



# 131st MAINE LEGISLATURE

## FIRST REGULAR SESSION-2023

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Legislative Document

No. 731

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S.P. 289

In Senate, February 16, 2023

### **An Act Regarding the Licensing of Persons to Conduct Advance Deposit Wagering**

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Reference to the Committee on Veterans and Legal Affairs suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT  
Secretary of the Senate

Presented by Senator FARRIN of Somerset.  
Cosponsored by Representative JACKSON of Oxford and  
Senator: TIMBERLAKE of Androscoggin, Representatives: ANDREWS of Paris, CLOUTIER  
of Lewiston, MORIARTY of Cumberland, WHITE of Waterville.

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

2 **Sec. 1. 8 MRSA §1001, sub-§1-A**, as enacted by PL 2015, c. 499, §1, is repealed  
3 and the following enacted in its place:

4 **1-A. Advance deposit wagering.** "Advance deposit wagering" means a form of pari-  
5 mutuel wagering on horse races in which a person places a wager in person or by telephone,  
6 Internet, mobile device or other electronic communication. Before the wager occurs, the  
7 person placing the wager deposits money in a wagering account administered by an  
8 advance deposit wagering licensee. The advance deposit wagering licensee places the  
9 wager from the account at the direction of and on behalf of the account holder. The advance  
10 deposit wagering licensee deposits money into the wagering account from winnings  
11 awarded to the account holder.

12 **Sec. 2. 8 MRSA §1001, sub-§1-B**, as enacted by PL 2015, c. 499, §1, is amended  
13 to read:

14 **1-B. Advance deposit wagering licensee.** "Advance deposit wagering licensee"  
15 means a person that is chosen by competitive bid and licensed by the board pursuant to  
16 subchapter 7 to conduct advance deposit wagering.

17 **Sec. 3. 8 MRSA §1001, sub-§20-A** is enacted to read:

18 **20-A. Gross advance deposit wagering income.** "Gross advance deposit wagering  
19 income" means the total amount of wagers placed by residents of this State by means of  
20 advance deposit wagering before payment of money to winning residents of this State.

21 **Sec. 4. 8 MRSA §1001, sub-§29-C**, as enacted by PL 2015, c. 499, §2, is repealed.

22 **Sec. 5. 8 MRSA §1001, sub-§29-D** is enacted to read:

23 **29-D. Multijurisdictional account wagering provider.** "Multijurisdictional account  
24 wagering provider" means a business entity domiciled in a jurisdiction other than this State  
25 that is licensed by another jurisdiction to offer advance deposit wagering on a horse race  
26 regardless of whether the advance deposit wagering accounts are held in the jurisdiction  
27 that issued the advance deposit wagering license.

28 **Sec. 6. 8 MRSA §1015**, as amended by PL 2013, c. 212, §§13 and 14, is further  
29 amended to read:

30 **§1015. Licensing of employees of slot machine and casino operators, slot machine and**  
31 **table game distributors and, gambling services vendors and advance deposit**  
32 **wagering licensees**

33 **1. License required.** A person may not be employed by a slot machine operator,  
34 casino operator, slot machine distributor, table game distributor or, gambling services  
35 vendor or advance deposit wagering licensee unless the person is licensed to do so by the  
36 board, temporarily authorized as an employee pursuant to subsection 4 or granted a waiver  
37 by the board pursuant to subsection 3.

38 **2. Requirements for license.** The board may issue an employee license to an  
39 employee of a slot machine operator, casino operator, slot machine distributor, table game  
40 distributor or, gambling services vendor or advance deposit wagering licensee if the  
41 applicant meets the qualifications set out in sections 1016 and 1019.

1           **3. Requirements for waiver.** Upon application by a slot machine operator, casino  
2 operator, slot machine distributor, table game distributor or gambling services vendor or  
3 advance deposit wagering licensee, the board may waive the employee license requirement  
4 under this section if the slot machine operator, casino operator, slot machine distributor,  
5 table game distributor or gambling services vendor or advance deposit wagering licensee  
6 demonstrates to the board's satisfaction that the public interest is not served by the  
7 requirement of the employee license.

8           **4. Employees authorized temporarily.** A new employee of a slot machine operator,  
9 casino operator, slot machine distributor, table game distributor or gambling services  
10 vendor or advance deposit wagering licensee is temporarily authorized to work in a position  
11 requiring an employee license pursuant to subsection 1 as of the date a completed employee  
12 license application is received by the board. A completed employee license application is  
13 composed of:

- 14           A. The completed form for application for an employee license approved by the board;
- 15           B. Two complete sets of the fingerprints of the applicant;
- 16           C. The fee for processing the employee license application as prescribed by the board;
- 17           and
- 18           D. The results of the background investigation conducted by the employer.

19 If the department determines after receiving an employee license application under this  
20 subsection that the application is incomplete, it may suspend the new employee's temporary  
21 authorization until such time as the new employee files a completed application.

