

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## An Act To Allow a Resort Casino in Oxford County

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

**Sec. 1. 8 MRSA §1001, sub-§2,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**2. Associated equipment.** "Associated equipment" means any component part used, or intended for use, in a slot machine or gaming device, including, but not limited to, software, integrated circuit chips, printed wired assemblies, printed wired boards, printing mechanisms, video display monitors and metering devices.

**Sec. 2. 8 MRSA §1001, sub-§2-A** is enacted to read:

**2-A. Bazaar game.** "Bazaar game" means a game, sport, amusement, diversion, scheme, plan, project, contest, undertaking or enterprise in which chance, fortune, luck or lot is the predominating factor or element in the winning or awarding of a prize but does not include a lottery or any game, sport, amusement, diversion, scheme, plan, project, contest, undertaking or enterprise in which the skill, accomplishment, art or adroitness of the gaming operator or participant is the primary factor in the winning or awarding of a prize.

**Sec. 3. 8 MRSA §1001, sub-§5-A** is enacted to read:

**5-A. Casino.** "Casino" means a facility in Oxford County where activities take place, including, but not limited to, various forms of gaming, amusement, entertainment, music, shows, lodging and any other activities authorized under state law.

**Sec. 4. 8 MRSA §1001, sub-§16,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**16. Gambling facility.** "Gambling facility" means a race track, off-track betting facility, high-stakes beano or beano facility, a game of chance facility or, slot machine facility or gaming facility.

**Sec. 5. 8 MRSA §1001, sub-§19-A** is enacted to read:

**19-A. Gaming.** "Gaming" means any game of chance or other gaming activity or wagering activity, including, but not limited to, those activities specifically identified in subsection 19-B.

**Sec. 6. 8 MRSA §1001, sub-§19-B** is enacted to read:

**19-B. Gaming activity.** "Gaming activity" means the act of gambling or wagering something of value at a gaming table, slot machine, simulcast or other device that, upon the placing of a wager or insertion of a coin, token, credit or similar object or thing of value, is available to play or operate, the play or operation of which by the element of chance may deliver the person playing or operating the gaming table, video screen or device, contrivance or machine or entitle that person to receive cash, tokens

or credits to be exchanged for cash, merchandise or anything of value, whether the payoff is made by a gaming employee of the operator or automatically from the device, contrivance or machine or in any other manner.

**Sec. 7. 8 MRSA §1001, sub-§19-C** is enacted to read:

**19-C. Gaming device.** "Gaming device" means a device used in any form of gaming, including without limitation the following: a slot machine, card game, table game or other game of chance, including without limitation blackjack, poker, dice, roulette, baccarat, money-wheels and bingo; a bazaar game, but only if conducted solely for merchandise prizes; a lottery game; a video facsimile, including without limitation a video facsimile of any card game, table game or other game of chance, including without limitation those described in this subsection. "Gaming device" applies only to a gaming facility and does not apply to a commercial track, which may operate only slot machines.

**Sec. 8. 8 MRSA §1001, sub-§19-D** is enacted to read:

**19-D. Gaming device distributor.** "Gaming device distributor" means a person who is licensed under this chapter to distribute gaming devices and associated equipment for use in this State.

**Sec. 9. 8 MRSA §1001, sub-§20,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**20. Gaming employee.** "Gaming employee" means any person connected directly with a gambling facility, including cashiers, change personnel, counting room personnel, hosts, dealers, persons who extend credit or offer complimentary services, machine mechanics, security personnel, supervisors or managers. "Gaming employee" also includes employees of a slot machine distributor or gaming device distributor whose duties are directly involved with repair or distribution of slot machines or gaming devices.

**Sec. 10. 8 MRSA §1001, sub-§20-A** is enacted to read:

**20-A. Gaming equipment.** "Gaming equipment" means a machine or device that is specifically designed or manufactured for use in the operation of any gaming activity.

**Sec. 11. 8 MRSA §1001, sub-§20-B** is enacted to read:

**20-B. Gaming facility.** "Gaming facility" means the place that houses the single casino in Oxford County. "Gaming facility" does not include a commercial track.

**Sec. 12. 8 MRSA §1001, sub-§20-C** is enacted to read:

**20-C. Gaming operation.** "Gaming operation" means an enterprise operated by a gaming operator on a gaming site for the conduct of gaming in a gaming facility.

**Sec. 13. 8 MRSA §1001, sub-§20-D** is enacted to read:

**20-D. Gaming operator.** "Gaming operator" means a corporation, partnership, limited partnership, limited liability company or other entity established for the purpose of developing, owning or operating a gaming facility or gaming facilities on one gaming site or a gaming operation or gaming operations, including operation of slot machines, all of the equity and voting securities of which are owned beneficially, directly or indirectly, by a gaming operator.

**Sec. 14. 8 MRSA §1001, sub-§20-E** is enacted to read:

**20-E. Gaming school.** "Gaming school" means an enterprise organized to provide specialized training to gaming employees for the conduct of gaming other than a training program operated by the gaming operator.

**Sec. 15. 8 MRSA §1001, sub-§20-F** is enacted to read:

**20-F. Gaming services.** "Gaming services" means the provision of goods or services to a gaming operator directly in connection with the operation of gaming in a gaming facility, including maintenance or security services for the gaming facility; junket services; gaming schools; laboratory testing of gaming equipment, including video facsimile machines and lottery tickets; and the manufacture, distribution, maintenance or repair of gaming equipment. "Gaming services" does not include professional or financial services provided by persons licensed or registered under the laws of this State, the Federal Government or other states of the United States.

