

# MAINE STATE LEGISLATURE

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Senate Legislative Record  
One Hundred and Twenty-Ninth Legislature

State of Maine

Daily Edition

First Regular Session  
beginning December 5, 2018

beginning at Page 1

An Act To Create a Victims' Compensation Fund for Victims of Property Crimes

S.P. 487 L.D. 1550  
(C "A" S-305)

On motion by Senator **BREEN** of Cumberland, **TABLED** until Later in Today's Session, pending **ENACTMENT**, in concurrence.

An Act To Amend the Laws Governing the Maine Capital Investment Credit To Ensure Fairness for Maine Businesses and To Reduce Taxes on Lower-income Working Families

H.P. 1198 L.D. 1671  
(C "A" H-623)

On motion by Senator **BREEN** of Cumberland, placed on the **SPECIAL APPROPRIATIONS TABLE** pending **ENACTMENT**, in concurrence.

**Resolve**

Resolve, Directing the Board of Pesticides Control To Work with the Forest Products Industry To Monitor Aerial Herbicide Applications

S.P. 556 L.D. 1691  
(C "A" S-262)

**FINALLY PASSED** and, having been signed by the President, was presented by the Secretary to the Governor for approval.

All matters thus acted upon were ordered sent down forthwith for concurrence.

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

**REPORTS OF COMMITTEES**

**Senate**

**Divided Report**

Nine members of the Committee on **VETERANS AND LEGAL AFFAIRS** on Bill "An Act To Ensure Proper Oversight of Sports Betting in the State"

S.P. 175 L.D. 553

Reported in Report "A" that the same **Ought to Pass as Amended by Committee Amendment "A" (S-318)**.

Signed:

Senators:  
LUCHINI of Hancock  
HERBIG of Waldo

Representatives:

SCHNECK of Bangor  
ACKLEY of Monmouth  
ANDREWS of Paris  
COOPER of Yarmouth  
DOLLOFF of Rumford  
HUBBELL of Bar Harbor  
STROM of Pittsfield

Three members of the same Committee on the same subject reported in Report "B" that the same **Ought to Pass as Amended by Committee Amendment "B" (S-319)**.

Signed:

Senator:  
CYRWAY of Kennebec

Representatives:

HANINGTON of Lincoln  
McCREIGHT of Harpswell

One member of the same Committee on the same subject reported in Report "C" that the same **Ought Not to Pass**.

Signed:

Representative:  
HICKMAN of Winthrop

Reports **READ**.

Senator **LUCHINI** of Hancock moved the Senate **ACCEPT** Report "A", **OUGHT TO PASS AS AMENDED BY COMMITTEE AMENDMENT "A" (S-318)**.

On motion by Senator **TIMBERLAKE** of Androscoggin, 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 Kennebec, Senator Cyrway.

Senator **CYRWAY:** Thank you, Mr. President. Ladies and gentlemen of the Senate, this bill went through the Veterans and Legal Affairs Committee and I think sports betting right now is pretty much illegal right now because it's not really been organized and through the Committee we tried to organize it so that it can be utilized and we can get an advantage of the tax and so sport betting has recently been legalized by the U.S. Supreme Court which has left the regulations of sports betting to the individual states. No other state has moved forward on a sports betting bill as sweeping as the report before you. That being said, there is a great deal of commonality among those on the Committee with respect to this bill. I do support allowing the brick and mortar facilities already licensed by Public Safety to offer sports betting on location. This would include the casinos, commercial tracks, off track betting facilities, and the federally recognized tribes. I also support on-line sports betting offered through the internet on the mobile app. I've been told that as much as 80% of the market is on-line or mobile. But the biggest

