



126th MAINE LEGISLATURE

LD 1520

LR 1211(02)

An Act To Allow the Passamaquoddy Tribe To Operate Slot Machines in Washington County in Conjunction with High-stakes Beano

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 an application for a casino operator license from the Passamaquoddy Tribe. Issuance of a license is contingent upon approval by means of a referendum of the voters of Washington County. The tax structure for this facility would be consistent with Hollywood Casino at 1% of gross slot income, 39% of net slot income and 16% of net table game income.

Presented below is an estimate of the potential revenues that may be generated from the new facility and the subsequent distribution of those revenues. This fiscal note assumes a total of 500 slot machines and 10 table games, generating annual revenue of \$3,048,491 for the State's General Fund and \$7,226,015 for various other funds. The Gambling Control Board, Other Special Revenue Funds account would also receive license fees of \$688,000 in the first year and \$285,000 for license renewals in subsequent years. Annual state costs associated with 5 inspectors, an auditor and other related expenses are estimated to be \$481,478.

This legislation could have a significant impact on revenues generated by the Hollywood and Oxford Casinos. An assessment of the impact has not been done at this time.

	Annual Estimate
Summary of Casino Revenue	
Gross Slot Income (total value of money, tokens, credits, other value used to play a slot machine)	\$200,750,000
Player Payback - Slot Income	\$180,072,750
Net Slot Income	\$18,669,750
Share of Net Income for Distribution - 39%	\$7,281,203
Operator Share of Net Income - 61%	\$11,388,548
 Net Table Game Income	 \$4,380,000

Share of Net Table Game Income for Distribution - 16%	\$700,800
Operator Share of Net Table Game Income - 84%	\$3,679,200
	Annual
State Revenues by Fund	Estimate
General Fund - 1% of gross slot income	\$2,007,500
General Fund - Net Slot Machines and Table Games Revenue	<u>\$1,040,991</u>
Total General Fund Revenue	\$3,048,491
Gambling Control Board - Table Games	\$131,400
Gambling Control Board - License Fees (\$688,000 the 1st year)	<u>\$285,000</u>
Subtotal	\$416,400
Fund for Healthy Maine	\$1,866,975
University of Maine Scholarship Fund	\$373,395
Maine Community College System - Scholarship Fund	\$186,698
Purse Supplements	\$1,866,975
Sire Stakes Fund	\$560,093
Fund to Encourage Racing at Commercial Tracks	\$746,790
Fund to Stabilize Off-Track Betting	\$186,698
Agricultural Fair Support Fund	\$560,093
Gambling Addiction Prevention and Treatment Fund	\$100,000
Coordinated Veterans Assistance Fund ¹	\$1,497,070
Municipalities	\$274,298
Passamaquoddy Indian Tribes (Oxford Casino distribution) ¹	<u>(\$1,409,470)</u>
Total Other Special Revenue Funds Revenue	<u>\$7,226,015</u>
Total Revenue All Funds	<u>\$10,274,506</u>
Summary of Expenditure Impacts to the State	
General Fund	
- Public Safety	\$65,078
Other Special Revenue Funds	
- Public Safety	<u>\$416,400</u>
Total Expenditures	<u>\$481,478</u>

¹ Under this legislation, amounts distributed from the Oxford Casino to the Passamaquoddy Tribe (\$1,409,470) would be distributed to the Coordinated Veterans Assistance Fund