**Sec. 16. 8 MRSA §1001, sub-§20-G** is enacted to read:

**20-G. Gaming site.** "Gaming site" means one or more contiguous parcels of land selected by a gaming operator and owned or leased by a gaming operator within a single city, town or plantation in Oxford County or within 2 or more contiguous cities, towns or plantations in Oxford County.

**Sec. 17. 8 MRSA §1001, sub-§25**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**25. Intermediary company.** "Intermediary company" means a company that is a holding company of a company that applies for a slot machine operator or gaming operator license or a slot machine distributor or gaming device distributor license or is a subsidiary of a holding company of a company that applies for a slot machine operator or gaming operator license or a slot machine distributor or gaming device distributor license.

**Sec. 18. 8 MRSA §1001, sub-§27**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**27. Key executive.** "Key executive" means any executive of a licensee having power to exercise a significant influence over decisions concerning the operation or distribution of slot machines or gaming devices.

**Sec. 19. 8 MRSA §1001, sub-§30**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**30. Nongambling services.** "Nongambling services" means any goods or services, other than gambling services and slot machine and gaming device distribution by a slot machine distributor or gaming device distributor, provided to an operator licensed under this chapter or at a gambling facility, including, but not limited to, hotel concessions, restaurant concessions or food service.

**Sec. 20. 8 MRSA §1001, sub-§36-A** is enacted to read:

**36-A. Premises.** "Premises" means the property on which the gaming facility is located.

**Sec. 21. 8 MRSA §1001, sub-§43-A** is enacted to read:

**43-A. Total gross gaming device income.** "Total gross gaming device income" means all money, tokens, credits or similar objects or things of value received from the play of gaming devices, minus money, credits or prizes paid out to winners.

**Sec. 22. 8 MRSA §1001, sub-§44,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**44. Uniform location agreement.** "Uniform location agreement" means a written agreement in a form prescribed by the board between a slot machine operator or gaming operator and a slot machine distributor or gaming device distributor that governs the terms and conditions of that agreement, including the placement of slot machines or gaming devices on the premises of the slot machine operator or gaming operator.

**Sec. 23. 8 MRSA §1003, sub-§2, ¶H,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

H. Pursuant to subchapter 5, cause the department to investigate all complaints made to the board regarding ownership, distribution or operation of slot machines and gaming devices and all violations of this chapter or rules adopted under this chapter;

**Sec. 24. 8 MRSA §1003, sub-§2, ¶I,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

I. Adopt rules to prevent undesirable conduct relating to the ownership, distribution and operation of slot machines and gaming devices and slot machine facilities and gaming facilities, including, but not limited to, the following:

(1) The practice of any fraud or deception upon a player of a slot machine or gaming device or a licensee;

(2) The presence or location of a slot machine or gaming device in or at premises that may be unsafe due to fire hazard or other public safety conditions;

(3) The infiltration of organized crime into the ownership, distribution or operation of slot machines and gaming devices and slot machine facilities and gaming facilities; and

(4) The presence of disorderly persons in a location where slot machines or gaming devices are in use;

**Sec. 25. 8 MRSA §1003, sub-§2, ¶J,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

J. Maintain a central site system of monitoring in real time all slot machines and gaming devices licensed in accordance with this chapter using an ~~on-line~~online inquiry;

**Sec. 26. 8 MRSA §1003, sub-§2, ¶K,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

K. Maintain the ability to activate and deactivate the operation of slot machines and gaming devices via the central site monitoring system under authority of board staff or persons contracted by the board;

**Sec. 27. 8 MRSA §1003, sub-§2, ¶L,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

L. Ensure that the slot machine operator or gaming operator does not have access to any system that is capable of programming slot machines or gaming devices;

**Sec. 28. 8 MRSA §1003, sub-§2, ¶M,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

M. Inform gaming facility operators and commercial track operators applying for a license to operate gaming devices or slot machines that any gaming devices or slot machines licensed by the board must be compatible with the central site system of ~~on-line~~online monitoring used by the board;

**Sec. 29. 8 MRSA §1003, sub-§2, ¶N,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

N. Cause the central site monitoring system to disable a gaming device or a slot machine that does not meet registration requirements provided by this chapter or rules adopted under this chapter or as directed by the department;

**Sec. 30. 8 MRSA §1003, sub-§2, ¶O,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

O. Cause the central site monitoring system to disable a gaming device or a slot machine and cause the department to seize the proceeds of that gaming device or slot machine if the funds from that gaming device or slot machine have not been distributed, deposited or allocated in accordance with section 1036;

**Sec. 31. 8 MRSA §1003, sub-§2, ¶Q,** as amended by PL 2005, c. 663, §4, is further amended to read:

Q. Certify monthly to the department a full and complete statement of all gaming device and slot machine revenue, credits disbursed by licensees, administrative expenses and the allocation of slot machine income and total gross gaming device income for the preceding month;

**Sec. 32. 8 MRSA §1003, sub-§2, ¶R**, as amended by PL 2005, c. 663, §5, is further amended to read:

R. Submit by March 15th an annual report to the Governor and the joint standing committee of the Legislature having jurisdiction over gambling affairs on gaming device and slot machine revenue, credits disbursed by gaming operators and slot machine operators, administrative expenses and the allocation of slot machine income and total gross gaming device income for the preceding year;

