

MAINE STATE LEGISLATURE

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Senate Legislative Record
One Hundred and Twenty-Seventh Legislature

State of Maine

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beginning at Page 1

ORDERS OF THE DAY

The Chair laid before the Senate the following Tabled and Later Assigned (6/19/15) matter:

HOUSE REPORTS - from the Committee on **VETERANS AND LEGAL AFFAIRS** on Bill "An Act To Authorize a Casino To Benefit Federally Recognized Indian Tribes in the State"
H.P. 990 L.D. 1446

Majority - **Ought to Pass** (12 members)

Minority - **Ought Not to Pass** (1 member)

Tabled - June 19, 2015, by Senator **CYRWAY** of Kennebec

Pending - **ACCEPTANCE OF EITHER REPORT**

(In House, June 18, 2015, the Majority **OUGHT TO PASS** Report **READ** and **ACCEPTED** and the Bill **PASSED TO BE ENGROSSED AS AMENDED BY HOUSE AMENDMENT "A" (H-459).**)

(In Senate, June 19, 2015, Reports **READ.**)

Senator **CYRWAY** of Kennebec moved the Senate **ACCEPT** the Minority **OUGHT NOT TO PASS** Report, in **NON-CONCURRENCE**.

On motion by Senator **PATRICK** of Oxford, supported by a Division of one-fifth of the members present and voting, a Roll Call was ordered.

THE PRESIDENT: The Chair recognizes the Senator from Aroostook, Senator Willette.

Senator **WILLETTE:** Thank you, Mr. President. Ladies and gentlemen of the Senate, I'm basically going to read to you a speech that was similar to the one that I gave during the public hearing for a different bill but it applies to this one as this bill is a conglomeration of a couple of different bills. Having served on the VLA Committee, I'm well aware of the deliberations pertaining to gaming, but I'm currently more impressed and enlightened on where the gaming policy for the state of Maine is heading. In the 126th the decision to hire independent consultants to conduct a market analysis regarding the feasibility of expanding gaming in Maine was, perhaps, the boldest move since the initial inception of licensed gaming that began in Maine over nine years ago in Bangor, Maine. I'm encouraged the White Sands Report clearly quantifies the current regional gaming market's capacity for additional commercial casino gaming in Maine. It allows for all gaming facilities to sustain their market share where wagering is conducted statewide. The White Sands Report should finally invalidate the whispering in the halls that additional gaming in Maine is not possible. I admire and respect the Maine tribes and have supported their gaming legislation as VLA Committee member and on the Floor of the House. My Senate district includes the Houlton Band of Maliseet and I have always enjoyed and respect my interactions and conversations with Chief Brenda

Commander and Representative Henry Bear. Chief Commander has been before the VLA Committee on several occasions, patiently stating her case for investing capital, generating desirable employment, and enhancing tourism dollars for the Houlton region and the entire state. Would a potential Maliseet tribal casino in Houlton be the panacea, the cure all, or the single restorative effort for the region's economic recovery? No, but it's a shot in the arm, a stimulus that will attract ancillary businesses to locate and create additional livable wages. All reports signify Canadian tourism dollars will be attracted to the tribal casino in Houlton if that were to see the light of day. L.D. 1446 exempts the Maliseet facility from a statewide referendum but would require a favorable referendum vote by Aroostook County.

In 2013 L.D. 1298, An Act to Authorize the Houlton Band of Maliseet Indians to Operate a Casino in Aroostook County, was introduced and carried over into 2014. Although the bill passed the House with almost two-thirds, it came up short in the Senate and ultimately failed for non-concurrence between the houses. The White Sands Report denotes the following on page 86, if you care to look. It basically says the fiscal note on both L.D. 1298 and 1520, those were the bills back then, notwithstanding distinctions between the demographics of Houlton and Calais, share the same set of generic financial projections. Likely, for many legislators, a strong incentive to push the pause button was provided by a statement common to both fiscal notes. The legislation could have a significant impact on revenues generated by the Hollywood and Oxford Casinos. An assessment of the impact has not been done at this time.

Distinguished members of this Body, through our leadership and in collaboration with the clear and convincing recommendations for expansion from the White Sands Report, an assessment on the impact has been made. I encourage you to follow my light and support economic development for Northern Maine and Downeast Maine. You've got at your desks a handout with my name on it. I encourage you to read that testimony from the town manager of Houlton and there is also a nice blueprint of what the proposed casino might look like. I encourage you to vote against the pending Ought Not to Pass motion. Thank you for your time.

THE PRESIDENT: The Chair recognizes the Senator from Kennebec, Senator Cyrway.