objection to the Majority Report, Mr. President, that's on these two choices is that the on-line or mobile licenses are not required to be offered through the brick and mortar locations such as casinos and the OTBs. The Majority Report instead would allow for stand-alone mobile licenses with no limit on the amount of licenses and no requirement for a Maine presence whatsoever. Again, no state has allowed for unlimited stand-alone mobile licenses when they have licensed casino operators in the state. This could very well be one of the largest gaming expansion bills we have ever seen in the Legislature. The reason the mobile license should be connected to the physical license of a facility is because, from what everybody has told the Committee and from the Director of Gambling Control Unit to the operators of the casinos, is that sports betting is small dollars both for the State of Maine and the facilities themselves. In order to maximize revenue generated from sports betting for the State of Maine you should connect or tether the two licenses. That allows the brick and mortar facility to generate more foot traffic into their buildings. That results in more table and slot play and 50% of the slots revenue goes back to Maine. Let me repeat that. Back to Maine. Not nationally, not out of state, not in New England, but to Maine in the form of scholarships, healthcare, agricultural fairs, horsemen, and additionally tethering the license ensure rigorous compliance with regulatory standards are followed. The casinos, for example, are already heavily regulated, both by the State of Maine and the federal government. They have strict anti-money laundering training protocols they must follow to help identify and report suspicious financial activities. These regulations help ensure a safe and responsible betting environment. There is no incentive for stand-alone mobile operators, none of whom have invested any money in Maine or paid property taxes in Maine or employ people in Maine, to want to drive revenue through a physical location and back to Maine. This money would all go out of state to out of state companies with no investment here. Our bricks and mortar facilities have made hundreds of millions in investments, employ more than 1,000 people here, and pay much more in property tax, etcetera. I urge you to reject the Majority Report so that we can all move forward and vote on a more reasoned and proven method of sports betting regulations. Now I, myself, bet I can count on my hand how many times I've bet in the State, but I will say that I'm trying to do what I can to help Maine people and that's why I'm standing up here. I could easily have said let's go with the Majority Report and let's just get it passed and let's let everybody go on the mobile but it's not going to help Maine people. It's going to be a very little amount and that's what I'm concerned about, Mr. President. I really want to see us take advantage of that. As it is we have a cascade that Maine actually did for these casinos and this money, 20%, will go back to that cascade and it will be spread out amongst what we had asked for. So just putting that back in and getting it put to where it belongs. So thank you, Mr. President, and thank you, ladies and gentlemen of the Senate.

**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'd like to just concur with my colleague from Kennebec. Report "A" does not tether, that's a new word for me, to tether sports betting to brick and mortar institutions, specifically Oxford and Bangor. Oxford employs 600 people, roughly. Bangor over 400. That's 1,000 Mainers who are

working for this. Do I love betting? The answer is no. Is this, nonetheless, 1,000 jobs in Maine? The answer is yes. The outside operations will be dealt with under Committee Amendment "A". Drafting and Fanduel employ zero people in Maine. I urge people to vote negative on the Majority Report. Thank you, Mr. President.

**THE PRESIDENT:** The Chair recognizes the Senator from Hancock, Senator Luchini.

Senator **LUCHINI:** Thank you, Mr. President. I don't rise that often. Mr. President, ladies and gentlemen of the Senate, I rise in support of the Majority Ought to Pass as Amended by Committee Amendment "A Report. As we've heard tonight, the VLA Committee worked on this for quite a while in response to the Supreme Court decision last June which made it clear that states have the right to regulate sports betting however they wish. The illegal market in the U.S. has estimated as being \$150 billion. We know people are doing it here in Maine and the Committee worked hard to try to set up a regulatory structure to make sure that we could have this offering for our Maine people, make sure that it's safe for consumers, as well as taxed and regulated responsibly. As written, it's for people over 21. It's allowed both, in the Majority Report, in physical locations across Maine, which would include casinos, off track betting facilities, commercial tracks, which there are two, as well as the four federally recognized tribes would all be able to offer sports betting. The primary difference, as we've heard, between the Majority and Minority Reports is this concept of tethering. The Majority Report does not require tethering. The Minority Report does. Under a tethered licensing structure mobile operators would only be allowed to come into the state of Maine if they tethered their license to one of the very few existing brick and mortar facilities in Maine. There are 11 allowable facilities. As part of that deal, the mobile operators would have a revenue sharing type of situation with one of those operators. To me, it's a strange way to write a law, that we would require new business to come to Maine only if they tether their license to an existing business. It kind of ignores the fact that we're moving to a technological era. We don't require Amazon to tether to brick and mortar grocery stores. We don't require Air B & B to tether to hotels. This Majority Report is a more free market approach to deal with this. It will allow businesses, and actually as a recognition of the fact that mobile operators do not have a physical location in the state, we have them assessed at a much higher tax rate, a 60% higher tax rate, than the physical brick and mortar locations would. So under the Majority Report here brick and mortar locations would be taxed at 10%, mobile would be taxed at 16%. That would be an attempt to level the playing field in that light. So those are the key points. The concept of tethering is the primary difference and those of us on the Majority Ought to Pass Report felt that moving in a more free market approach would be a better way to move forward in the state of Maine with on-line sports betting. So thank you, Mr. President.