**Sec. 33. 8 MRSA §1003, sub-§3, ¶E**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

E. The location and hours of operation of slot machines at commercial tracks, types of gaming devices and slot machines permitted, methods of operation of gaming devices and slot machines and distribution and servicing of gaming devices, slot machines and associated equipment;

**Sec. 34. 8 MRSA §1003, sub-§3, ¶G**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

G. Minimum procedures for the exercise of effective control over the internal fiscal affairs of gaming operators and slot machine operators, gaming device distributors and slot machine distributors, gambling services vendors and nongambling services vendors, including provisions for the safeguarding of assets and revenues, the recording of cash and evidence of indebtedness and the maintenance of reliable records, accounts and reports of transactions, operations and events, including reports to the board;

**Sec. 35. 8 MRSA §1003, sub-§3, ¶H**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

H. Procedures for the annual audit of the books and records of gaming operators and slot machine operators, gaming device distributors and slot machine distributors and gambling services vendors;

**Sec. 36. 8 MRSA §1003, sub-§3, ¶I**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

I. Establishment of a list of persons who are to be excluded or removed from any gaming facility or slot machine facility, including those persons who voluntarily request that their names be included on the list of excluded persons. These rules must define the standards for exclusion and removal and include standards regarding persons who are career or professional offenders, as defined by rules of the board, whose presence in a gaming facility or slot machine facility would, in the opinion of the board, be inimical to the interest of the State;

**Sec. 37. 8 MRSA §1004, sub-§1**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**1. Generally.** In order to facilitate the auditing and security programs required by section 1003, subsection 2 and in addition to the requirements of section 1003, subsection 2, paragraphs J to O, all gaming devices and slot machines must communicate electronically with the central site monitoring system required pursuant to section 1003, subsection 2, paragraph J. The board shall select a central site monitoring system. The central site monitoring system, in addition to other functions the board determines necessary, must:

- A. Be a fully operational gaming device and slot machine control system that has the capability of supporting all gaming devices and slot machines licensed for operation in the State and is capable of being upgraded to maintain a fully operational and proper reporting capability;
- B. Use a widely accepted gaming industry protocol to facilitate gaming device and slot machine manufacturers' ability to communicate with the central site monitoring system;
- C. Have the capability to support progressive slot machines, both in-house and wide-area, as approved by the board. For purposes of this paragraph, "progressive slot machine" means a slot machine or series of slot machines in which the payback amount to an individual player increases as that player continues to play the slot machine or slot machines;
- D. Allow the gaming operator or slot machine operator to install independent player tracking systems to include cashless technology as approved by the board;
- E. Be incapable of altering the statistical awards of slot machines and gaming devices, as designated by the slot machine or gaming device manufacturer and approved by the board;
- F. Provide redundancy to ensure that each component of the network is capable of operating independently if another component of the network fails and to ensure that all transactional data is captured and secured; and
- G. Have the ability to meet the reporting and control requirements set forth in section 1003, subsection 2, paragraphs A to T.

**Sec. 38. 8 MRSA §1004, sub-§3,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**3. Initial acquisition of central site monitoring system.** The board shall select the central site monitoring system presenting the lowest overall cost alternative, taking into consideration the capital costs, operating costs and impact on gross gaming device and slot machine revenues, that is capable of satisfying the requirements of this section and section 1003, as determined by the board.

**Sec. 39. 8 MRSA §1005, sub-§1,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**1. Powers.** In addition to powers conferred by any other provision of law, the department may:

A. Without notice, and at any time during regular hours of operation, enter the offices, facilities or other places of business of gaming operators, slot machine operators, gaming device distributors, slot machine distributors and gambling services vendors to conduct administrative inspections to determine compliance with this chapter and rules adopted under this chapter; and

B. Request the director to disable any gaming device or slot machine if the department has a reasonable articulable suspicion that the gaming device or slot machine is being operated in violation of this chapter or of any rule adopted under this chapter.

**Sec. 40. 8 MRSA §1009** is enacted to read:

**§ 1009. Gaming and gaming activities authorized; regulation; credit; liability**

**1. Location.** Gaming and gaming activities at a casino are allowed only at the gaming facility located in Oxford County.

**2. A gaming operator may operate gaming devices.** Notwithstanding any other provision of law, a gaming operator may operate gaming devices on one gaming site.

**3. Regulation.** Regulation of gaming and gaming activities at the gaming site must be conducted by the board under this subchapter and the rules adopted pursuant to this subchapter.

**4. Liability.** A gaming operator or any 3rd party is not liable or responsible for any act or omission of a gaming operator except as specifically provided by a contract to which the gaming operator or the 3rd party is a signatory or otherwise as provided by law without regard to this chapter.

**Sec. 41. 8 MRSA §1011-A** is enacted to read:

**§ 1011-A. License to operate gaming devices at gaming facility**

The board shall exercise authority over the licensing of all persons participating in the operation, distribution and maintenance of gaming devices and gaming facilities and over the registration of gaming devices.

**1. Operator license required.** A person may not operate any gaming device in the State unless the person has been issued a license to operate gaming devices by the board. A gaming device operator license authorizes a licensee to own or lease gaming devices operated at a licensed gambling facility.

