



127th MAINE LEGISLATURE

LD 1066

LR 244(01)

An Act To Provide for the Licensing of a Casino Owned by the Maliseet Tribal Government on Tribal Lands in Aroostook County

Preliminary Fiscal Impact Statement for Original Bill
Sponsor: Rep. Bear of Houlton Band of Maliseet Indians
Committee: Veterans and Legal Affairs
Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

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 license from the Houlton Band of Maliseet Indians. Issuance of a license is contingent upon approval by means of a referendum of the voters of Aroostook County. The facility would be taxed at the rate of 34% 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 350 slot machines and 10 table games, generating annual revenue of \$200,663 for the State's General Fund and \$7,195,372 for various other funds. The Gambling Control Board, Other Special Revenue Funds account would also receive license fees of \$1,236,000 in the first year and \$191,000 for license renewals in subsequent years. Annual state costs associated with 5 inspectors, an auditor and other related expenses are estimated to be \$523,510. This bill will require annual General Fund appropriations of \$260,824 and Other Special Revenue Funds allocations of \$262,686 to the Department of Public Safety to cover these annual state costs.

This legislation is expected to have only a minor impact on revenues generated by the Hollywood and Oxford Casinos.

	Annual Estimate
Summary of Casino Revenue	
Gross Slot Income (total value of money, tokens, credits and other value used to play a slot machine)	\$194,818,750
Player Payback - Slot Income	\$174,752,419
Net Slot Income	\$20,066,331
Share of Net Slot Income for Distribution - 34%	\$6,822,552
Operator Share of Net Slot Income - 66%	\$13,243,779
Net Table Game Income	\$3,584,300
Share of Net Table Game Income for Distribution - 16%	\$573,488
Operator Share of Net Table Game Income - 84%	\$3,010,812

	Annual Estimate
State Revenues by Fund	
General Fund	<u>\$200,663</u>
Total General Fund Revenue	\$200,663
Gambling Control Board - Table Games	\$71,686
Gambling Control Board - License Fees (\$1,236,000 the first year)	<u>\$191,000</u>
Subtotal	\$262,686
University of Maine and Maine Maritime Scholarship Funds	\$200,663
Maine Community College System - Scholarship Funds	\$200,663
Penobscot Nation, Passamaquoddy Tribe and Aroostook Band of Micmacs	\$1,805,970
Town of Houlton	\$601,990
Agricultural Fair Support Fund	\$200,663
Harness Racing Purses	\$200,663
Sire Stakes Fund	\$200,663
Aroostook County	\$408,524
Washington County	\$408,524
Coordinated Veterans Assistance Fund	\$344,035
Dept of Education for K-12	\$143,372
Presque Isle	\$200,663
Fort Kent	\$200,663
Fort Fairfield	\$200,663
Caribou	\$200,663
Mars Hill	\$200,663
Madawaska	\$200,663
Machias	\$200,663
Calais	\$200,663
Eastport	\$200,663
Jonesport	\$200,663
Lubec	\$200,663
Danforth	<u>\$200,663</u>
Total Other Special Revenue Funds Revenue	<u>\$7,386,372</u>
Total Revenue All Funds	<u>\$7,587,035</u>
Summary of Expenditure Impacts to the State	
General Fund	
-- Public Safety	\$260,824
Other Special Revenue Funds	
-- Public Safety	<u>\$262,686</u>
Total Expenditures	<u>\$523,510</u>