

MAINE STATE LEGISLATURE

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Legislative Record
House of Representatives
One Hundred and Twenty-Seventh Legislature
State of Maine

Daily Edition

Second Regular Session

beginning January 6, 2016

beginning at page H-1188

(H.P. 1100) (L.D. 1612) Bill "An Act To Implement the Recommendations and Align the Services Provided to Maine's Veterans Regarding Enhancements to the Bureau of Maine Veterans' Services" Committee on **VETERANS AND LEGAL AFFAIRS** reporting **Ought to Pass as Amended by Committee Amendment "A" (H-584)**

On motion of Representative GIDEON of Freeport, was **REMOVED** from the First Day Consent Calendar.

The Unanimous Committee Report was **READ**.

On further motion of the same Representative, **TABLED** pending **ACCEPTANCE** of the Committee Report and later today assigned.

The following items were taken up out of order by unanimous consent:

UNFINISHED BUSINESS

The following matters, in the consideration of which the House was engaged at the time of adjournment yesterday, had preference in the Orders of the Day and continued with such preference until disposed of as provided by House Rule 502.

Expression of Legislative Sentiment Recognizing Cecelia Tibbetts, of Houlton

(HLS 1080)

TABLED - March 10, 2016 (Till Later Today) by Representative BEAR of the Houlton Band of Maliseet Indians.

PENDING - PASSAGE.

Subsequently, this Expression of Legislative Sentiment was **PASSED** and sent for concurrence.

HOUSE DIVIDED REPORT - Report "A" (9) Ought to Pass as Amended by Committee Amendment "E" (H-580) - Report "B" (3) Ought Not to Pass - Report "C" (1) Ought to Pass as Amended by Committee Amendment "F" (H-581) - Committee on VETERANS AND LEGAL AFFAIRS on Bill "An Act To Provide Income Tax Relief by Expanding Gaming Opportunities" (H.P. 876) (L.D. 1280)

TABLED - March 22, 2016 (Till Later Today) by Representative LUCHINI of Ellsworth.

PENDING - ACCEPTANCE OF ANY REPORT.

Subsequently, Representative LUCHINI of Ellsworth moved that the House **ACCEPT** Report "B" **Ought Not to Pass**.

The same Representative **REQUESTED** a roll call on the motion to **ACCEPT** Report "B" **Ought Not to Pass**.

More than one-fifth of the members present expressed a desire for a roll call which was ordered.

The **SPEAKER**: The Chair recognizes the Representative from Ellsworth, Representative Luchini.

Representative **LUCHINI**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House, I rise to support the Ought Not to Pass motion before us because I believe LD 1280 is bad gaming policy for the State of Maine. As those who were here in the 126th Legislature will remember, the state hired a consultant from the gaming industry to help us develop a plan on how best to grow our gaming industry. The proposal that's before us today, LD 1280, ignores those recommendations.

In our consultant's recommendations, the big points that I want to stress here is that the consultant stated clearly that the best way to maximize job creation, to have the highest impact on economic development, and to generate ongoing high revenues for the state is to have a model that sets a low license fee and maximizes a fully competitive bid process on the capital investment. The capital investment would ensure that the facility is a quality facility, which has been a problem in the state in the

past. By maximizing the capital investment, it would ensure that this facility has all those amenities and ancillary properties that create jobs and that draw people to the facility—those are some of the things like restaurants, shops, entertainment venues—and it ensures and locks bidders into that so that they have to fulfill their commitment to build a resort-style casino.

If you look at other states across the US, this resort-style has been the most successful model. States that are having success within their gaming industry use that model and they aren't seeing the bankruptcies and collapses and oversaturation that other states are seeing. The proposal before us, as I said earlier, however, ignores those proposals by charging an enormous \$55 million license fee and a higher tax rate than recommended of 40 percent, and the effects of such a gambling policy are very clear—and you can look at other states for this—and our consultant's been clear and they said to us, and I'll quote, "Our position is that the license fee and tax rates are to a significant extent inversely proportional to capital expenditure. It's the capital expenditure that creates the jobs and is the most dependable multiplier of a region's economy." Importantly, they added that, "The \$55 million license fee in this proposal, coupled with the 40 percent tax rate, is short-sighted. It's short-sighted going for an immediate spike of revenue and forsaking a real, long-term revenue stream, including jobs and taxes." Further, having such a high license fee wouldn't attract the top gaming operators in the country and it probably wouldn't even attract mid-tier gaming operators.

So, moving forward with a policy like this reminds me of the situation the state was in a little over 10 years ago with the liquor contract, where we made the decision to take one-time, upfront, large sum of money, and as a result, we suffered, the state suffered, for the years that came through. We've since remedied that problem in the liquor contract, but this casino proposal presents us with the same situation if we want to take big, upfront money to the detriment of long-term revenues further down the road.

I know often with casino policy it becomes a "yes" or "no" whether or not we should have more casinos and then let's look at the tax distribution and who gets a piece of the pie, but I think it's really important that if we're going to move forward with gambling in the State of Maine that we do it in the way that's been successful in other states and that we do it in the way that expert consultants have told us how to do it. The proposal before us doesn't do any of those things. It is short-term revenue. It's short-sighted. And it's bad policy on how to grow gaming. So, with that, I hope you will support the Ought Not to Pass Report.

The **SPEAKER**: The Chair recognizes the Representative from Paris, Representative Herrick.

Representative **HERRICK**: Thank you, Mr. Speaker, Ladies and Gentlemen of the House, I rise today to oppose this, LD 1280, and in doing so, I'd like to read a letter from a worker at Oxford Casino and I think it has an impacting verbiage of what she feels about her job there.

"Dear Legislator, My name is Julie. I am writing to you today as a resident of Mechanic Falls, a mother, a grandmother and an employee at the Oxford Casino. I appreciate the opportunity to share some thoughts with you and hope that this letter finds you well.