**2. Eligible persons.** The board may accept applications for a license to operate gaming devices from any person who is licensed to operate a gaming facility as long as the facility satisfies the following criteria:

A. The gaming facility is located in Oxford County in a municipality chosen by a gaming operator;



B. The operation of gaming devices at the gaming facility is approved by the voters of Oxford County and the municipality in which the gaming facility to be licensed is located by referendum election held at any time after November 3, 2009 and before December 31, 2011; and

C. The legislative body of each city, town or plantation in which the gaming facility is located has approved the gaming site for the conduct of all gaming operations permitted under this chapter.

**3. Requirements for license; continued gaming facility licensure.** The board may not issue a license to operate gaming devices to any person unless that person demonstrates compliance with the qualifications set forth in sections 1016 and 1019. A person who is granted a license to operate gaming devices shall maintain a license to operate a gaming facility without lapse, suspension or revocation for the duration of the gaming operator's license.

**4. Requirement for license; agreement with municipality where gaming devices are located.** A gaming operator shall enter into an agreement with the municipality where the gaming operator's gaming devices are located that provides for revenue sharing or other compensation, including, but not limited to, a provision requiring the preparation, in conjunction with the municipality, of a security plan for the premises on which the gaming devices are located.

**5. Renewal.** Licenses to operate gaming devices may be renewed upon application for renewal in accordance with this subchapter subject to board rules.

**Sec. 42. 8 MRSA §1012,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

### **§ 1012. Local approval for renewal of gaming or slot machine operator license**

An application for renewal of a gaming operator or slot machine operator license must first be approved under this section by the municipal officers of the municipality in which the gaming facility or commercial track with slot machines is located or, if the gaming facility or commercial track is in an unincorporated place, the application must be approved by the county commissioners of the county in which the gaming facility or commercial track with slot machines is located.

**1. Hearings.** Municipal officers or county commissioners, as the case may be, may hold a public hearing for the consideration of a request for the renewal of a license to operate gaming devices or slot machines, except that, when an applicant has held a license for the prior 5 years and a complaint has not been filed with the board against the applicant within that time, the applicant may request a waiver of the hearing.

A. The board shall prepare and supply application forms for public hearings under this subsection.

B. Municipal officers or county commissioners, as the case may be, shall provide public notice of any hearing held under this section by causing, at the applicant's prepaid expense, a notice stating the name and place of the hearing to appear on at least 3 consecutive days before the date of the hearing

in a daily newspaper having general circulation in the municipality where the premises of the gaming facility or commercial track with slot machines are located or one week before the date of the hearing in a weekly newspaper having general circulation in the municipality where the premises are located.

C. If municipal officers or county commissioners, as the case may be, fail to take final action on an application for a renewal of a gaming operator or slot machine operator license within 60 days of the filing of an application, the application is considered approved and ready for action by the board. For purposes of this paragraph, the date of filing of the application is the date the application is received by the municipal officers or county commissioners.

**2. Findings.** In granting or denying an application under this section, municipal officers or the county commissioners shall indicate the reasons for their decision and provide a copy to the applicant. A license may be denied on one or more of the following grounds:

A. Noncompliance of the gaming facility or commercial track licensed to operate slot machines with any local zoning ordinance or other land use ordinance not directly related to gaming device or slot machine operations;

B. Conditions of record such as waste disposal violations, health or safety violations or repeated parking or traffic violations on or in the vicinity of the premises of the gaming facility or commercial track with slot machines and caused by persons patronizing or employed by the gaming facility or commercial track licensed to operate slot machines or other such conditions caused by persons patronizing or employed by the premises that unreasonably disturb, interfere with or affect the ability of persons or businesses residing or located in the vicinity of the premises to use their property in a reasonable manner;

C. Repeated incidents of record of breaches of the peace, disorderly conduct, vandalism or other violations of law on or in the vicinity of the premises of the gaming facility or commercial track with slot machines and caused by persons patronizing or employed by the gaming facility or commercial track licensed to operate slot machines; and

D. A violation of any provision of this chapter.

**3. Appeal to board.** Any applicant aggrieved by the decision of the municipal officers or county commissioners under this section may appeal to the board within 15 days of the receipt of the written decision of the municipal officers or county commissioners. The board shall hold a public hearing in the city, town or unincorporated place where the premises of the gaming facility or commercial track with slot machines are situated. In acting on such an appeal, the board may consider all licensure requirements and findings referred to in subsection 2. If the decision appealed is an application denial, the board may issue the license only if it finds by clear and convincing evidence that the decision was without justifiable cause.

**4. Appeal to District Court.** Any person or governmental entity aggrieved by a board decision under this section may appeal the decision to the District Court within 30 days of receipt of the written decision of the board. An applicant who files an appeal or who has an appeal pending shall pay the license renewal fee the applicant would otherwise pay. Upon resolution of the appeal, if an applicant's license renewal is denied, the board shall refund the applicant the prorated amount of the unused license fee.

**Sec. 43. 8 MRSA §1013**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**§ 1013. Licensing of gaming device distributors and slot machine distributors**

**1. License to distribute required.** A person may not distribute a gaming device or slot machine in the State unless the person has been issued a license to distribute gaming devices or slot machines by the board.

**2. Requirements for license.** The board may issue a license to distribute gaming devices or slot machines to an applicant that meets the qualifications set out in sections 1016 and 1019.

**Sec. 44. 8 MRSA §1015**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**§ 1015. Licensing of employees of gaming or slot machine operators, gaming device or slot machine distributors and gambling services vendors**

**1. License required.** A person may not be employed by a gaming operator or slot machine operator, gaming device distributor or slot machine distributor or gambling services vendor unless the person is licensed to do so by the board or granted a waiver by the board pursuant to subsection 3.