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

Senator **CYRWAY:** Thank you, Mr. President. Ladies and gentlemen of the Senate, just one thing I also wanted to say. Tethering is basically all they have to do is go there, to one of these facilities, once. They get the app. They can do it

anywhere, at home, anywhere after that and that 20% will go towards these important pieces that we actually have designed for it to help our education, our harness racing, our fairgrounds, and many other aspects, the veterans. There are different things that we all try to be responsible in helping the State and so by not tethering none of that will be put in there. So it's very important that we take care of Maine. Thank you.

**THE PRESIDENT:** The pending question before the Senate is Acceptance of Report "A" Ought to Pass as Amended. Is the Senate ready for the question?

The Doorkeepers secured the Chamber.

The Secretary opened the vote.

**ROLL CALL (#330)**

**YEAS:** Senators: BELLOWS, BREEN, CARPENTER, CARSON, CHENETTE, CLAXTON, DESCHAMBAULT, DIAMOND, DILL, HERBIG, LIBBY, LUCHINI, MIRAMANT, POULIOT, SANBORN H, SANBORN L, VITELLI, WOODSOME, PRESIDENT JACKSON

**NAYS:** Senators: BLACK, CHIPMAN, CYRWAY, DAVIS, DOW, FARRIN, FOLEY, GRATWICK, GUERIN, KEIM, HAMPER, MILLETT, MOORE, ROSEN, TIMBERLAKE

**EXCUSED:** Senators: LAWRENCE

19 Senators having voted in the affirmative and 15 Senators having voted in the negative, with 1 Senator being excused, the motion by Senator **LUCHINI** of Hancock to **ACCEPT** Report "A", **OUGHT TO PASS AS AMENDED BY COMMITTEE AMENDMENT "A" (S-318), PREVAILED.**

**Bill READ ONCE.**

Committee Amendment "A" (S-318) **READ** and **ADOPTED.**

Under suspension of the Rules, **READ A SECOND TIME** and **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (S-318).**

Sent down for concurrence.

**ORDERS OF THE DAY**

The Chair laid before the Senate the following Tabled and Later Today Assigned matter:

An Act To Direct the Department of Education To Amend Its Rules To Ensure That Physical Restraint and Seclusion Policies Are Followed and Make Biennial Reports on the Use of Physical Restraint and Seclusion

H.P. 997 L.D. 1376  
(C "A" H-617)

Tabled - June 18, 2019 by Senator **LIBBY** of Androscoggin

Pending - **ENACTMENT**

(In Senate, June 18, 2019, **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-617)** in concurrence.)

(In House, **PASSED TO BE ENACTED.**)

On motion by Senator **BREEN** of Cumberland, placed on the **SPECIAL APPROPRIATIONS TABLE** pending **ENACTMENT**, in concurrence.

The Chair laid before the Senate the following Tabled and Later Today Assigned matter:

An Act Regarding the Presumption of Abandonment of Gift Obligations

H.P. 1164 L.D. 1612  
(C "A" H-613)

Tabled - June 18, 2019 by Senator **LIBBY** of Androscoggin

Pending - **ENACTMENT**

(In Senate, June 18, 2019, **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-613)** in concurrence.)

(In House, **PASSED TO BE ENACTED.**)

On motion by Senator **BREEN** of Cumberland, placed on the **SPECIAL APPROPRIATIONS TABLE** pending **ENACTMENT**, in concurrence.

The Chair laid before the Senate the following Tabled and Later Today Assigned matter:

**Pursuant to Constitution  
Public Land**

Resolve, Directing the Department of Agriculture, Conservation and Forestry To Convey Certain Lands to Roosevelt Conference Center Doing Business as Eagle Lake Sporting Camps

H.P. 107 L.D. 125  
(S "A" S-288 to C "A" H-303)

Tabled - June 18, 2019 by Senator **CARSON** of Cumberland

Pending - **FINAL PASSAGE**

(In Senate, June 17, 2019, **PASSED TO BE ENGROSSED AS AMENDED BY COMMITTEE AMENDMENT "A" (H-303) AS AMENDED BY SENATE AMENDMENT "A" (S-288)** thereto, in **NON-CONCURRENCE.**)

(In House, **FINALLY PASSED.**)