22 Temporary authorization is not available for renewal of employee licenses.

23           **5. Termination of temporary authorization.** Unless suspended or revoked, a  
24 temporary authorization under subsection 4 continues until the granting or denial of the  
25 new employee's employee license application in accordance with sections 1016, 1017 and  
26 1019 and any applicable rules adopted by the board. An applicant whose temporary  
27 authorization is suspended or revoked is not eligible for employment in a position requiring  
28 an employee license pursuant to subsection 1 until such time as the suspension or  
29 revocation is withdrawn or an employee license is issued.

30           **6. Exception.** An employee of an advance deposit wagering licensee that is also a  
31 multijurisdictional account wagering provider is not subject to the employee license  
32 requirement under this section if:

- 33           A. The employee is not involved in the processing of wagers made by residents of this  
34 State; or
- 35           B. The employee is not located in this State and is licensed in a jurisdiction in  
36 connection with the multijurisdictional account wagering provider's operations in that  
37 jurisdiction.

38           **Sec. 7. 8 MRSA §1016, sub-§1**, as amended by PL 2013, c. 212, §§15 to 18, is  
39 further amended to read:

40           **1. Minimum qualifications.** Notwithstanding Title 5, chapter 341, and in addition to  
41 any requirements imposed by rules adopted by the board, a person must satisfy the  
42 following qualifications to be a slot machine operator, a casino operator, a slot machine

1 distributor, a table game distributor, a gambling services vendor, an advance deposit  
2 wagering licensee or an employee of these entities:

3 A. The person has completed the application form, promptly and truthfully complied  
4 with all information requests of the board and complied with any applicable rules  
5 adopted by the board;

6 B. The person has sufficient financial assets and responsibility to meet any financial  
7 obligations imposed by this chapter and, if applying for a slot machine operator license,  
8 casino operator license, slot machine operator license renewal or casino operator  
9 license renewal, has sufficient financial assets and responsibility to continue operation  
10 of a commercial track or casino;

11 B-1. If applying for an advance deposit wagering license or renewal of an advance  
12 deposit wagering license under section 1073, subsection 1, paragraph A or B, the  
13 person has sufficient financial assets and responsibility to continue operation of a  
14 commercial track or off-track betting facility as defined in section 275-A, subsection  
15 8;

16 C. The person has not knowingly or recklessly made a false statement of material fact  
17 in applying for a license under this chapter or any gambling-related license in any other  
18 jurisdiction;

19 D. In the case of a person applying to be a slot machine operator ~~or~~, casino operator,  
20 or advance deposit wagering licensee, the person has sufficient knowledge and  
21 experience in the business of operating slot machines ~~or~~, casinos or advance deposit  
22 wagering to effectively operate the slot machine facilities ~~or~~, casino or advance deposit  
23 wagering to which the license application relates in accordance with this chapter and  
24 the rules and standards adopted under this chapter; and

25 F. If the applicant is a business organization, the applicant is organized in this State,  
26 ~~although that business organization may be~~ or a wholly or partially owned subsidiary  
27 of an entity that is organized pursuant to the laws of another state or a foreign country,  
28 unless the applicant is applying for an advance deposit wagering license and the  
29 applicant is a multijurisdictional account wagering provider.

30 Except as provided by section 1013, subsection 3 and section 1013-A, subsection 3, a  
31 person may not hold more than one class of license under this chapter unless the 2nd license  
32 is an employee license under section 1015 or an advance deposit wagering license under  
33 section 1073.

34 **Sec. 8. 8 MRS §1018, sub-§2**, as amended by PL 2021, c. 697, §2, is further  
35 amended to read:

36 **2. Term of license; renewal, renewal fees.** Except as provided in section ~~4074~~ 1073,  
37 subsection 6 for licenses to conduct advance deposit wagering or as otherwise provided in  
38 this subsection, licenses issued by the board under this chapter are effective for one year,  
39 unless revoked or surrendered pursuant to subchapter 5. Employee licenses issued by the  
40 board under this chapter may be renewed for a one-year term or a 3-year term. Upon proper  
41 application and payment of the required fees and taxes and in accordance with rules adopted  
42 by the board, the board may renew a license for an additional year if municipal approval  
43 has been obtained as provided in section 1012 or 1012-A. The board shall transfer \$25,000

1 of the renewal fee required by subsection 1, paragraph C to the municipality in which the  
2 slot machines are operated.

3 **Sec. 9. 8 MRSA §1071**, as enacted by PL 2015, c. 499, §8, is repealed.

4 **Sec. 10. 8 MRSA §1072**, as enacted by PL 2015, c. 499, §8, is amended to read:

5 **§1072. Distribution of ~~net commission~~ advance deposit wagering revenue**

6 The ~~net commission~~ established in the contract executed pursuant to section 1071,  
7 subsection 3 revenue from wagers placed by means of advance deposit wagering must be  
8 distributed according to this section.