"I have lived in Maine for over 30 years. For decades I provided for my family with a series of production jobs. They would come and go and occasionally I would wonder how my body could withstand the wear and tear. A professional job wasn't in my future. I wasn't even thinking about the possibility of saving for my retirement. Then Oxford Casino opened nearby and, for the first time, I had the chance at a career. I went to

dealer school and learned the skills necessary to become a professional card dealer.

"I could tell from the start that this was a company that was invested in me. After years spent worrying about when the next lay-off would come, I found myself in a stable job with benefits and a retirement plan. Under these conditions, I was able to grow in my profession and now I am a Table Games Supervisor. I look forward to going to work. I look forward to a stable future that now includes prospect of retirement.

"You will soon consider a bill that would allow for a new casino. As I understand it, developers in Southern Maine are interested in repealing a rule so they can build the new facility in a town not far away from here. I can tell you firsthand the majority of our customers coming through our doors are from Cumberland, York, Oxford and Androscoggin Counties. At Oxford Casino, we are licensed to operate up to 1,500 slot machines, but on a normal day, we only need to operate 700 or so machines for our customers. It's not hard to do the math and realize that if you slice the pie in three pieces instead of two, the slices will be smaller. Why would we change the rules now?

"I am just one of over 400 employees at Oxford Casino who would be in jeopardy of losing their job. It's worth mentioning that, because there are so many different jobs at Oxford Casino. Both of my children are also employed here. I am sure I don't have to tell you what the impact would be on my family if both of my children also lose their jobs. The casino has also created jobs in other industries and lifted up our entire region—a region that needs these opportunities, for ourselves and our children. I don't want mine to have no other choice but to move to Portland to find a job. That's not the best for the future of Mechanic Falls, or for any other small western Maine town or our state.

"Acknowledging that there would be serious damage done to the existing casinos, the proposed legislation would provide funding to Oxford County in the event that Oxford Casino can no longer afford to keep its doors open. With all due respect, this funding will come after it's too late. And it will not help my family. Rural Maine families need you to stand up for their jobs. Unlike in the past when Maine voters have been able to decide whether we want expansion, this choice lies entirely in your hands. Here in Mechanic Falls, we won't have the opportunity to protect our own jobs with our vote.

"So I ask you to consider my story, consider what's at stake and consider whether you will support one's effort to change the rules of the game at the expense of so many others. Thank you for all that you do for our state and your attention to my concerns. All my best, Julie McDonald." Thank you, Mr. Speaker.

Representative SANDERSON of Chelsea **REQUESTED** that the Clerk **READ** the Committee Report.

The Clerk **READ** the Committee Report in its entirety.

The **SPEAKER**: The Chair recognizes the Representative from Arundel, Representative Parry.

Representative **PARRY**: Thank you, Mr. Speaker, Ladies and Gentlemen of the House, I rise and I agree somewhat with my good friend from Oxford County, Representative Herrick, on a couple of issues. But, I also would like to say that the southern Maine casino, if it does pass, would have approximately 1,000 employees. So, I'm sure that if there was any job loss, there was going to be a whole bunch of casino jobs available.

I would like to say though, in regards to statements made by the good Representative from Ellsworth, on talking about the capital investment: this project, here, if we pass it through the House and through the other body, will be approximately \$500 million project, money spent here in Maine. In the bill, there's a \$250 million minimum capital investment. Let me say that again: \$250 million minimum capital investment. That does not count

the \$55 million license fee. That does not count land acquisition. That does not count any infrastructure cost that will be borne by the casino operator.

And as far as the \$55 million license fee, \$50 million of that goes into an escrow account for protection of Bangor and of Oxford. So if, per chance, one of them did close, the communities would be held, pretty much harmless. But I think that the issue, too, is that was brought up about competition, and that with a southern Maine casino there may be a few jobs lost with that competition. If we go by that theory, then we probably shouldn't open another restaurant in Maine because the restaurants that open are competing with other restaurants. So, if we go by that theory, you know, I think we should not open a lot of different businesses if it's going to compete with other businesses.

I think, too, that we also know we just saw a ballot initiative come forward for a York County casino. Sooner or later, there will be a casino in southern Maine. The choice is going to be: do we allow the developers to decide what the rules are and what they write into the bill, or are we going to decide? This process, here, is a competitive bid process. So there will be several, I imagine, companies bidding on this. I know, for example, Penn National, that owns Hollywood Casino, spent \$40 million fighting a casino down in Maryland. And after that bill passed, Penn National was the first one to bid on the project. So, this is a thing, and I also believe that Churchill Downs will bid on it, the operators of Oxford.

The big thing, too, is, that I think the issue, too, is tourism. We've heard about projects throughout Massachusetts. One number that I've heard from the Maine Tourism Association, was 40 percent of Maine's total tourism dollar is from Portland-Casco Bay area, south. Now anybody that knows southern Maine, knows there's not a whole lot west of the Turnpike, as far as tourism goes. So, we're talking an ultra-small piece of the state that accounts for 40 percent of our tourism dollar. If we can't compete with those Massachusetts casinos, we're going to lose tourism dollars and that affects every single person in the state of Maine. So, I would hope we could vote down this report and vote for the Majority Report. Thank you very much.

The **SPEAKER**: The Chair recognizes the Representative from Portland, Representative Chipman.

Representative **CHIPMAN**: Thank you, Mr. Speaker, Ladies and Gentlemen of the House, for me, this bill is an issue of fairness. I have always supported the philosophy of a level playing field and everybody playing by the same rules. This bill, as drafted, goes against that philosophy.

Before Hollywood Casino, formerly known as Hollywood Slots, was allowed to open, they received statewide voter approval in 2003. The Oxford Casino, our second casino here in the state, had to be voted on twice before they eventually received statewide voter approval. Twice, the voters of the state have rejected a casino in southern Maine. And a current poll done just this month by Critical Insights shows 56 percent of voters statewide oppose a casino in southern Maine, only 32 percent support, and the other 12 percent are not sure.

So, to me, this feels like, as written, without requiring a statewide vote, and only requiring a local vote, to be an end run around the voters of the state and that's not something I'm willing to go along with. That's why I'm supporting the pending motion and I hope you will join me. Thank you.

