



125th MAINE LEGISLATURE

LD 1418

LR 1267(02)

An Act To Allow Table Games at a Facility Licensed To Operate Slot Machines on January 1, 2011

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Veterans and Legal Affairs

Fiscal Note Required: Yes

Fiscal Note

Contingent current biennium cost increase - General Fund
Contingent current biennium cost increase - Other Special Revenue Funds
Contingent current biennium revenue increase - General Fund
Contingent current biennium revenue increase - Other Special Revenue Funds

Fiscal Detail and Notes

The impact of this bill is contingent on a municipal referendum vote. The bill proposes to authorize a commercial track that was licensed to operate a slot machine facility on January 1, 2011 to obtain a casino operator license. It also imposes a tax on this operator's table games of 16% of net table game income and imposes an initial gaming table fee of \$100,000 per table with a renewal fee of \$1,000 per table. Presented below is an estimate of the potential annual revenues.

This estimate assumes one facility, the existing facility in Bangor, would qualify. It assumes 14 table games and assumes an 8% increase in slot revenue from increased visitation to the facility. This analysis assumes no significant effect on revenue generated by the casino facility pending licensure in Oxford. If there is an appreciable reduction in casino revenue, there will be a reduction in the amounts distributed from that facility. The net impact on the state funds and the distributions to various funds and purposes cannot be estimated at this time.

The total estimated annual increase in General Fund revenue is \$1,352,539, which includes \$1,432,539 from gaming activities and a loss of \$80,000 from the Oxford casino operator license now deposited into a dedicated account within the Department of Public Safety, Gambling Control Board. The estimated annual increase in Other Special Revenue Funds revenue is \$1,911,871 which includes \$174,000 in casino operator and table game license fees now deposited into a dedicated account. Annual state costs associated with Inspectors and State Police Detectives are estimated to be \$589,726. The timing of these impacts will depend on the timing of the local vote and the amount of time needed for establishing table games.

	Annual Estimate
State Share Net Table Game Income (16%)	\$849,920
State Share of Additional Net and Gross Slot Income	\$2,320,491

State Revenues by Fund

General Fund

From Gaming	\$1,432,539
From Annual License Fees ¹	<u>(\$80,000)</u>
Total General Fund Revenue	\$1,352,539

Other Special Revenue Funds

Department of Public Safety, Gambling Control Board ¹	\$572,940
University of Maine Scholarship Fund	\$90,116
Maine Community College System - Scholarship Funds	\$45,058
Resident Municipalities	\$151,298
Purse Supplements	\$450,581
Sire Stakes Fund	\$135,174
Fund to Encourage Racing at Commercial Tracks	\$180,232
Fund to Stabilize Off-Track Betting	\$45,058
Agricultural Fair Support Fund	\$135,174
Non-profits conducting beano and games of chance	\$106,240
Total Other Special Revenue Funds Revenue	<u>\$1,911,871</u>

Total Revenue All Funds	<u><u>\$3,264,410</u></u>
-------------------------	---------------------------

Summary of Expenditure Impacts to the State

General Fund

- Public Safety	<u><u>\$589,726</u></u>
-----------------	-------------------------

¹ Under this legislation the initial and renewal casino operator license at Oxford are deposited in a dedicated account.