**2. Requirements for license.** The board may issue an employee license to an employee of a gaming operator or slot machine operator, gaming device distributor or slot machine distributor or gambling services vendor if the applicant meets the qualifications set out in sections 1016 and 1019.

**3. Requirements for waiver.** Upon application by a gaming operator or slot machine operator, gaming device distributor or slot machine distributor or gambling services vendor, the board may waive the employee license requirement under this section if the gaming operator or slot machine operator, gaming device distributor or slot machine distributor or gambling services vendor demonstrates to the board's satisfaction that the public interest is not served by the requirement of the employee license.

**Sec. 45. 8 MRSA §1016, sub-§1**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**1. Minimum qualifications.** Notwithstanding Title 5, chapter 341, and in addition to any requirements imposed by rules adopted by the board, a person must satisfy the following qualifications to be a gaming operator or a slot machine operator, a gaming device distributor or a slot machine distributor, a gambling services vendor or an employee of these entities:

A. The person has completed the application form, promptly and truthfully complied with all information requests of the board and complied with any applicable rules adopted by the board;

B. The person has sufficient financial assets and responsibility to meet any financial obligations imposed by this chapter and, if applying for a gaming operator or slot machine operator license or gaming operator or slot machine operator license renewal, has sufficient financial assets and responsibility to continue operation of a gaming facility or commercial track;

C. The person has not knowingly or recklessly made a false statement of material fact in applying for a license under this chapter or any gambling-related license in any other jurisdiction;

D. In the case of a person applying to be a gaming operator or slot machine operator, the person has sufficient knowledge and experience in the business of operating gaming devices or slot machines to effectively operate the gaming facilities or slot machine facilities to which the license application relates in accordance with this chapter and the rules and standards adopted under this chapter, or the person forms a partnership with persons or entities who have sufficient knowledge and experience in the business of operating gaming devices or slot machines;

E. The person has not had a gambling-related license application denied or an adverse action taken against a gambling-related license by authorities in this State or any other jurisdiction. For purposes of this paragraph, "adverse action" includes, but is not limited to, a condition resulting from an administrative, civil or criminal violation, a suspension or revocation of a license or a voluntary surrender of a license to avoid or resolve a civil, criminal or disciplinary action;

F. If the applicant is a business organization, the applicant is organized in this State, although that business organization may be a wholly or partially owned subsidiary of an entity that is organized pursuant to the laws of another state or a foreign country; and

G. The person and all key executives are citizens or permanent residents of the United States.

A person may not hold more than one class of license under this chapter unless the 2nd license is an employee license under section 1015.

**Sec. 46. 8 MRSA §1018, sub-§1**, as amended by PL 2005, c. 663, §7, is further amended to read:

**1. Fees.** The application fee for a license and the annual fee for a registered gaming device or slot machine under this chapter are as set out in this subsection.

A. The initial registration fee for a registered gaming device or slot machine is \$100. The annual renewal fee is \$100 for each registered gaming device and slot machine.

B. The initial application fee for a slot machine distributor or gaming device distributor license is \$200,000. The annual renewal fee is \$75,000.

C. The initial application fee for a gaming operator or slot machine operator license is \$200,000. The annual renewal fee is \$75,000 plus an amount, set by rules of the board, equal to the cost to the board of licensing gaming operators and slot machine operators and determined by dividing the costs of administering the gaming operator and slot machine operator licenses by the total number of gaming operators and slot machine operators licensed by the board.

D. The annual application fee for a license for a gambling services vendor is \$2,000.

E. The initial application fee for an employee license under section 1015 is \$250. The annual renewal fee is \$25.

In addition to the application fee for a license or annual fee for a registered gaming device or slot machine, the board may charge a one-time application fee for a license or registration listed in paragraphs A to E in an amount equal to the projected cost of processing the application and performing any background investigations. If the actual cost exceeds the projected cost, an additional fee may be charged to meet the actual cost. If the projected cost exceeds the actual cost, the difference may be refunded to the applicant. All fees collected pursuant to this section must be deposited directly to the General Fund, except that \$25,000 of the annual renewal fee for a slot machine operator must be deposited to the Gross Slot Income Other Special Revenue Fund account within the Gambling Control Board to be transferred to the municipality in which the slot machines are operated, in accordance with subsection 2. All application and registration fees are nonrefundable and are due upon submission of the application.

**Sec. 47. 8 MRSA §1018, sub-§2,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**2. Term of license; renewal; renewal fees.** All licenses issued by the board under this chapter are effective for one year, unless revoked or surrendered pursuant to subchapter 5. Upon proper application and payment of the required fees and taxes and in accordance with rules adopted by the board, the board may renew a license for an additional year if municipal approval has been obtained as provided in section 1012. The board shall transfer \$25,000 of the renewal fee required by subsection 1, paragraph C to the municipality in which the gaming devices or slot machines are operated.