9 **1. Distribution of ~~net commission~~ revenue from wagers placed on races conducted**  
10 **in State.** An advance deposit wagering licensee shall collect ~~the net commission~~ 1% of  
11 gross advance deposit wagering income from wagers placed with the licensee on races  
12 conducted at tracks in the State and distribute it to the board for distribution as follows.

13 A. Ten percent of the ~~net commission~~ amount collected under this subsection must be  
14 deposited directly to the General Fund.

15 B. Twenty percent of the ~~net commission~~ amount collected under this subsection must  
16 be distributed to all off-track betting facilities licensed under section 275-D so that each  
17 off-track betting facility receives the same amount.

18 C. One percent of the ~~net commission~~ amount collected under this subsection must be  
19 distributed to the Sire Stakes Fund established under section 281.

20 D. Ten percent of the ~~net commission~~ amount collected under this subsection must be  
21 distributed to the Agricultural Fair Support Fund established under Title 7, section 91  
22 except that, notwithstanding Title 7, section 91, subsection 2, paragraph A, no portion  
23 of the distribution required by this paragraph may be distributed to a commercial track.

24 E. Twenty-four percent of the ~~net commission~~ amount collected under this subsection  
25 must be distributed to the fund established under section 298 to supplement harness  
26 racing purses.

27 F. Twenty percent of the ~~net commission~~ amount collected under this subsection must  
28 be distributed to the track where the race upon which the wager was placed was  
29 conducted.

30 G. Fifteen percent of the ~~net commission~~ amount collected under this subsection must  
31 be distributed to all commercial tracks, with each commercial track receiving a portion  
32 determined by multiplying that 15% times a fraction, the numerator of which is the  
33 minimum number of days of racing the commercial track is required by law to conduct  
34 annually in order to retain its commercial track license and the denominator of which  
35 is the sum of the number of days of racing all the commercial tracks are required to  
36 conduct in order to retain their commercial track licenses.

37 **2. Distribution of ~~net commission~~ revenue from wagers placed on races conducted**  
38 **outside State.** An advance deposit wagering licensee shall collect ~~the net commission~~ 1%  
39 of gross advance deposit wagering income from wagers placed with the licensee on races  
40 conducted at tracks outside the State and distribute it to the board for distribution as follows.

41 A. Ten percent of the ~~net commission~~ amount collected under this subsection must be  
42 deposited directly to the General Fund.

1 B. Thirty-six percent of the ~~net commission~~ amount collected under this subsection  
2 must be distributed to all off-track betting facilities licensed under section 275-D so  
3 that each off-track betting facility receives the same amount.

4 C. One percent of the ~~net commission~~ amount collected under this subsection must be  
5 distributed to the Sire Stakes Fund established under section 281.

6 D. Ten percent of the ~~net commission~~ amount collected under this subsection must be  
7 distributed to the Agricultural Fair Support Fund established under Title 7, section 91  
8 except that, notwithstanding Title 7, section 91, subsection 2, paragraph A, no portion  
9 of the distribution required by this paragraph may be distributed to a commercial track.

10 E. Seven percent of the ~~net commission~~ amount collected under this subsection must  
11 be distributed to the fund established under section 298 to supplement harness racing  
12 purses.

13 F. Thirty-six percent of the ~~net commission~~ amount collected under this subsection  
14 must be distributed to all commercial tracks, with each commercial track receiving a  
15 portion determined by multiplying that 36% times a fraction, the numerator of which  
16 is the minimum number of days of racing the commercial track is required by law to  
17 conduct annually in order to retain its commercial track license and the denominator of  
18 which is the sum of the number of days of racing all the commercial tracks are required  
19 to conduct in order to retain their commercial track licenses.

20 **Sec. 11. 8 MRSA §1073** is enacted to read:

21 **§1073. Advance deposit wagering license**

22 The board shall exercise authority over the licensing of all persons conducting advance  
23 deposit wagering. A person may not conduct advance deposit wagering without a license  
24 issued under this section.

25 **1. Eligibility.** In order to receive an advance deposit wagering license from the board,  
26 an applicant must meet the requirements of this section and the rules adopted by the board  
27 under section 1003, subsection 2, paragraph U and must be:

28 A. A commercial track;

29 B. An off-track betting facility licensed under section 275-D; or

30 C. A multijurisdictional account wagering provider.

31 **2. Authority to conduct advance deposit wagering.** An advance deposit wagering  
32 license issued under this section allows a licensee to conduct advance deposit wagering in  
33 this State.

34 **3. Contract.** An advance deposit wagering licensee may conduct advance deposit  
35 wagering directly or through a contract with a provider of advance deposit wagering  
36 services that is located in the United States.

37 **4. Conditions of licensure.** An advance deposit wagering licensee shall:

38 A. Purchase a bond to secure the advance deposit wagering accounts; and

39 B. Ensure that a person who establishes an account to place a wager on horse racing  
40 by means of advance deposit wagering has attained 18 years of age and is a resident of  
41 this State.