The **SPEAKER**: The Chair recognizes the Representative from Hiram, Representative Wadsworth.

Representative **WADSWORTH**: Thank you, Mr. Speaker, Ladies and Gentlemen of the House, I would urge you to reject LD 1280. I really only want to make one point clear—this bill's

essentially saying to rural Maine: We don't care about you or your jobs. I'm not sure how else to explain it. There was no question what a big casino in southern Maine will accomplish. It will potentially put the other two casinos out of business and that's simply a fact, Mr. Speaker.

This bill repeals the 100-mile limit. You know why there is a 100-mile limit? That is the market area for the existing casinos. So let me repeat that: This bill, LD 1280, sticks another casino in the middle of Oxford Casino's market area. I also want to make it clear that these casinos are not subject to the usual free market demands; they are heavily regulated with a tax rate approaching 50 percent. There is nothing free market about this industry. The tradeoff for the high taxes and the heavy regulation is an established market area. The \$50 million mentioned earlier today does not replace jobs in rural Maine, simply a handout to local government.

So, the message we are sending by passing LD 1280 is, "Sorry rural Maine. No jobs for you." I ask this body today to please reject LD 1280. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Glenburn, Representative Guerin.

Representative **GUERIN**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House, the Bangor casino is already performing under expectations and has asked for tax relief from the city. Expansion will only damage our already hurting facilities. I would take issue with the thought that expansion of gambling in Maine is inevitable. In the last six months, there has been a 14 percent drop in support for a new casino, bringing the opposition to 56 percent statewide.

Casinos are not the golden ticket for Maine's economy. Sadly, in many cases, they are the harbinger of despair and loss for Maine citizens. Here are the thoughts of a constituent that contacted me this week, or part of the thoughts. The rest will be distributed to your desk. "For over 25 years, I was married to a compulsive gambler. But for most of that time, no one knew. For a while, not even me. Looking back, there were signs. But my husband was kind and considerate, a good man with lots of friends, a successful businessman, a caring father and husband. So it wasn't even in my thoughts that he could be capable of telling bold lies, stealing from his own sons, borrowing from everyone and anyone without ever paying them back. I still, on occasion, run into someone who tells me that my ex owes them money. Consistently maxing out our credit cards, using the ATM card on a daily basis, and getting fired from job after job.

"Before it was over for me—it will never be over for our sons, he is their Dad and the wounds are deep—I had to face years of debt, the sale of our home, a broken marriage, and the knowledge that my sons, who will always love their father, will not stop feeling used and abandoned by him."

Ladies and Gentlemen of the House, I ask you to consider Maine citizens. The fact that 56 percent of them do not support expansion of casinos and the fact that many of our families are hurt by the gambling industry. Follow my light in this matter please.

The SPEAKER: The Chair recognizes the Representative from Newfield, Representative Campbell.

Representative **CAMPBELL**: Thank you, Mr. Speaker. Mr. Speaker, Ladies and Gentlemen of the House, seems to me like I've heard this song before. They're going to save education, they're going to save the taxpayers, they're going to save the racing. One of the casinos is owned by a Kentucky outfit that owns a racetrack down there. And they don't race Standardbreds down there either, they race Thoroughbreds at Churchill Downs. And the other casino's owned by a group from

Pennsylvania that don't give one care about the people of Maine either.

So, here we hear the violin playing for the people that support this that we've heard before. People of Sanford said, "No." Then they come back again and the people of Scarborough said, "No." And then we just had another group that hanky pankied around and they got turned down by the Secretary of State. So, now we have this one that's going to save the veterans of this state. None of this is going to happen. And I suggest that we vote down 1280 today. Follow my light. Thank you.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Russell.

Representative **RUSSELL**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House, for now, about five years, I've been fighting for a comprehensive statewide policy on gaming. Irrespective of how you feel about the impact of gaming, it is here in this state and it is real. The issue that I have is that the regulations have been written by the very people who are being regulated.

When you look at the initiative that was just referenced by my good friend from Newfield, that was written by the same person who wrote the initiative for Hollywood Slots. This time, the initiative was written specifically to benefit one person. Here's the thing: we've been having this discussion through referenda for many years. A ceasefire was called. An unofficial ceasefire was called by the industry, understanding that we were going to work to develop a comprehensive statewide process and a fair competitive bid process. That is why the Legislature decided to put together a study.

Now, interestingly enough, I opposed that study because there was very key language in it that said if a market exists for new casinos, only then would they explore the other options. The Legislature and the VLA Committee was presented with a market share analysis, a feasibility analysis, that very clearly said that the only market share that exists in Maine is already under way and utilized. When this State of Maine paid for an independent review, that information was challenged. On the contrary, they found that not only is there room in the southern part of the state, but there is room in the northern part of the state.

Now, the reason that's important is because that market share, at some point, will be consumed. There will be someone who puts a referendum on the ballot that passes, whether we like it or not. Yes, I understand where the polling is right now, but we all know that polling changes and this bill includes a requirement, or if you oppose the pending motion, the bill would include a requirement of a local vote. The ceasefire is over. The ceasefire on gaming referenda is over. We have an obligation to finally put together a comprehensive, statewide policy that is fair. The reason that I support moving forward with a competitive bid process and opposing the current motion is because the rules have been written by the industry and it is time for us to write the rules. Anybody that disagrees with that should just look at the cascades. The cascades are in complete conflict with one another. Just the two cascades are so vastly different under the current model. How many more different cascades do we need?

If we oppose the pending motion, we have an opportunity to bring forth a competitive bid process. This is what this chamber voted on when they requested an independent study. The opposing motion would bring forth a competitive process bill that is in line with the White Sands Report that we spent \$160,000 on. And for the record, we did not need to spend \$160,000 on that because Senator Valentino and I have been saying exactly what was in that report for five years. I could've given it to you for free.