**Sec. 48. 8 MRSA §1020, sub-§3,** as amended by PL 2005, c. 663, §9, is further amended to read:

**3. Limits on total slot machines.** The board shall determine the number of slot machines to be registered ~~in the State at commercial tracks~~. The board shall make this determination based upon the minimum net slot machine income, when distributed pursuant to section 1036, necessary to maintain the harness horse racing industry in this State, except that:

A. ~~The total number of slot machines registered in the State may not exceed 1,500; and~~

B. A slot machine operator may not operate more than 1,500 slot machines at any one commercial track.

**Sec. 49. 8 MRSA §1020, sub-§4,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**4. Examination of gaming devices and slot machines.** The board shall, in cooperation with the department, examine gaming devices and slot machines and associated equipment of gaming device distributors and slot machine distributors seeking registration as required in this chapter. The board shall require the gaming device distributor or slot machine distributor seeking examination and

approval of the gaming device or slot machine or associated equipment to pay the anticipated cost of the examination before the examination occurs. After the examination occurs, the board shall refund overpayments or charge and collect amounts sufficient to reimburse the board for underpayments of actual cost. The board may contract for the examinations of gaming devices and slot machines and associated equipment as required by this section.

**Sec. 50. 8 MRSA §1020, sub-§5**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**5. Unregistered or noncompliant gaming device or slot machine subject to confiscation.** A gaming device or slot machine that is not registered as required by this section or that does not comply with the requirements of this chapter or rules adopted under this chapter is contraband and a public nuisance and the gaming device or slot machine and the gaming device's or slot machine's monetary contents, monetary proceeds and associated equipment are subject to confiscation by any law enforcement officer. Slot machines, gaming devices and any monetary contents, monetary proceeds and associated equipment confiscated pursuant to this section are subject to forfeiture in accordance with the procedures outlined in Title 17-A, section 959 or 960.

**Sec. 51. 8 MRSA §1031, sub-§3**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**3. Credit prohibited.** A slot machine operator or gaming operator may not allow the use of a credit card or debit card by a person to play a slot machine or gaming device.

**Sec. 52. 8 MRSA §1032**, as amended by PL 2005, c. 663, §10, is further amended to read:

### **§ 1032. Payment of credits by gaming operator or slot machine operator**

A gaming operator or slot machine operator shall redeem credits for players who earn credits on a gaming device or slot machine located on the premises of that gaming operator or slot machine operator in accordance with rules adopted by the board. A gaming operator or slot machine operator may not redeem a credit slip more than 365 days from the date of issuance. The funds reserved for the payment of such a credit slip or expired unclaimed jackpot must be retained by the gaming operator or slot machine operator and treated as gross slot machine income and total gross gaming device income and do not constitute property subject to the requirements of Title 33, chapter 41.

**Sec. 53. 8 MRSA §1033**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

### **§ 1033. Uniform location agreement**

Each gaming device and slot machine is subject to a uniform location agreement between the gaming device distributor or slot machine distributor and the gaming operator or slot machine operator. A copy of the agreement must be submitted to the board for approval. The uniform location agreement is the complete and sole agreement between the gaming operator or slot machine operator and the gaming device

distributor or slot machine distributor regarding gaming devices and slot machines. No other agreement between the gaming operator or slot machine operator and the gaming device distributor or slot machine distributor is legally binding.

**Sec. 54. 8 MRSA §1034**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

### **§ 1034. Disclosure of other contracts and agreements**

A slot machine operator or gaming operator must submit to the board all contracts or agreements the slot machine operator or gaming operator establishes with a slot machine distributor or gaming device distributor, licensed gambling services vendor or a key executive.

**Sec. 55. 8 MRSA §1035**, as amended by PL 2007, c. 611, §11, is further amended to read:

### **§ 1035. Location of slot machines**

Slot machines may be located only on the premises of a state-authorized commercial track and on the premises of the gaming facility in Oxford County. For the purposes of this section, "premises of a state-authorized commercial track" means property owned by the person who owns the property on which a commercial track is located and that is either within 200 feet of the outside edge of the racing oval or, if the commercial track was owned by a municipality when a license to operate slot machines in association with that commercial track was issued, within 2,000 feet of the center of the racing oval.

**Sec. 56. 8 MRSA §1036, sub-§1**, as amended by PL 2005, c. 663, §11, is further amended to read:

**1. Distribution for administrative expenses of board.** A slot machine operator shall collect and distribute 1% of gross slot machine income to the Treasurer of State for deposit in the General Fund for the administrative expenses of the board. A gaming operator shall collect and distribute 1% of adjusted gross gaming device income to the Treasurer of State for deposit in the General Fund for the administrative expenses of the board.

**Sec. 57. 8 MRSA §1036, sub-§2-A** is enacted to read:

**2-A. Distribution from gaming facility.** The gaming operator shall collect and distribute 40% of the total gross gaming device income from gaming devices operated by the gaming operator to the board for distribution by the board to the Treasurer of State, who shall establish the Improve Maine's Economic Development and Transportation Infrastructure Fund, referred to in this subsection as "the fund," and shall credit to the fund all the money received by the Treasurer of State pursuant to this subsection. No later than January 31st of each year, all funds held as of the end of the previous calendar year in the fund must be distributed by the Treasurer of State as follows:

A. Nineteen and one-half percent of the total gross gaming device income must be distributed to economic development funds with 50% to be earmarked for statewide projects and 50% to be earmarked for projects in Oxford County;

B. Nineteen and one-half percent of the total gross gaming device income must be distributed to transportation infrastructure funds with 50% to be earmarked for statewide projects and 50% to be earmarked for projects in Oxford County; and

C. One percent of the total gross gaming device income must be distributed to the host municipality.

**Sec. 58. 8 MRSA §1036, sub-§3,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**3. Failure to deposit funds.** A gaming operator or slot machine operator who knowingly or intentionally fails to comply with this section commits a Class C crime. In addition to any other sanction available by law, the license of that person may be revoked by the board and the gaming devices or slot machines operated by that gaming operator or slot machine operator may be disabled, and the gaming devices and slot machines, gaming devices' proceeds and slot machines' proceeds and associated equipment may be confiscated by the board and are subject to forfeiture under Title 17-A, section 959 or 960.