Senator **CYRWAY:** Thank you, Mr. President. Ladies and gentlemen of the Senate, I rise before you today to discuss L.D. 1446, An Act to Authorize a Casino to Benefit Federally Recognized Indian Tribes in the State. The Joint Standing Committee on Veterans and Legal Affairs worked through a number of bills dealing with the casinos this session. We worked to combine the best parts of those bills into L.D. 1446, which is a committee bill. This bill establishes a competitive bid process for a casino in either Washington County or Aroostook County. The committee felt that in order to be fair, if another casino were to be approved, all tribes should have an equal chance to benefit. Here are some key facts about the bill. The fee to submit a bid is \$100,000. The fee for the operator's license is \$1 million for a five year term with a renewal fee of \$100,000. The bidder must make a minimum \$20 million capital investment in the casino. The distribution of net slot machine revenue for the casino is 46% and the distribution of net table game revenue for the casino is 16%. It will allow up to 250 slot machines for the three years and up to 350 machines after three years of slot machine operation at

the casino. Voters would have to approve the operation of a casino by municipal and county-wide referendum.

I think this issue is very important and should be brought before the chambers for a debate and I urge you to think about what an additional casino would mean for the constituents in your district and vote accordingly. I have a hard time myself. I've never stepped foot in a casino in this state. I've been in one casino, I think, in my lifetime. I'm not much of a gambler. I do see the need for jobs. Being a DARE officer, the alcohol, I kind of cringe a little bit and I cringe about the gambling part of it. I have really fought hard both ways here. I can see the tribes needing a casino, but also it really doesn't give a fair shake for everyone else. I kind of wonder about that. I got it through committee as the chairman. I felt that I voted for it because I wanted to get it to the Senate and also to the House to make the decision and also get it, if it has to, to the people. Thank you for your time. Thank you, Mr. President.

THE PRESIDENT: The Chair recognizes the Senator from Oxford, Senator Patrick.

Senator **PATRICK:** Thank you, Mr. President. Ladies and gentlemen of the Senate, colleagues and friends, I stand in opposition to this motion. As the good Senator said, we worked on this bill several times. To preface my remarks, if any of you know me, I've been here since 2000 and I have always supported a tribal casino. They were the first ones, back in, I think, 1980 to try to expand casino gaming in Maine. I kind of wish they had because probably the issue would be dead now. The White Sands Report, you're going to hear a lot about that between now and the end of the session. To me, the White Sands Report only has as much validity as the side of the issue that they're on. We did hire them because I think trying to find a neutral party to deal with gaming in itself is pretty hard. I think they did a good job as far as trying to be as neutral as they can, but they are in the business for big gaming. The one thing that I will agree with them on, I always knew that there was the ability to have more casino gaming in Maine, depending on where it is and how much cannibalization we wanted to do. I will say that I'm a little bit perplexed at the report that was moved because actually it was a 12-1 report that came out of committee. In fairness to the good Representative, Representative Bear was on the committee. We actually told him we were going to kill his bill and we were going to use the process to come out with a committee bill so that we could take ownership on it. We worked hard and diligently on it, to come up with a process, which is a competitive bid process, that at least two tribes had to bid on it. It doesn't say that all the tribes can't bid on it, but it says at least two tribes have to take ownership. The dispensing of the funds can be with all the tribes.

I'm a little bit perplexed at this time because I've listened to the debate several times and I actually helped get two bills on Governor Baldacci's desk because at the time I think it was the right thing to do. I have been in casinos. As a matter of fact, I was in one Sunday. The meal was good but the gambling wasn't. I lost \$38.88. I came home with \$12 out of my \$40, but I had fun with it. I learned a lesson because I actually watched a lot of people. If I had my druthers I would never vote for another casino and I would vote to abolish casinos in Maine because they're not economic development. I do think that within the scope of what this bill is asking for, the potential to have one in Washington County or Aroostook County, is actually a good thing. It's not going to help them to do everything they want because we're

looking at something small. I call something with 250 machines more a boutique casino. Most casinos of size usually have between 1,000 and 1,500, and that's kind of the norm in Maine, although the size of the casino in Maine, each entity could have 1,500 slot machines and they only have 800 because there isn't the ability. Given the opportunity to start off with the right size casino in either Calais or Houlton, or wherever it would be in Washington County or Aroostook County, gives them the ability to get a revenue stream that they can, in turn, take and put it into other businesses so they can have an opportunity to grow their business background. This is just the start of something that, I think, will lead to many other businesses either in Washington County or Aroostook County. One thing that I've heard here time and time again is that Washington County and Aroostook County need jobs because the outward migration is terrible and the joblessness in these areas are really high as well. I would like everyone to think long and hard when they cast their vote. This isn't a huge expansion and I will say, if you look at all the paperwork pro and con, that there is a potential of affecting the Hollywood Casino by as much as 10%. I will say that I have debated the numerical equations that the White Sands Report had and you're going to hear me speak at length on some of the possibilities of cannibalization in other areas of the state, but I'm not sure if I actually agree that it's going to be 10% cannibalization from the potential tribal casino. I would ask you to vote against the Ought Not to Pass motion and move onto the Ought to Pass as they did in the eastern end of the building. Thank you, Mr. President.

THE PRESIDENT: The Chair recognizes the Senator from Penobscot, Senator Gratwick.