The final thing that I would leave you with as you think about what to do with this proposal before you, our veterans

consistently are underfunded—consistently underfunded. This would bring significant money and resources to veterans' organizations who are providing direct services for folks who came back from the war back in Korea, back in World War II, back in Vietnam, and for the folks that are coming back from Iraq and Afghanistan and the War on Terror.

The other folks that would benefit from this are our farmers. Now, in Portland, we have a remarkable farm-to-table movement. We have some of the finest cuisine in the country. I know I hear from you all the time, individuals who say, "I was in Portland and I went to such-and-such a restaurant." Most of the food that comes from that comes from our local farmers. It's why it's so good. One of the key places that farmers network is our fairs. All across the state we have local fairs where farmers are able to showcase their products, compete, and where our rich farming traditions are able to continue to be on display for Maine people. Those fairs—if we do not do something to support the harness racing industry—those fairs are going to go under. I would bet that half our fairs go under overnight if we lose the harness racing industry and I would argue that another half would go out in the not too distant future and all you have to do is ask anybody that runs the fairs, whether they're urban locations or very, very rural locations, whether or not those fairs are in decent condition and I guarantee you that they will tell you that they are on the brink. We lose the harness racing industry, which is part of what this is about, we lose those fairs. And that, to me, is unfair.

If we defeat the pending motion, we will not only have an opportunity to support a competitive bid process, but we will also have an opportunity to explore an amendment that brings fairness to our federally recognized tribes as well. We do not get to talk about those issues until we defeat the pending motion. If people have concerns from the committee about this particular version not lining up directly with the White Sands Report, I'm confused as to why the report was moved Ought Not to Pass, instead of the report that more directly lined up. This has been a stalling tactic for years and now we are at the choice: Do we want to define our future gaming at the ballot box by people who would write referenda specifically to benefit themselves, as we saw just this year, or do we want a fair and competitive bid process that allows the Legislature to write the rules of the gaming industry instead of the gaming industry writing the rules by which they are then regulated. That is the question before us.

I'm agnostic to what you do. This is my last opportunity to ask you to do the right thing. I am not going to fight this anymore. But when it comes back by referenda in the same manner that we have seen this year, don't look to me to fix the problems because I will not do it. This is our chance to fix it. This body has been super supportive of the work that we have done over and over and over again and I hope that you will continue to vote for a smart, rational, statewide policy that allows us to write the rules and not the industry. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Scarborough, Representative Vachon.

Representative **VACHON**: Thank you, Mr. Speaker, Men and Women of the House, I rise in opposition to the pending motion. A resort-style casino in southern Maine is long overdue. How ironic that a state that touts vacationland, while announcing that it is "open for business" has closed the door so many times on a legal business that could bring so much to this state.

Around the world, some of the finest resorts have casinos among their amenities. Done right, resort casino-style gambling in Maine can be done responsibly, strategically, and tastefully in a uniquely Maine style without compromising Maine's brand and values, only expanding and enhancing it. Maine needs to think big on this issue, not territorial. A rising tide raises all ships.

Maine needs to compete because you know what? Massachusetts is knocking on our door.

Casino-style gambling has become a widely accepted form of entertainment. While Maine has been debating, Massachusetts has taken long, hard, comprehensive look. According to Spectrum Gaming Group, only nine percent of resort-goers cite gambling as their primary reason to go to the resort. Resort casinos attract more affluent adults, beyond those typically characterized as gaming-centric. What people are looking for in a vacation experience, they want to go to a place they have never been before with experiences that include beach, spa, dining, shopping, theme park, nightlife, entertainment, golf, and tennis. I dare say, Maine can offer this and a whole lot more.

Pastoral landscapes, farms, woodlands, oceans, lakes, mountains, farmers' markets, agricultural fairs, lobsters, blueberries, maple syrup, snowmobile trails, snowshoeing and downhill skiing, hunting, fishing, camping, hiking, cycling, microbreweries, foodie tours, arts and entertainment, plays, comedy, concerts, salt marshes, and lest I not forget harness racing. Maine's tourism industry has a great opportunity here. As other states fully integrate casino-style gambling into resort-style tourism, Maine's tourism industry should deeply ponder if holding back is a smart move. As our nation ages, seniors who once participated in rigorous outdoor activities are now opting for more passive entertaining.

Expanding gambling and expanding nightlife will extend Maine's day and season, bringing in more jobs and business opportunities. Gambling integrated with Maine's tourism could anchor key regions of Maine's vast experiences. From the beaches to the south, the mountains to the west, up to the city rich in arts and entertainment, to Maine's northern tribe regions, those searching for a unique and different experience will surely find it here in Maine. I hope Maine is open to business. This is not about taking a business away from one casino in Maine. It's about putting fear aside and thinking big. It's time for Maine to compete right here in Maine. Please follow my light. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Cumberland, Representative Timmons.

Representative **TIMMONS**: Thank you, Mr. Speaker, I'm rising to oppose the pending motion, but I am here today to speak in favor of 1280 and I'm going to tell you facts about what it's done for the agricultural fairs in the State of Maine. We have 26 fairs and every year, thanks to the two current casinos, our fairs have a small stipend that comes in. In Cumberland, where I'm the President, we get approximately \$60,000 a year. As the fine Representative from Portland said, fairs, if they did not have that every year, some of the smaller fairs have already experienced problems and will most likely not be able to continue.

This racino will increase the amount that we get. It will help us stay afloat. As you know, I think everyone in this room has a fair that's fairly close to their county or to their town. We provide entertainment and nine of us fairs also have harness racing. As a result of the casinos, the harness racing purses have increased and we've been able to continue that aspect. Without continuing the support that we get, it's most likely that harness racing, as well as the fairs, are going to take a serious hit. There's just no question about it. It's a gambling to run a fair, to start with.

So, I just speak and ask you to look closely at this with the aspect of what it's going to do for the fairs and what it's going to do for southern Maine. Yes, it can be in competition, but I've seen a few McDonald's before. I don't think we tell them that they can't come to our town because there's already one there.

And I think it's business and the competing measure that's going in to bid for this is going to make it fair.

