

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30

Date: (Filing No. S-)

VETERANS AND LEGAL AFFAIRS

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE
SENATE
132ND LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 825, L.D. 2007, “An Act Regarding the Prohibition of Online Sweepstakes Games”

Amend the bill by striking out everything after the enacting clause and inserting the following:

Sec. 1. 5 MRSA §20006-B, sub-§1, as amended by PL 2011, c. 657, Pt. AA, §24, is further amended to read:

1. Fund established. The Gambling Addiction Prevention and Treatment Fund, referred to in this section as "the fund," is established for the purpose of supporting gambling addiction analysis, prevention and treatment to be administered by the department. The fund is a dedicated, nonlapsing fund into which payments are received in accordance with Title 8, section 1036, subsection 2 and Title 8, section 1352, subsection 1.

Sec. 2. 8 MRSA c. 38 is enacted to read:

CHAPTER 38

ONLINE SWEEPSTAKES GAMES PROHIBITED

§1351. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Board. "Board" means the Gambling Control Board established under section 1002.

2. Direct consideration. "Direct consideration" means a coin, token or other representation of value that may be purchased by a person or received through a bonus or promotion and that is used for playing or participating in an online sweepstakes game.

COMMITTEE AMENDMENT

1 **3. Dual-currency system of payment.** "Dual-currency system of payment" means a
2 system of payment that allows a person to play or participate with direct consideration or
3 indirect consideration or that is otherwise designed in a manner that:

4 A. Prevents a person from directly purchasing coins, tokens or other representations
5 of value that are redeemable for any cash prize, cash award or cash equivalents or the
6 chance to win any cash prize, cash award or cash equivalents; and

7 B. Encourages a person to purchase services, products, coins, tokens or other
8 representations of value that are not exchangeable for a prize, award, cash or cash
9 equivalents or a chance to win a prize, award, cash or cash equivalents in order for that
10 person to obtain the coins, tokens or other representations of value that are
11 exchangeable for prizes, awards, cash or cash equivalents or a chance to win a prize,
12 award, cash or cash equivalents.

13 The unit may adopt rules to further define what constitutes a dual-currency system of
14 payment. Rules adopted pursuant to this subsection are major substantive rules as defined
15 in Title 5, chapter 375, subchapter 2-A.

16 **4. Indirect consideration.** "Indirect consideration" means a coin, token or other
17 representation of value that:

18 A. Is provided for free through a promotion or bonus or with the purchase of a related
19 product, service or activity; and

20 B. May be exchanged for a prize, award, cash or cash equivalents or a chance to win
21 a prize, award, cash or cash equivalents.

22 As used in this subsection, “related product, service or activity” includes a coin, token or
23 other representation of value that may be used for direct consideration.

24 **5. Licensee.** "Licensee" means a person that holds any one of the following licenses:

25 A. A license issued under chapter 31;

26 B. A license issued under chapter 33;

27 C. A license issued under chapter 35;

28 D. A license issued under chapter 39; or

29 E. A license issued under Title 17, chapter 62.

30 **6. Online sweepstakes game.** "Online sweepstakes game" means any game, contest
31 or promotion that:

32 A. Is available on the Internet and accessible on a mobile telephone, computer terminal
33 or similar access device;

34 B. Uses a dual-currency system of payment; and

35 C. Simulates casino-style gaming, including, but not limited to, slot machines, poker
36 and other table games, lottery games, bingo or sports wagering.

37 **7. Unit.** "Unit" means the Gambling Control Unit established as a bureau within the
38 Department of Public Safety under Title 25, section 2902, subsection 12.

39 **§1352. Online sweepstakes games prohibited; fines; other penalties**

1 A person that operates or promotes an online sweepstakes game or supports the
2 operation or promotion of an online sweepstakes game commits a civil violation.

3 **1. Fine.** A person that violates this section is subject to a fine of not less than \$10,000
4 and not more than \$100,000. All fines adjudged pursuant to this section must be collected
5 by the unit and distributed to the Gambling Addiction Prevention and Treatment Fund
6 established in Title 5, section 20006-B.

7 **2. Revocation of license.** If a licensee is convicted of unlawful gambling under Title
8 17-A, section 954, subsection 1-B or is otherwise found to be in violation of this section
9 through the administrative process applicable to the license held by the licensee, the unit
10 or board, whichever is responsible for administering the license, shall revoke the licensee's
11 license.

12 **3. Ineligible for license.** A person that is found to be in violation of this section is
13 ineligible to receive a license described in section 1351, subsection 5.

14 **Sec. 3. 17-A MRSA §954, sub-§1-B** is enacted to read:

15 **1-B.** A person is guilty of unlawful gambling if the person operates or promotes an
16 online sweepstakes game or supports the operation or promotion of an online sweepstakes
17 game. For the purposes of this subsection, "online sweepstakes game" has the same
18 meaning as in Title 8, section 1351, subsection 6.'

19 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section
20 number to read consecutively.

21 **SUMMARY**

22 This amendment replaces the bill. The amendment provides the same language as the
23 bill in a new chapter and new sections of the Maine Revised Statutes to avoid creating a
24 conflict with the recently enacted Public Law 2025, chapter 538. The amendment also adds
25 an Internet gaming license, established in Public Law 2025, chapter 538, to the definition
26 of "licensee" and corrects cross-references in the bill.

27 **FISCAL NOTE REQUIRED**

28 **(See attached)**