**Sec. 59. 8 MRSA §1041, sub-§2,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**2. Location.** A gaming operator or slot machine operator shall maintain all records required by this chapter or by rules adopted under this chapter at the operator's primary business office within this State or on the premises where the gaming device or slot machine is operated. A gaming device distributor or slot machine distributor shall maintain these records at the distributor's primary business office within this State. The primary business office must be designated by the license holder in the license application. All records must be open to inspection and audit by the board or its designee and a license holder may not refuse the board or its designee the right to inspect or audit the records. Refusal to permit inspection or audit of the records constitutes grounds for revocation or suspension of the license or registration.

**Sec. 60. 8 MRSA §1042, sub-§2,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

**2. Monitoring.** The board or the department shall monitor the use, operation, distribution and servicing of gaming devices and slot machines through on-site observation and other means at any time during the operation of any license for the purpose of certifying the revenue thereof, receiving complaints from the public relating to the conduct of licensees, examining records of revenues and procedures, enforcing the provisions of this chapter and the rules adopted pursuant to this chapter and conducting periodic reviews of licenses for the purpose of evaluating current or suggested provisions of this chapter and the rules adopted pursuant to this chapter.

**Sec. 61. 8 MRSA §1054,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

### **§ 1054. Criminal violations**

A person commits a Class C crime if that person knowingly or intentionally:



**1. Tampering with gaming device or slot machine.** Manipulates or intends to manipulate the outcome, payback or operation of a gaming device or slot machine by physical tampering or any other means;

**2. Interference.** Interferes with the board's ability to monitor compliance with this chapter;

**3. Operation or distribution without license.** Operates or distributes a gaming device or slot machine in this State without a license;

**4. Operation or distribution of unregistered gaming device or slot machine.** Operates or distributes a gaming device or slot machine that is not registered in this State;

**5. Possession of tools for purpose of tampering with gaming device or slot machine.** Possesses or makes any tool, implement, instrument or other article that is ~~adopted~~adapted, designed or commonly used for manipulating the outcome, payback or operation of a gaming device or slot machine with intent to use that tool, implement, instrument or other article to commit the manipulation of a gaming device or slot machine;

**6. Failure to disclose contracts and agreements.** Violates section 1034;

**7. Underage use of gaming device or slot machine.** Violates section 1031, subsection 1;

**8. Failure to deposit funds.** Violates section 1036, subsection 2 or 2-A; or

**9. Failure to grant access to premises, equipment and records.** Violates section 1042.

**Sec. 62. 8 MRSA §1064**, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

### **§ 1064. Applicability of Title 17, chapter 14**

Except as expressly provided in this chapter, the provisions of Title 17, chapter 14 do not apply to the ownership, distribution or operation of slot machines or gaming devices in the State.

**Sec. 63. 8 MRSA c. 31, sub-c. 7** is enacted to read:

## **SUBCHAPTER 7**

### **GAMING FACILITY LICENSING**

#### **§ 1071. License to operate gaming facility**

**1. Eligible persons.** The board may issue a license to operate gaming devices including slot machines at a gaming facility to a gaming operator if it or its designee satisfies the following criteria:

A. The gaming facility is located in Oxford County in a municipality chosen by a gaming operator;  
and

B. The operation of gaming devices at the gaming facility is approved by the voters of the municipality in which the gaming facility to be licensed is located by referendum election held at any time after November 3, 2009 and before December 31, 2009.

**2. Requirements for license.** The person applying for a license under subsection 1 must satisfy the qualifications set forth in section 1011-A.

**3. Operation of gaming devices.** A licensee may operate a gaming device on any day during the calendar year at the location where the gaming facility is licensed for gaming without restriction on hours of operation.

## **§ 1072. Authorized gaming operations**

**1. Authorized games.** Notwithstanding any other provision of law, a gaming operator may conduct, on one site and subject to this subchapter, any form of gaming or wagering, including without limitation any of the following:

A. Card games, table games and other games of chance, including without limitation blackjack, poker, dice, roulette, baccarat, money-wheels and bingo;

B. Any bazaar game, but only if conducted solely for merchandise prizes;

C. Any lottery game; and

D. Video facsimiles, including without limitation video facsimiles of any card game, table game or other game of chance, including without limitation those described in paragraph A.

## **§ 1073. Protection against proliferation**

**1. Protection against proliferation.** A gaming facility license may not be issued under section 1011-A to any other gaming facility for 10 years from the first day that gaming occurs at the gaming facility.

**2. Exclusive gaming facility in the State.** Other than properly approved and licensed commercial tracks, a gaming operator must be the only gaming facility in the State. No other gaming facilities in any form are permitted in the State for 10 years from the first day that gaming occurs at the gaming facility.

**3. Exclusive operator of gaming operations.** As applicable, the rights and privileges granted under this subchapter are reserved to a gaming operator. No other person, including without limitation any commercial track or creditor of the gaming operator, may conduct any gaming operation on the gaming site. This subsection may not be interpreted to restrict any nongaming activities on the gaming site. Licensed commercial tracks may not expand their gaming operations to include gaming devices other than slot machines.

