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Legislative Document

No. 762

H.P. 515

House of Representatives, March 5, 2015

An Act To Permit the Penobscot Nation To Operate Electronic High-stakes Bingo

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

ROBERT B. HUNT Clerk

R(+ B. Hunt

Presented by Representative MITCHELL of the Penobscot Nation.

Cosponsored by Senator DILL of Penobscot and

Representatives: BEAR of the Houlton Band of Maliseet Indians, BEAVERS of South

Berwick, DANA of the Passamaquoddy Tribe, RUSSELL of Portland, VEROW of Brewer.

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

- **Sec. 1. 8 MRSA §1001, sub-§39,** as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:
- **39. Slot machine.** "Slot machine" means any mechanical, electrical or electronic device, contrivance or machine or other device, contrivance or machine that is available to play upon insertion of money or a token, credit or similar object or thing of value, the play of which by the element of chance may deliver or entitle the person playing the device, contrivance or machine to receive cash, tokens or credits to be exchanged for cash, merchandise or anything of value, whether the payoff is made automatically from the device, contrivance or machine or in any other manner, and includes progressive electronic gaming devices with a payoff that increases as the electronic gaming device is played. "Slot machine" does not include an electronic beano terminal, as defined in Title 17, section 314-A, subsection 5-A, paragraph A, subparagraph (2), operated by the Penobscot Nation.
- **Sec. 2. 17 MRSA §314-A, sub-§1,** as amended by PL 2009, c. 487, Pt. B, §6, is further amended to read:
 - 1. Eligible organizations. The Chief of the State Police may issue licenses to operate high-stakes beano or high-stakes bingo to a federally recognized Indian tribe. The Chief of the State Police may issue licenses to operate electronic beano terminals, as defined in subsection 5-A, paragraph A, subparagraph (2), to the Penobscot Nation.
 - A. The Chief of the State Police may also issue, to a federally recognized tribe, licenses to sell lucky seven or other similar sealed tickets in accordance with section 324-A.
 - B. In conjunction with the operation of high-stakes beano, federally recognized Indian tribes holding a license under this section may advertise and offer prizes for attendance with a value of up to \$25,000 under the terms prescribed for raffles in section 1837. Any prize awarded under this paragraph may be awarded only on the basis of a ticket of admission to the high-stakes beano game and may only be awarded to a person who holds an admission ticket.
 - The Chief of the State Police may not issue more than one license <u>to operate high-stakes</u> <u>beano or high-stakes bingo</u> under this section to a federally recognized Indian tribe for the same period.
- **Sec. 3. 17 MRSA §314-A, sub-§3,** as repealed and replaced by PL 1991, c. 426, §4, is repealed.
- **Sec. 4. 17 MRSA §314-A, sub-§3-A,** as enacted by PL 2003, c. 452, Pt. I, §5 and affected by Pt. X, §2, is repealed.
- **Sec. 5. 17 MRSA §314-A, sub-§3-B,** as enacted by PL 2011, c. 410, §1, is repealed.

2	Sec. 6. 17 MRSA §314-A, sub-94, as amended by PL 2011, c. 410, §2, is further amended to read:
3 4 5 6 7 8	4. Term of license; fees. A license issued under this section is valid for a period of one year. The annual license fee for a high-stakes beano license, whether or not the licensee operates high-stakes electronic beano pursuant to subsection 5-A, is \$50,000, except that the annual license fee due in 2008 to 2013 is \$25,000. License fees may be paid in advance in quarterly installments. All license fees must be paid to the Treasurer of State to be credited to the General Fund.
9	Sec. 7. 17 MRSA §314-A, sub-§5-A is enacted to read:
10 11	5-A. High-stakes electronic beano. The Penobscot Nation may operate high-stakes electronic beano as described in this subsection.
12 13	A. As used in this subsection, unless the context otherwise indicates, the following terms have the following meanings.
14 15 16	(1) "Electronic beano system" means the central computer server system that electronically generates beano games along with all electronic beano terminals that are connected to the central computer server system.
17 18 19 20 21 22 23	(2) "Electronic beano terminal" means an electronic device used by a beano participant to play high-stakes electronic beano. An electronic beano terminal allows a participant, upon payment of cash, a token or credit, to play a game of chance resembling beano from a draw of no more than 75 letters and numbers that correspond to the electronic beano game. The element of chance is determined by a central computer server system that communicates with the electronic beano terminal.
24 25 26	(3) "High-stakes electronic beano" means a game of beano that is played on an electronic beano terminal that is connected to a central computer server system that electronically generates beano games.
27 28	B. Notwithstanding section 311, subsection 1, high-stakes electronic beano is not required to be a group game.
29	C. The Penobscot Nation may operate up to 800 electronic beano terminals.
30	D. High-stakes electronic beano is played in the following manner:
31 32	(1) The participant inserts cash, a token or credit into the electronic beano terminal;
33	(2) The participant selects the denomination of beano card to be played; and
34	(3) The participant presses a button to begin play.
35 36 37	A draw of no more than 75 letters and numbers generated by the electronic beano system is electronically applied to the beano card displayed on the electronic beano terminal.
38 39	Participants win prizes by achieving predetermined beano patterns within a predetermined number of drawn letters and numbers.

