



126th MAINE LEGISLATURE

LD 31

LR 47(03)

An Act To Increase Gaming Opportunities for Charitable Fraternal and Veterans' Organizations

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Veterans and Legal Affairs

Fiscal Note Required: Yes

Fiscal Note

Contingent future biennium cost increase - General Fund

Contingent future 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

This legislation allows the Gambling Control Board to accept applications for slot machine operator licenses, beginning January 1, 2015, from charitable nonprofit organizations and off-track betting facilities. Documentation of approval of the voters of the municipality must be submitted with the application. The Board may license up to 100 slot machines during the first year, with 250 total slot machines allowed.

Presented below is an estimate of the potential revenues that may be generated from new slot machine facilities and the subsequent distribution of those revenues. This fiscal note assumes 50 veterans' organizations and 1 off-track betting facility would be licensed with a total of 250 slot machines, generating annual revenue of \$91,541 for the State's General Fund and \$490,337 for various other funds. The Gambling Control Board, Other Special Revenue Funds account would also receive license fees of \$61,000 in the first year and \$42,850 for license renewals in subsequent years. Annual state costs associated with an inspector, an auditor and other related expenses are estimated to be \$171,523.

	Annual Estimate
Summary of Slot Machine Facility Revenue	
Gross Slot Income (total value of money, tokens, credits, other value used to play a slot machine)	\$7,662,000
Player Payback - Slot Income	\$6,282,840
Net Slot Income	\$1,379,160
Share of Net Income for Distribution	\$413,748
- 30% charitable organizations	\$225,828
- 45% off track betting facilities	\$281,880
Operator Share of Net Income	\$965,412
- 70% charitable organizations	\$526,932
- 55% off-track betting facilities	\$344,520

	Annual Estimate
State Revenues by Fund	
General Fund - Slot Machines	<u>\$91,541</u>
Total General Fund Revenue	\$91,541
Gambling Control Board - Slot Machines	\$81,540
Gambling Control Board - License Fees (\$61,000 the 1st year)	<u>\$42,850</u>
Subtotal	\$124,390
Gambling Addiction Prevention and Treatment Fund	\$21,319
Municipalities	\$137,916
Coordinated Veterans' Assistance Fund	<u>\$206,712</u>
Total Other Special Revenue Funds Revenue	<u>\$490,337</u>
Total Revenue All Funds	<u>\$581,878</u>
Summary of Expenditure Impacts to the State	
General Fund	
- Public Safety	\$124,390
Other Special Revenue Funds	
- Public Safety	<u>\$47,133</u>
Total Expenditures	<u>\$171,523</u>