The other thing that's going to happen is that the facility is not going to open until it's 100 percent completed. No building occupancy permit will be allowed. That's not the case with the first two facilities that went in, as you can see. They didn't really keep their word. And in this particular case, they have to keep their word and by doing it through the bid process, the same two individual racinos that are here currently, there's nothing stopping them from bidding for this one either.

And don't kid yourself. These two racinos are not going to go out of business. I'm sure that Penn National and Churchill Downs have the assets available and will not be going out of business because of this. So, I ask you to look at all of the positives it will bring to southern Maine and look closely at the fact they're putting \$50 million in so if anything happens to Oxford or anything happens in Bangor, that that money will be there in case something does happen. And sure, it might decrease their intake some, however I believe competition is good. All they have to do is change their venue a little.

I went up to Bangor the other day and I went to the Timber restaurant, a facility that was very nice. Very nice. And I don't see any reason why the same thing can't happen in Portland or Scarborough or Old Orchard, or wherever it might be. And the tourism industry is going to take a very positive vein, go in a very positive way if this happens. So I would ask you to please think about the overall positives of the fairs, the harness racing. And yes, it gives \$12 million a year to the veterans. I think that's pretty positive. Thank you very much.

The SPEAKER: The Chair recognizes the Representative from Dixfield, Representative Pickett.

Representative **PICKETT**: Thank you, Mr. Speaker, and I apologize for first time you called me, not being in my seat. I'd like to first off start by saying that I am in support of the motion. Oxford is the southern-most town in Oxford County, the Town of Oxford is. They're 15 miles from the highway and just a 35 minute drive from Portland. Oxford Casino is, for all intents and purposes, a southern Maine casino.

While the promise of new casino revenues may sounds tempting, the truth is quite different. The important word to remember in the gaming industry is cannibalization. In short, new casinos in Maine will merely move dollars from one casino to another, with little or no benefit to the state. We see this happening throughout the country as the saturation point is reached quickly in expanding gaming markets. The development of Massachusetts casino facilities, a likely New Hampshire casino, and a second southern Maine casino would reduce the gross gaming revenue of the Oxford Casino by 52.3 percent, with a Maine facility, alone, reducing Oxford's gross revenue by 47 percent. The cumulative effect on Hollywood Casino would reduce its gross revenue by 29 percent.

The state commissioned gaming study shows an additional casino built in southern Maine would take, not grow. Not increase, but take jobs and dollars from our area, the five towns in which I serve, as well as all of Oxford County, and funnel them to an urban part of the state which has already seen many years and years of development and growth. And as the good Representative from Portland said several speakers ago, the gaming expansion should be decided by the voters as previously done in Bangor and Oxford. The public is against the expansion of gaming. The most recent three attempts to expand gaming on a statewide ballot have been defeated. Thank you very much, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Berwick, Representative O'Connor.

Representative **O'CONNOR**: Thank you, Mr. Speaker, Ladies and Gentlemen of the House, the horse is out of the barn. We have gambling in Maine and this will be a resort casino in southern Maine. I love to gamble. I love to play the ponies, so I'm standing up here in a purely selfish manner. I do not support the pending motion. I like this legislation. I want to gamble and play the ponies in southern Maine close to home, once again with that big brimmed hat, sipping a mint julep. Thank you.

The SPEAKER: The Chair recognizes the Representative from Limington, Representative Kinney.

Representative **KINNEY**: Thank you, Mr. Speaker, Men and Women of the House, I rise in opposition to the pending motion that's before us. LD 1280 is an economic growth bill. We all talk about trying to bring jobs to Maine. We try to economic boost to the state and we're looking for ways to promote the state, yet when I look at the license place, I see "Vacationland."

This bill is not about building a casino. This bill is about building a four seasons resort. We have a highway that enters the State of Maine that's three lanes. It's called the Maine Turnpike. It's funny how, in southern Maine, in that area, whether it's Old Orchard Beach, South Portland, or down in Saco, that our motels and hotels and restaurants are continually booked solid and for new people to come into the area and enjoy the area, there is no place to stay. Or a rainy day in August when you go to the mall and there's no parking spaces. That is the type of economic boom that we have in southern Maine.

This bill, if passes, is a bill for the hospitality industry. It is a bill for the arts. It is a bill for music. It is a bill for actors, because there's more to this than a casino, as is the name of Hollywood Slots or Oxford Casino. And just the other night, having talked to my neighbor across the street, which I walk over there often, it's funny. They don't go to Oxford Casino. They went there once. In fact, I asked him, "Why don't you go there?" He says, "Well, we go to Mohegan Sun or Foxwood because we don't go down there to gamble, we go down there for the enjoyment of the area." In which turn he called Oxford Casino a warehouse with slot machines. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Windham, Representative Corey.

Representative **COREY**: Thank you, Mr. Speaker, Men and Women of the House, I rise against the pending motion. When I originally voted for the Oxford Casino, I thought I was voting for a resort and convention center. Before that, I was against casinos. I do over half of my business in Connecticut. A lot of the business is tied to Mohegan Sun and the opportunity it provides for my clients. I feel the economic impact of a resort casino in Connecticut here in Maine. Please vote against the pending motion. Thank you.

The SPEAKER: The Chair recognizes the Representative from Hollis, Representative Mearan.

Representative **MAREAN**: Thank you, Mr. Speaker, Ladies and Gentlemen of the House, I rise to oppose the pending motion. I want to commend the VLA Committee and the Majority Report of nine for the hard work that they did. They have written the bill on behalf of the State of Maine—State of Maine being totally in control of what it is that this casino may or may not do. Something that did not happen when we had Bangor or Oxford, both were referendum questions by the citizens.

This bill is totally in control of the Legislature and I'm hoping that we can see through some of the debate that's going on here and move on in the right direction by doing what this committee has recommended that we do and the White Sands Report recommended that we do. It's had plenty of oversight. There's been a lot of discussion that's been going on now for a couple of

years. It's time to put the issue to bed and encourage folks to vote this motion down and vote with the following motion.

