

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Make Maine's Casinos More Competitive by Authorizing Extensions of Credit**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 8 MRS §1067** is enacted to read:

### **§ 1067. Issuing lines of credit by casino operator**

**1. Casino operator may accept credit instrument from qualified person.** A casino operator may accept a credit instrument from a qualified person in exchange for currency, chips, tokens or electronic tokens that may be wagered on table games or used in slot machines at the casino operator's casino. For the purposes of this subsection, "qualified person" means a person who has completed a credit application provided by the casino operator and who is determined by the casino operator, after performing a credit check and applying usual standards to establish creditworthiness, to qualify for a line of credit and in an amount to be determined by the casino operator under the restrictions in subsection 2 based on the person's demand deposit accounts, including any checking account or savings account. Once the casino operator makes the determination that a person is a qualified person, additional credit checks are not required. A decision to accept a credit instrument from a qualified person must be made by the casino operator. If a new credit instrument is issued to consolidate or replace an existing credit instrument or instruments, the new credit instrument must use the oldest date of the credit instrument or instruments being replaced. A lost or destroyed credit instrument remains valid and enforceable if the party seeking enforcement can prove its existence and terms. The board has no authority to determine the validity or enforceability of a credit instrument or the enforceability of the debt that the credit instrument represents. Failure to comply with a rule adopted by the board does not affect the validity or enforceability of the credit instrument or the debt that the credit instrument represents. A credit instrument executed pursuant to this section on or after the effective date of this section is a valid contract creating debt that is enforceable by legal process.

**2. Limitations.** A casino operator may not lend anything of value or extend credit to any person for the purpose of permitting that person to wager on any table game or to play any slot machine except through the use of a credit instrument. A credit instrument may not be secured by a person's house or other real property, tangible personal property, investments, individual retirement account, plan under Section 401(k) of the United States Internal Revenue Code of 1986, pension or other retirement account or college savings plan or any asset whatsoever other than a demand deposit account. A credit instrument must provide that any credit extended is due no later than 30 days from the date credit is extended. A credit instrument must be considered an unsecured loan and may not bear interest.

**3. Prohibition.** A casino operator may not extend credit pursuant to this section to a person who is intoxicated.

## **SUMMARY**

This bill allows a casino operator to extend credit to qualified customers within certain limitations.