1 E. An electronic beano terminal must clearly display the manner in which a 2 participant wins prizes before any high-stakes electronic beano game is played. 3 An electronic beano terminal must offer electronic beano cards of varying 4 denominations. Any game-winning beano pattern may be used. 5 G. An electronic beano terminal may use electronic displays on the screen for the purposes of entertainment as long as the displays have no effect on the outcome of 6 7 the high-stakes electronic beano game. 8 H. An electronic beano terminal may accept cash, tokens, cards or vouchers for the 9 purchase of electronic beano cards but may not dispense cash to a participant. 10 I. A prize awarded for winning a high-stakes electronic beano game must be in the 11 form of a voucher that may be redeemed for cash or prizes. 12 J. An electronic beano system must be tested to ensure that the game is conducted 13 and prizes are awarded in the manner displayed to a participant on the electronic 14 beano terminal. Testing must be conducted by an independent testing company 15 contracted by the Penobscot Nation prior to the electronic beano system's being used 16 in high-stakes electronic beano games. The testing company shall provide audits of 17 the electronic beano system upon request of the Chief of the State Police. The 18 Penobscot Nation shall ensure a method of secure access to the central computer server system via the Internet by the Chief of the State Police for the purposes of 19 20 conducting audits and monitoring the operation and play of high-stakes electronic beano. Any software, equipment or training necessary for the Chief of the State 21 22 Police to use the auditing and monitoring system must be paid for by the Penobscot 23 Nation. An independent testing company may not be a distributor or vendor of an electronic beano terminal or a central computer server system. 24 25 K. Notwithstanding any other provision of law, a restriction on activities that may be 26 conducted within a certain distance of a casino, slot machine facility, off-track betting 27 facility or any other facility does not apply to the operation of high-stakes electronic 28 beano by the Penobscot Nation. 29 Sec. 8. 17-A MRSA §952, sub-§5-A, ¶C, as amended by PL 2009, c. 487, Pt. B, 30 §11. is further amended to read: 31 C. That is not a machine that a person may lawfully operate pursuant to a license that 32 has been issued under Title 17, chapter 62, a machine used to play high-stakes 33 electronic beano pursuant to a license issued under Title 17, chapter 13-A or a

36 SUMMARY

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This bill authorizes the Penobscot Nation to use electronic beano terminals for the operation of high-stakes electronic beano. It specifies that an electronic beano terminal is not a slot machine or an illegal gambling machine. An electronic beano terminal plays a game of chance resembling a beano game using a draw of no more than 75 letters and numbers that correspond to the game. The element of chance is determined by a central

machine that is operated by the Department of Administrative and Financial Services,

Bureau of Alcoholic Beverages and Lottery Operations; and

computer server system that is subject to testing by an independent testing company and to which the Chief of the State Police is provided access via the Internet for the purpose of conducting audits and monitoring play. An electronic beano terminal is not permitted to dispense cash or prizes. Instead, prizes for high-stakes electronic beano are awarded by voucher. The bill also clarifies that, unlike traditional beano, beano conducted on an electronic beano terminal is not required to be a group game.