This bill, by voting it down, protects multi-billion-dollar corporations. That's all that defeat does. It protects them. Maine is open for business. You've heard that today more than once. Voting this bill down discourages folks from investing in southern Maine, encouraging new business, expanding businesses that are already there.

There is no other small business in Maine, or there is no other business in Maine that I know of that the Legislature, or the people in the Legislature, protect. I can speak from experience. In 1973, I opened a hardware store on a wing and a prayer, some of which told me that I could never make it work. Well, it worked and it worked well. I employed 15 people. Then, along came Home Depot, Lowes, and Walmart. I had to lay off people. I had to revise my business, take on different items, make a heck of a lot of changes in order to survive. No one in Augusta introduced a bill to protect me or my employees. I encourage you, please, to vote this motion down and move on. Thank you very much, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Oxford, Representative Dillingham.

Representative **DILLINGHAM**: Thank you, Mr. Speaker, Men and Women of the House, I rise in support of the pending motion and as the Speaker can probably testify to, I've been torn on whether I wanted to speak on this bill. I think everyone here is probably tired of the debate. They know which way they are going to go. But I felt I must.

It's disheartening for me to hear that some proponents can only see fit to support LD 1280 by making disparaging remarks about western Maine. Having been raised in the region, I'm very proud of where I came from and what we have to offer. I'd like to address some of the reasons people have used to support the bill. Reasons such as "there's no hotel." Churchill Downs hasn't built a hotel and they were promised that they were going to. The original casino when it went in was actually owned by private persons and that was what they had proposed. When Churchill Downs took over, they were not beholden to what the people before them had promised the state.

We have a hotel across the street and there's many other hotels in the region. Anybody that's been to western Maine to ski, snowmobile, cross country, fish, boat on our many lakes, knows that there's many beautiful hotels, bed and breakfasts in our region to stay in, and it's all travelling distance from the Oxford Casino. Four season resort destination. Western Maine provides four seasons of any number of outdoor activities. I won't bore you by what those are because it's a very long list. A convenience casino. It is, indeed, a convenient casino. It's convenient for those that are traveling on Route 26 to, whether it's business, they live locally, or if they're travelling to take part in any of those many wonderful outdoor activities that we have to offer. Jobs. This casino provides 500-plus direct jobs and many other indirect jobs in our region that are much-needed. Making statements that encourage the movement of jobs from one region to another, that would be detrimental to an already struggling area, worries me, and certainly not something that I support. I had somebody mention that the casino doesn't offer entertainment and music. I would say: Anyone that's interested, Tucker's on Main Street in Norway, they have a wonderful open-mic night. Protection account. It would provide a financial Band-Aid for western Maine, which is wonderful, but there's no support for economic and job growth in our region and that's what we really need and want.

But one of my major concerns with this bill, and the fine Representative from Portland alluded to this, are the promises

that have been made about the distributions from casino revenues. If we add another casino, this would combine all three distributions—so, the distribution from Hollywood Slots, from Oxford Casino, and any new casino. Granted, the distributions that are provided for in LD 1280, if any of you have looked through to see what entities are going to be receiving money—it's very appealing, especially for veterans and harness racing. But the final distributions would not be what are in LD 1280, necessarily. There's no guarantee. The final distributions would be decided by the next Veterans and Legal Affairs Committee and the next Legislature. So, again, I would say that there's no guarantee that those veterans are going to get the money that they have been promised. Harness racing would.

Oxford Casino has a distribution for Maine Milk Commission that's not in this distribution for 1280, so they would be losing revenue, even though this is stated that it's in support of all agriculture. We're leaving out some industry and agriculture, I believe, when we focus just on harness racing. And the fairs wouldn't necessarily get the amount of money that they believe that they have been promised. So, I would ask all of you to think long and hard about the promises that have been made and if those are truly going to be kept for the next Legislature, because we cannot bind one to the other, and ask you to support the pending motion. Thank you.

The SPEAKER: The Chair recognizes the Representative from Brewer, Representative Verow.

Representative **VEROW**: Thank you, Mr. Speaker, Ladies and Gentlemen of the House, I've long been a supporter of harness racing for as long as I can remember and LD 1280, when I first looked at that, I thought it did have some great benefits for supporting the harness racing industry. And I know that if we go with the pending motion to not to, that that will in some way have a slight negative effect on harness racing, perhaps. But, let me say another thing.

Bangor, Hollywood Casino in Bangor, I was over there last Thursday for a dinner and I was really surprised that a small number of people that were in that facility and walking about the facility. I sense that they're really not making a tremendous amount of money there and I've heard that from other folks that the employees there are concerned about their jobs and about their hours being cut. And I think that 1280 will have a negative impact and I received a letter today from one of my constituents and I'd like to read it. It's a short letter.

"Thank you for allowing me to speak with you about LD 1280 several times now. As we discussed, a southern Maine casino would severely damage the ability of our existing casinos to provide jobs not only in western Maine, but also in the Bangor region. In case my associates have not yet shared the following information with you," and I have a survey that was passed out, surveying in my district stating that 80 percent of the folks surveyed were opposed to 1280. And with that amount of information, my thought today is that 1280 probably not be the right bill for this Legislature. Perhaps we could come back in another session or something with something more palatable. So, thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Friendship, Representative Evangelos.

Representative **EVANGELOS**: Thank you, Mr. Speaker, and Women and Men of the House, I rise in opposition to the pending motion. I wanted to support the position argued by Representative from Hollis, Representative Marean. My local agricultural fair is really struggling and the harness racing industry does need some help.

Look folks, I know that gambling's not the end-all of growing our economy, but, you know, people have a choice. There'll be a

local referendum; if they don't want it, they can vote against it. And if you don't want to gamble, don't go to the casino. I don't. But I was also interested to learn today that we had a ceasefire in regards to casino gambling. Apparently somebody forgot to tell our Native American Tribes. And I hope the next time this chamber revisits anything to do with casino gambling, that all Mainers, including our Tribes, are given an equal opportunity to engage in this. I really think it's disgraceful, the status that that currently exists under. So, thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Washburn, Representative White.

