



130th MAINE LEGISLATURE

LD 554

LR 1551(02)

An Act To Create Gaming Equity and Fairness for the Native American Tribes in Maine

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Veterans and Legal Affairs

Fiscal Note Required: Yes

Fiscal Note

Contingent future biennium revenue impact - General Fund
 Contingent future biennium revenue impact - Other Special Revenue Funds

Fiscal Detail and Notes

This bill resolves a conflict between the federal Indian Gaming Regulatory Act and state law to allow each of the four federally recognized Indian tribes in the State to conduct gaming on their respective lands. The bill would allow each of the tribes to conduct Class I gaming (i.e. social games of nominal value) on their respective lands under tribal sovereignty, conduct Class II gaming (i.e. bingo and electronic bingo) under the National Indian Gaming Commission's oversight and conduct Class III gaming (i.e. slot machines & table games) after negotiating separate tribal-state compacts with the State. The bill also clarifies that state law regarding the sale, distribution and taxation of liquor and laws relating to health and safety matters govern each tribe's gaming operations unless the tribe has adopted a law or ordinance that is no less stringent than corresponding state law. Finally, the bill specifies that Class I and Class II gaming operations of the tribes are not taxable by the State but that Class III operations may have additional fees associated with them if agreed to in the negotiated tribal-state compact.

Tribes conducting Class I, II and III gaming could decrease the revenue currently generated by existing gaming operations in the State. The impact is contingent upon the number of Class I, II and III locations and the number of machines and facilities the tribes will operate. Authorizing the tribes to conduct Class III gaming could result in an increase in General Fund and Other Special Revenue Funds revenue. The amount will depend on the revenue-sharing terms of the negotiated compacts involving Class III gaming and the number of locations, machines and facilities the tribes choose to operate. With only Class III gaming potentially increasing state revenue, depending on future negotiated deals, and Class II and Class III gaming potentially drawing gamblers away from existing gaming facilities, the net impact on state revenues cannot be estimated at this time.

Although Class I and II gaming is not subject to oversight by the Gambling Control Unit (GCU), depending on the negotiated terms of the compacts involving Class III gaming, the GCU may require additional staffing and resources. The funding for these resources may be funded by the agreements within compacts.