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VETERANS AND LEGAL AFFAIRS

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
130TH LEGISLATURE
FIRST SPECIAL SESSION

COMMITTEE AMENDMENT " " to H.P. 430, L.D. 587, "An Act Regarding the Licensing of Persons To Conduct Advance Deposit Wagering"

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

'Sec. 1. 8 MRSA §1001, sub-§1-A, as enacted by PL 2015, c. 499, §1, is repealed and the following enacted in its place:

1-A. Advance deposit wagering. "Advance deposit wagering" means a form of pari-mutuel wagering on horse races in which wagers are made in person or by telephone, Internet, mobile device, electronic communication or, if approved by the board, other electronic medium and the account holder deposits funds in a wagering account administered by an advance deposit wagering licensee. An advance deposit wagering licensee makes wagers from the wagering account at the direction of and on behalf of the account holder, and the advance deposit wagering licensee deposits money into the wagering account from winning wagers awarded to the account holder.

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

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

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

20-A. Gross advance deposit wagering income. "Gross advance deposit wagering income" means the total amount of wagers placed by residents of this State via advance deposit wagering before payment of money to winning bettors who are residents of this State.

Sec. 4. 8 MRSA §1001, sub-§29-D is enacted to read:

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1           **29-D. Multijurisdictional account wagering provider.** "Multijurisdictional account  
2 wagering provider" means a business entity domiciled in a jurisdiction other than this State  
3 that is licensed by another jurisdiction to offer advance deposit wagering on horse races for  
4 which it offers wagering to account holders in or out of the jurisdiction that issued the  
5 license, including in this State.

6           **Sec. 5. 8 MRSA §1015**, as amended by PL 2013, c. 212, §§13 and 14, is further  
7 amended to read:

8           **§1015. Licensing of employees of slot machine and casino operators, slot machine and**  
9 **table game distributors ~~and~~, gambling services vendors and advance deposit**  
10 **wagering licenses**

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

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

20           **3. Requirements for waiver.** Upon application by a slot machine operator, casino  
21 operator, slot machine distributor, table game distributor ~~or~~, gambling services vendor or  
22 advance deposit wagering licensee, the board may waive the employee license requirement  
23 under this section if the slot machine operator, casino operator, slot machine distributor,  
24 table game distributor ~~or~~, gambling services vendor or advance deposit wagering licensee  
25 demonstrates to the board's satisfaction that the public interest is not served by the  
26 requirement of the employee license.

27           **4. Employees authorized temporarily.** A new employee of a slot machine operator,  
28 casino operator, slot machine distributor, table game distributor ~~or~~, gambling services  
29 vendor or advance deposit wagering licensee is temporarily authorized to work in a position  
30 requiring an employee license pursuant to subsection 1 as of the date a completed employee  
31 license application is received by the board. A completed employee license application is  
32 composed of:

- 33           A. The completed form for application for an employee license approved by the board;
- 34           B. Two complete sets of the fingerprints of the applicant;
- 35           C. The fee for processing the employee license application as prescribed by the board;
- 36           and
- 37           D. The results of the background investigation conducted by the employer.

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

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

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

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

11           A. The employee is not involved in the processing of wagers by residents of this State;  
12 or

13           B. The employee is not located in this State and is licensed in a jurisdiction in  
14 connection with the multijurisdictional account wagering provider's operations in that  
15 jurisdiction.

16           **Sec. 6. 8 MRSA §1016, sub-§1**, as amended by PL 2013, c. 212, §§15 to 18, is  
17 further amended to read:

18           **1. Minimum qualifications.** Notwithstanding Title 5, chapter 341, and in addition to  
19 any requirements imposed by rules adopted by the board, a person must satisfy the  
20 following qualifications to be a slot machine operator, a casino operator, a slot machine  
21 distributor, a table game distributor, a gambling services vendor, an advance deposit  
22 wagering licensee or an employee of these entities:

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

26           B. The person has sufficient financial assets and responsibility to meet any financial  
27 obligations imposed by this chapter and, if applying for a slot machine operator license,  
28 casino operator license, slot machine operator license renewal or casino operator  
29 license renewal, has sufficient financial assets and responsibility to continue operation  
30 of a commercial track or casino;

31           B-1. If applying for an advance deposit wagering license or advance deposit wagering  
32 license renewal under section 1073, subsection 1, paragraph A or B, the person has  
33 sufficient financial assets and responsibility to continue operation of a commercial  
34 track or off-track betting facility;

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

38           D. In the case of a person applying to be a slot machine operator or, casino operator  
39 or advance deposit wagering licensee, the person has sufficient knowledge and  
40 experience in the business of operating slot machines or, casinos or advance deposit  
41 wagering to effectively operate the slot machine facilities or, casino or advance deposit  
42 wagering to which the license application relates in accordance with this chapter and  
43 the rules and standards adopted under this chapter; and

1 F. If the applicant is a business organization, the applicant is organized in this State,  
2 although that business organization may be a wholly or partially owned subsidiary of  
3 an entity that is organized pursuant to the laws of another state or a foreign country.

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

8 **Sec. 7. 8 MRSA §1071**, as enacted by PL 2015, c. 499, §8, is repealed.

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

10 **§1072. Distribution of ~~net commission~~ advance deposit wagering revenue**

11 ~~The net commission established in the contract executed pursuant to section 1071,~~  
12 ~~subsection 3 must be distributed according to this section.~~

13 **1. Distribution of ~~net commission~~ revenue from wagers placed on races conducted**  
14 **in State.** An advance deposit wagering licensee shall collect ~~the net commission~~ 5% of  
15 gross advance deposit wagering income from wagers placed with the licensee on races  
16 conducted at tracks in the State and distribute it to the board for distribution as follows.

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

19 B. Twenty percent of the ~~net commission~~ amount collected under this subsection must  
20 be distributed to all off-track betting facilities licensed under section 275-D or Public  
21 Law 2019, chapter 626, section 16 so that each off-track betting facility receives the  
22 same amount.

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

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

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

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

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

1           **2. Distribution of ~~net commission~~ revenue from wagers placed on races conducted**  
2 **outside State.** An advance deposit wagering licensee shall collect ~~the net commission~~ 5%  
3 of gross advance deposit wagering income from wagers placed with the licensee on races  
4 conducted at tracks outside the State and distribute it to the board for distribution as follows.

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

7           B. Thirty-six percent of the ~~net commission~~ amount collected under this subsection  
8 must be distributed to all off-track betting facilities licensed under section 275-D or  
9 Public Law 2019, chapter 626, section 16 so that each off-track betting facility receives  
10 the same amount.

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

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

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

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

27           **Sec. 9. 8 MRSA §1073** is enacted to read:

28           **§1073. Advance deposit wagering license**

29           **1. Eligibility.** To receive an advance deposit wagering license from the board, an  
30 entity must meet the requirements of this section and the rules adopted by the board under  
31 section 1003, subsection 2, paragraph U and must be:

32           A. A commercial track licensed under section 271;

33           B. An off-track betting facility licensed under section 275-D or Public Law 2019,  
34 chapter 626, section 16; or

35           C. A multijurisdictional account wagering provider.

36           **2. Authority to conduct advance deposit wagering.** An advance deposit wagering  
37 license issued by the board under this section grants a licensee authority to conduct advance  
38 deposit wagering in this State, including accepting deposits and wagers from account  
39 holders. An advance deposit wagering licensee may accept a wager from an advance  
40 deposit wagering account holder in person or by telephone, Internet, mobile device,  
41 electronic communication or, if approved by the board, other electronic medium.