Representative **WHITE**: Thank you, Mr. Speaker. Mr. Speaker, and Ladies and Gentlemen of the House, I rise in opposition to the pending motion. Casinos are the only business in Maine protected by the state government. If I wanted to open a casino and invest upwards of half a billion dollars in our economy and job market, I need to go through the Legislature.

Mr. Speaker, if I want to open a McDonald's restaurant across the street from a Burger King, I don't need to go to the Legislature; I need to go to the municipality. By protecting these businesses on the state level, we're allowing for complacency to set in and discouraging free market. In doing so, we're removing any incentive for the casino to reinvest in itself, to expand, or to offer more to attract customers. We are currently not offering destination casinos here in Maine. We're offering convenience casinos. The majority of our current casinos' patrons live in the vicinity and travel less than an hour and a half to visit. This is our opportunity to raise the bar, Mr. Speaker; to bring competitive New England attractions right here to Maine.

The opponents claim it's unfair to open a casino in southern Maine because of its proximity to Oxford. Do you believe Oxford was all that concerned when they were here in 2010 looking to build a casino in the proximity to Bangor? The difference being, Mr. Speaker, that this time around the municipalities of Oxford and Bangor are actually part of the financial distribution, meaning an estimated \$1.3 million will be distributed annually to each city, respectively, giving the municipalities a net increase in tax revenue, lessening the tax burden on its residents. That seems more than fair to me, Mr. Speaker. In fact, I believe that it's 100 percent more than the City of Bangor receives from Oxford Casino currently.

Opponents also claim that harness racing shouldn't be coupled with a casino. Coupling harness racing with a casino is about maximizing jobs and a casino's statewide impact. Rather than 500 direct jobs associated with a new business opening, we're ensuring up to 20,000 jobs, from Kittery to the St. John Valley, are supported for future generations to come. These people are farmers, feed and grain stores, tack shops, drivers, trainers, grooms, trucks and trailer sales, and the list goes on. They pay taxes, hire employees, and contribute to our overall economy. For all these reasons and more, Mr. Speaker, I will be supporting LD 1280 and opposing this pending motion, and I encourage you to join me as well so we can make Maine a destination and a vacationland for more than just six months a year. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Arundel, Representative Parry.

Representative **PARRY**: Thank you, Mr. Speaker, sorry for rising again, but I've heard a couple of things that I just wanted to touch base on real quick. We've heard that if the southern Maine casino opens, Bangor and Oxford are going to close. We also heard that same thing when Oxford opened and Bangor said that they were going to close if Oxford opened. And we've heard that, you know, there's lower expectations on some of the revenue, and yes, Bangor has gone down slightly. In 2011, the had

approximately \$59 million in revenue. In 2015, they had \$54 million in revenue. But that was while Oxford increased revenue by \$72 million, which 46 percent, roughly, of each one of those totals goes back into Maine groups, Maine state government, and different organizations.

Couple other numbers: 90 miles around Bangor, there's approximately 500,000 people. And out of their revenue, 93 percent of the revenue comes from Maine. Ninety miles around Oxford, there's approximately one million people. And approximately 86 percent of their revenue comes from Maine. And if you add Maine and New Hampshire together, that's 99 percent of Oxford's revenue, which tells me that there's not a lot of tourists going to Oxford. A southern Maine casino, on the other hand, 90 miles from the center of York County, there's 5.7 million people.

Penn National Gaming just opened a new racino down in Plainridge, Massachusetts, which is only 18 miles from Twin Rivers Casino, which is only 60 miles from Foxwoods and approximately 70 miles from Mohegan Sun. So, I'm a little bit confused on the operators of Hollywood Casino, that they're worried about a casino that's 160 miles away in southern Maine. Or is Penn National worried that a southern Maine casino may affect their Plainridge operation and take people from Massachusetts and Connecticut and New York and other areas.

I think that I would actually be disappointed if two-thirds, or three-quarters of the revenue that we see in Maine, at a southern Maine casino, I believe will be from out-of-state dollars. And I think that's what really helps Maine, is if the revenue coming in to a southern Maine casino is out-of-state dollars because that actually adds money to Maine. You don't get a lot of adding money to Maine if you take it from one Maine pocket and put it into another Maine pocket. Thank you very much. Follow my light.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Russell.

Representative **RUSSELL**: Thank you, Mr. Speaker. Mr. Speaker, Men and Women of the House, I just wanted to respond to one thing regarding our Native Americans. And I want to draw your attention to something the good Representative from Arundel circulated. If I could read it into the record.

"March 22, 2016. Good Afternoon, Representative Parry. I am writing in order to clarify that the Passamaquoddy Tribe fully supports LD 1280, An Act To Provide Income Tax Relief by Expanding Gaming Opportunities. It has been called to our attention that an amendment will be brought forward, which will clarify and protect Maine's federally recognized tribes. Please accept this as my strong support for LD 1280. Very truly yours, Representative Matthew Dana. P.S. Representative Parry, can you forward this communication to our colleagues in the House and the other body."

The Passamaquoddy Tribe, as many know, have been fighting for well over 20 years to have a casino in the Calais region and that's why I mentioned earlier that if we defeat this motion and we move forward, that there could be an amendment that actually addresses that issue and I just wanted to respond to that on the floor. Thank you, Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Carmel, Representative Reed.

Representative **REED**: Thank you, Mr. Speaker, Ladies and Gentlemen of the House, I rise this morning in support of the pending motion and I do so because gambling casinos are the wrong sources of income for Maine. I was here in the House, my first session, when the wonderful lady, Representative Soctomah, poured out her heart in one of the most eloquent speeches that I have heard on this floor in regards to the need for a casino in

downeast Maine to provide jobs for her people, and to alleviate the poverty that is so prevalent there.