Senator **GRATWICK:** Thank you very much, Mr. President. Ladies and gentlemen of the Senate, I rise in support of the Ought Not to Pass today. Two major reasons, both of which have to do with a poorly written bill and several other observations as well. One, the tribes already are benefiting from the current casinos/racinos because under current law the Penobscot and Passamaquoddy tribes share \$2.4 million from the slot revenues from existing casinos. This was to terminate if the tribes began operating their own casinos. However, under the amendment of 1446, this has been done away with. The tribes are, therefore, not only going to have their own revenues from their racino but they're going to be getting it from the current two existing ones. This seems like a very unequal playing field and I think it's going to result in the fact that no one could do well. Second, the revenue cascade, there will be money coming into the State from this but it's not been agreed where this is going to go to. This is simply going to be "up to the Legislature to decide." I think that's a very unsatisfactory pattern. That means we're going to have three different types of revenue sharing with the State, none of which, I think, are going to work out particularly well. We need an overall policy.

Just in general, I think that Maine, and I think most of us would agree, I think everybody in this room would agree, already has enough casinos for the number of gamblers in the state. This is not a big growth industry here. This does not add to the quality of life. It does not add to our productivity. We have enough here. Second, they are very fragile markets. The current casinos are not being utilized to their fullest extent and they could most easily do that. The larger issue here, of course, is have we been fair to the tribes over the past 14 years? My answer to that is no. We

have to have a much better way to go about it than this. The White Sands group is a pro-industry group. You would not expect them to come up with anything other than the report they came up with. I think Ought Not to Pass is entirely appropriate in this instance. This is going to be one of the very, very difficult issues that will be back to visit us in the future, but I think we owe it to the citizens of Maine to do a better job than this legislation. Thank you, Mr. President.

THE PRESIDENT: The pending question before the Senate is the motion by the Senator from Kennebec, Senator Cyrway to Accept the Minority Ought Not to Pass Report, in Non-Concurrence. A Roll Call has been ordered. Is the Senate ready for the question?

The Doorkeepers secured the Chamber.

The Secretary opened the vote.

ROLL CALL (#321)

YEAS: Senators: ALFOND, BAKER, BREEN, CUSHING, CYRWAY, DAVIS, EDGEComb, GRATWICK, HAMPER, HILL, KATZ, MASON, MCCORMICK, MILLETT, ROSEN, VOLK, WHITTEMORE, THE PRESIDENT - MICHAEL D. THIBODEAU

NAYS: Senators: BRAKEY, BURNS, COLLINS, DIAMOND, DILL, DUTREMBLE, GERZOFISKY, HASKELL, JOHNSON, LIBBY, MIRAMANT, PATRICK, SAVIELLO, VALENTINO, WILLETTE, WOODSOME

EXCUSED: Senator: LANGLEY

18 Senators having voted in the affirmative and 16 Senators having voted in the negative, with 1 Senator being excused, the motion by Senator **CYRWAY** of Kennebec to **ACCEPT** the Minority **OUGHT NOT TO PASS** Report, in **NON-CONCURRENCE, PREVAILED.**

Sent down for concurrence.

Senate at Ease.

Senate called to order by the President.

On motion by Senator **HAMPER** of Oxford, the Senate removed from the **SPECIAL APPROPRIATIONS TABLE** the following:

Mandate

An Act To Protect Children in School Facilities by Requiring Boiler Inspections

S.P. 114 L.D. 299
(S "A" S-303 to C "A" S-191)

Placed on the Special Appropriations Table - June 22, 2015, by Senator **HAMPER** of Oxford

Pending - **ENACTMENT**, in concurrence.

(In Senate, June 18, 2015, **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-191) AS AMENDED BY SENATE AMENDMENT "A" (S-303)** thereto, in **NON-CONCURRENCE.**)

(In House, June 22, 2015, **PASSED TO BE ENACTED.**)

This being a Mandate, in accordance with the provisions of Section 21 of Article IX of the Constitution, having received the affirmative vote of 34 Members of the Senate, with no Senators having voted in the negative, and 34 being more than two-thirds of the entire elected Membership of the Senate, was **PASSED TO BE ENACTED** and, having been signed by the President, was presented by the Secretary to the Governor for his approval.

Ordered sent down forthwith.

Out of order and under suspension of the Rules, the Senate considered the following:

ENACTORS

The Committee on **Engrossed Bills** reported as truly and strictly engrossed the following:

Acts

An Act To Enhance the Address Confidentiality Program Regarding Property Records

H.P. 509 L.D. 756
(C "A" H-472)

An Act To Implement the Recommendations of the Right To Know Advisory Committee Concerning Receipt of a Request for Public Records

H.P. 746 L.D. 1085
(C "A" H-473)

An Act To Require the Department of Health and Human Services To Distribute Information Regarding Down Syndrome to Providers of Prenatal and Postnatal Care and to Genetic Counselors

S.P. 403 L.D. 1134
(H "B" H-480)

PASSED TO BE ENACTED and, having been signed by the President, were presented by the Secretary to the Governor for his approval.

Ordered sent down forthwith.

Senate at Ease.

Senate called to order by the President.