

132nd MAINE LEGISLATURE

LD 1838

LR 1450(02)

An Act to Provide Opportunities and Sustainable Revenue for Maine Farms, Agricultural Fairs,
Wabanaki Tribes and Veterans' Homes
Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Veterans and Legal Affairs Fiscal Note Required: Yes

Fiscal Note

Potential current biennium cost increase - General Fund Potential current biennium cost increase - Other Special Revenue Funds Potential current biennium revenue increase - Other Special Revenue Funds

Correctional and Judicial Impact Statements

The additional workload associated with the minimal number of new cases filed in the court system does not require additional funding at this time. The collection of additional fines will increase General Fund or other dedicated revenue by minor amounts.

Fiscal Detail and Notes

This bill authorizes the Gambling Control Unit (GCU) within the Department of Public Safety to issue licenses for the operation of electronic wagering terminals that may offer historical horse racing, electronic beano, and virtual sealed tickets. Licenses may be issued to federally recognized Indian tribes, licensed commercial tracks, off-track betting facilities, and certain veterans' organizations. The bill directs that 25% of the net terminal incomes from the devices be credited to the GCU for distribution as follows:

Gambling Control Unit Admin Expenses	1%
Gambling Addiction Prevention and Treatment Fund	1%
Agricultural Fair Support Fund	2%
Fund to Supplement Harness Racing Purses	5%
Harness Racing Promotional Fund	1%
Sire Stakes Fund	1%
Maine Milk Pool (until January 2035)	5%
Agricultural Development Fund (after January 2035)	5%
Maine Veterans' Homes Stabilization Fund	5%
Fund for Efficient Delivery of Educational Services	3%
Municipalities where terminals are located	1%

The total revenue generated will depend on the number, location, and utilization of terminals deployed. Because terminal deployment is capped and subject to municipal approval, and due to the uncertainty around market uptake and game type preference, a precise revenue estimate can not be generated at this time.

Additional licensing, auditing, and enforcement responsibilities may increase the workload of the GCU. Although this bill provides a 1% share of net terminal income to fund administrative expenses, the GCU has indicated that actual operating costs may exceed the funding generated by this allocation. Depending on the level of activity, the GCU estimates that up to 7 additional positions and resources may be required. The total cost of personal services associated with these positions would require additional General Fund appropriations of \$686,376 and Other Special Revenue Funds allocations of \$84,491 to cover the related position costs.