But, once again, she and all of our Native American friends downeast were told, by many of us in this House, "Not now. Maybe later." Today we know that "later" will never come. I was one of those who voted against that bill. It wasn't because I didn't see the need; it was because I believed it was the wrong solution. Then, during the first part of this session, our good friend, Representative Bear, sought our approval for his bill to put a casino in Aroostook County. Once again, they were told, "Not now. Just wait a little longer." Once again, I was one of those that voted against the bill—not because I didn't see the need for some kind of development in that area, but because I don't see casinos as the best kind of development for that area.

Now, here we are again this morning with yet another bill on a casino; this time in southern Maine. And just look at the menu for this one. It contains something for everyone. It was designed in such a way as to make it practically impossible to vote against this bill without voting against something that all of us truly believe in. We all believe in helping veterans. We all believe in good education. We all believe in improving our roads and bridges. We all believe in supporting agriculture. And we all believe in helping our Native American friends, and the list goes on and on.

But the question for me is this: Is another casino the answer to our problems? When will we come to the realization that an over-expanding, ever-reaching, ever-increasing, more intrusive government is the problem? And the answers cannot be found in gambling houses and casinos because they are nothing more than the exploitation of the poor.

Last week, here in this House, we heard speeches declaring how heroin addiction runs rampant throughout our state. This became an urgent matter because 272 people in our state died of overdoses last year. But I submit to all of us that scratch cards, lottery tickets, and gambling casinos can also lead to a different kind of addiction, and eventually to a much slower and less noticeable death. And while all the gambling goes on, closely following on its heels are the horrors of kids going without food, clothing, and shoes on their feet. On more than one occasion, the addiction of gambling has led to the depletion of a family's life savings, to an eventual divorce in the family, and the kids are left to pay the price forever.

You know, I am really amazed at how far we have drifted off the beaten path. The very thing that our parents and churches taught us about gambling being wrong has suddenly become an acceptable panacea for all of our economic problems. It brings to mind some lyrics from an old Merle Haggard song: "Mama tried to raise us better, but her pleadings we denied. That leaves only us to blame 'cause Mama tried." How well did we learn those lessons of virtue that we were taught around the family table? Most of us learned them fairly well, but over time, we have allowed them to be eroded away by being convinced that these are different times and different times calls for different measures.

To me, being here is like being in a dark room after the lights have been turned off. After a little while, our eyes get accustomed to the darkness and things that were once very clear to us, no longer seem to be quite as clear. Many years ago, Alexander Pope expressed this in a poem that says it better than I ever could. "Vice is a monster of such frightful mien, As to be hated needs but to be seen; Yet seen too oft, familiar with her face, We first endure, then pity, then embrace." In my opinion, that poem sums up where we find ourselves today in regards to gambling in our state. We, as a state, will never be the same

again. Once we have found the goose that lays the golden egg to be our source of revenue, there will be no turning back.

I will be voting in support of the pending motion today because casinos may be made lawful by this body, but that doesn't mean that it is in the best interest of this state. Thank you, Mr. Speaker, and thank you, Ladies and Gentlemen of the House.

The SPEAKER: A roll call has been ordered. The pending question before the House is Acceptance of Report "B" Ought Not to Pass. All those in favor will vote yes, those opposed will vote no.

ROLL CALL NO. 512

YEA - Austin, Babbidge, Beck, Bickford, Blume, Brooks, Burstein, Campbell J, Chapman, Chipman, Cooper, Crafts, Daughtry, Davitt, DeChant, Devin, Dillingham, Dion, Duchesne, Dunphy M, Espling, Farnsworth, Frey, Gattine, Gideon, Gillway, Ginzler, Golden, Goode, Grant, Greenwood, Guerin, Hamann, Harlow, Hawke, Head, Herbig, Herrick, Higgins, Hilliard, Hobart, Hubbell, Hymanson, Jorgensen, Kornfield, Kruger, Lajoie, Lockman, Luchini, Lyford, Malaby, McClellan, Melaragno, Morrison, Peterson, Pickett, Pierce J, Pierce T, Pouliot, Powers, Reed, Rotundo, Rykerson, Sanborn, Sawicki, Schneck, Seavey, Sherman, Stanley, Stearns, Stetkis, Stuckey, Timberlake, Tipping-Spitz, Tucker, Tuell, Verow, Wadsworth, Ward, Warren, Welsh, Winsor, Mr. Speaker.

NAY - Alley, Battle, Beavers, Beebe-Center, Black, Bryant, Buckland, Campbell R, Chenette, Corey, Doore, Dunphy L, Edgcomb, Evangelos, Farrin, Fecteau, Foley, Fowle, Fredette, Gerrish, Grohman, Hanington, Hanley, Harrington, Hickman, Hobbins, Hogan, Kinney J, Kinney M, Long, Longstaff, Maker, Marean, Martin J, Martin R, Mastraccio, McCabe, McCreight, McElwee, Monaghan, Moonen, Nadeau, Nutting, O'Connor, Ordway, Parry, Picchiotti, Prescott, Russell, Sanderson, Saucier, Short, Sirocki, Skolfield, Tepler, Timmons, Turner, Vachon, Wallace, White, Wood.

ABSENT - Bates, Chace, Gilbert, Kumiega, McLean, Sukeforth, Theriault.

83 having voted in the affirmative and 61 voted in the negative, with 7 being absent, and accordingly Report "B" **Ought Not to Pass** was **ACCEPTED** and sent for concurrence.

By unanimous consent, all matters having been acted upon were **ORDERED SENT FORTHWITH**.

**ENACTORS
Emergency Measure**

An Act To Establish Municipal Cost Components for Unorganized Territory Services To Be Rendered in Fiscal Year 2016-17

(H.P. 1102) (L.D. 1623)
(C. "A" H-562)

Reported by the Committee on **Engrossed Bills** as truly and strictly engrossed. This being an emergency measure, a two-thirds vote of all the members elected to the House being necessary, a total was taken. 121 voted in favor of the same and 0 against, and accordingly the Bill was **PASSED TO BE ENACTED**, signed by the Speaker and sent to the Senate.
