,716.22	21,024,768.29	10,020,642.84	21,144,003.37	24,262,914.96	24,270,634.51	22,656,037.62	\$ 181,283,738
U Maine Scholarship Fund	3,249,409.22	3,311,077.84	3,616,785.38	3,614,289.20	1,856,008.36	3,800,799.54	4,350,338.76	4,394,974.13	4,162,255.74	\$ 32,355,937
Maine Maritime Academy	128,636.17	189,973.71	218,549.12	218,509.48	108,946.15	212,930.04	133,893.11	166,425.98	162,146.55	\$ 1,540,010
Maine Community College System Scholarships	2,337,587.46	2,437,753.74	2,695,017.12	2,686,948.90	1,363,712.71	2,795,926.00	3,141,324.53	3,185,386.67	3,013,745.16	\$ 23,657,402
Fund For A Healthy Maine	3,918,931.77	3,760,698.54	3,629,687.88	3,753,000.72	2,200,062.40	4,287,409.87	4,442,260.30	4,713,268.65	4,591,128.98	\$ 35,296,449
Dairy Improvement Fund	324,282.38	343,613.98	388,674.66	385,274.80	190,617.74	394,530.83	449,516.40	452,343.30	425,772.05	\$ 3,354,626
Maine Milk Pool	324,282.38	343,613.98	388,674.66	385,274.49	190,617.74	394,530.83	449,516.40	452,343.30	425,772.05	\$ 3,354,626
Penobscots and Passamaquoddy	2,594,259.02	2,748,911.86	3,109,397.44	3,082,198.46	1,524,942.01	3,156,246.65	3,596,131.41	3,618,746.39	3,406,176.39	\$ 26,837,010
*Agricultural Fair Support Fund	1,824,244.29	1,815,437.52	1,866,256.56	1,896,449.81	1,057,041.86	2,098,188.68	2,258,382.94	2,378,212.70	2,496,166.43	\$ 17,690,381
Veterans Assistance Grant Fund	182,664.08	174,611.46	160,437.74	178,417.57	76,446.39	117,317.04	146,631.34	153,206.56	202,189.24	\$ 1,391,921
*Sire Stakes	4,567,496.53	4,447,926.50	4,407,040.20	4,523,550.30	2,593,304.69	5,094,209.24	5,362,221.19	5,686,438.87	5,788,783.49	\$ 42,470,971
*Fund to Encourage Racing at Maine's Commercial Tracks	1,824,244.29	1,815,437.52	1,866,256.56	1,896,449.81	1,042,832.97	2,077,574.99	2,234,378.10	2,370,625.55	2,560,344.82	\$ 17,688,145
*Fund to Stabilize Off Track Betting	1,567,572.73	1,504,279.40	1,451,876.33	1,501,200.32	886,004.20	1,797,197.54	1,872,790.56	1,969,634.38	1,911,778.29	\$ 14,462,334
*Gambling Control Board Admin Exps and Gambling Addiction	391,893.19	376,069.85	362,969.06	375,300.06	275,942.39	509,591.07	538,120.41	553,494.78	532,609.86	\$ 3,915,991
Host County (Oxford Cty)	804,943.58	862,869.37	953,147.55	946,652.38	430,211.07	930,807.86	1,077,742.22	1,070,033.56	995,752.98	\$ 8,072,161
Host Municipalities (Town of Oxford)	1,609,887.16	1,725,738.75	1,905,895.30	1,893,304.87	860,422.07	1,861,615.74	2,155,484.43	2,140,067.13	1,991,506.01	\$ 16,143,921
Host Municipalities (Bangor)	574,557.27	550,681.31	523,864.25	553,717.63	296,452.60	546,058.03	590,857.40	624,533.46	661,302.15	\$ 4,922,024
	53,385,913	54,570,835	57,928,806	58,499,665	30,318,289	61,704,827	68,782,722	71,459,223	73,177,703	\$ 529,827,984

Tax Revenue from multiple sources, including (two or more) from : CASINO (Oxford, Hollywood), ADW (Advance Deposit Wagering), FANTASY and SPORTS WAGERING.