**Sec. 64. 17-A MRSA §952, sub-§5-A, ¶C**, as amended by PL 2003, c. 687, Pt. A, §6 and affected by Pt. B, §11, is further amended to read:

C. That is not a machine or gaming device that a person may lawfully operate pursuant to a license that has been issued under Title 17, chapter 14 or that is operated by the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations; and

**Sec. 65. 17-A MRSA §952, sub-§5-A, ¶D**, as enacted by PL 2003, c. 687, Pt. A, §7 and affected by Pt. B, §11, is amended to read:

D. That is not a slot machine registered pursuant to Title 8, section 1020 or a gaming device operated by the licensed gaming operator pursuant to Title 8, section 1011-A and owned by a slot machine distributor or gaming device distributor licensed pursuant to Title 8, section 1013.

**Sec. 66. 17-A MRSA §959, sub-§2**, as amended by PL 2003, c. 687, Pt. A, §8 and affected by Pt. B, §11, is further amended to read:

2. An illegal gambling machine, any monetary contents and any associated proceeds may be declared forfeited under this section by any court that has jurisdiction over the illegal gambling machine or final jurisdiction over any related criminal proceeding brought under this chapter or by the Superior Court for Kennebec County or the Superior Court for Oxford County. Property subject to forfeiture may be kept or stored at any location within the territorial boundaries of the State and is subject to the authority of any court in which a petition seeking the forfeiture of that property is filed.

**Sec. 67. 36 MRSA §6652, sub-§1-B, ¶C**, as repealed and replaced by PL 2005, c. 218, §61 and affected by §63, is amended to read:

C. Gambling machines or devices, including any device, machine, paraphernalia or equipment that is used or usable in the playing phases of any gambling activity as that term is defined in Title 8, section 1001, subsection 15, whether that activity consists of gambling between persons or gambling by a person involving the playing of a machine. "Gambling machines or devices" includes, without limitation:

(1) Associated equipment as defined in Title 8, section 1001, subsection 2;

(2) Computer equipment used directly and primarily in the operation of a slot machine as defined in Title 8, section 1001, subsection 39 or a gaming device as defined in Title 8, section 1001, subsection 19-C;

(3) An electronic video machine as defined in Title 17, section 330, subsection 1-A;

(4) Equipment used in the playing phases of lottery schemes; ~~and~~

(5) Repair and replacement parts of a gambling machine or device; ~~and~~ and

(6) A gaming device as defined in Title 8, section 1001, subsection 19-C.

**Sec. 68. Selection of gaming operator.** The Department of Public Safety, Gambling Control Board established in the Maine Revised Statutes, Title 8, chapter 31 shall select the gaming operator pursuant to Title 8, section 1001, subsection 20-D through an open competitive request-for-proposals process to be completed no later than September 16, 2009.

**Sec. 69. Report.** The Department of Public Safety, Gambling Control Board established in the Maine Revised Statutes, Title 8, chapter 31 shall submit by January 15, 2010 a report and recommendations to the Governor and the Legislature on bringing within the jurisdiction of the board regulatory authority over off-track betting, high-stakes beano, beano, pari-mutuel wagering, games of chance and other approved gaming devices, including, but not limited to, poker, craps, baccarat, blackjack and roulette.

**Sec. 70. Report on operation of Gambling Control Board.** The Department of Public Safety, Gambling Control Board established in the Maine Revised Statutes, Title 8, chapter 31 shall submit by March 15, 2010 a report on the operation of the board and its effectiveness in regulating the operation of gaming devices and slot machines and other gaming devices at commercial harness racing tracks and gaming facilities. The report must include recommendations of any necessary changes to the board and the laws governing the board in order to effectively regulate the operation of gaming devices, slot machines and other gaming devices at commercial tracks and gaming facilities. The report must include recommendations regarding expansion of the board's authority to regulate all gaming conducted legally within the State.

**Sec. 71. Maine Revised Statutes headnote amended; revision clause.** In the Maine Revised Statutes, Title 8, chapter 31, subchapter 3, in the subchapter headnote, the words "slot machine operation; allocation of funds" are amended to read "gaming device and slot machine operation; allocation of funds" and the Revisor of Statutes shall implement this revision when updating, publishing or republishing the statutes.

## SUMMARY

This bill authorizes a gaming operator to operate a gaming facility at a single site in Oxford County. The legislative body and voters of any municipality in which the site is located must approve the site for the operation of the gaming facility. The gaming facility is authorized to contain slot machines, bazaar games conducted solely for merchandise prizes, lottery games, video facsimiles, card games, table games and other games of chance, including without limitation blackjack, poker, dice, roulette, baccarat, money-wheels and bingo. The initiated bill removes the limit on the total number of slot machines that are allowed to be registered in this State. The bill provides that, other than the approved commercial race tracks in the State that operate slot machines, the gaming facility must be the only gaming facility in the State for at least 10 years. The bill provides for regulation of the gaming facility by the Department of Public Safety, Gambling Control Board.

The bill requires the gaming operator to pay to the State 40% of the total gross gaming device income. This money paid to the State must be used for the following purposes:

1. Nineteen and one half percent of the total gross gaming device income must be distributed to economic development funds to be used for statewide projects and projects in Oxford County;
2. Nineteen and one half percent of the total gross gaming device income must be distributed to transportation infrastructure funds to be used for statewide projects and projects in Oxford County; and
3. One percent of the total gross gaming device income must be distributed to the host municipality.