

**Maine Citizen's Guide to the
Referendum Election**

Tuesday, November 2, 2010



**In Accordance with
the Acts Passed by the 124th Legislature
at the First and Second Regular Sessions**

**Matthew Dunlap
Secretary of State**

Appropriation 010-29A-4213-012

**State of Maine
Office of the Secretary of State
Augusta, Maine 04333**

Dear Fellow Citizen,

The information in this booklet is intended to help voters learn about the questions that will appear on the November 2, 2010 Referendum Election ballot. Referendum elections are an important part of the heritage of public participation in Maine. I hope you will help keep our democracy strong by reviewing this information and then casting your ballot.

For information about how and where to vote, please contact your local municipal clerk or call Maine's Division of Elections at 624-7650. Information is also available online at www.maine.gov/sos.

Inside this booklet, you will find:

- ◆ the referendum questions;
- ◆ the legislation each question represents;
- ◆ a summary of the intent and content of the legislation;
- ◆ an explanation of the significance of a "yes" or "no" vote;
- ◆ an analysis of the debt service on the bond issues;
- ◆ an estimate of the fiscal impact of each referendum question on state revenues, appropriations and allocations; and
- ◆ public comments filed in support of or in opposition to each ballot measure.

The Department of the Secretary of State, the Attorney General, the State Treasurer and the Office of Fiscal and Program Review have worked together to prepare this booklet. We hope you find it helpful and we encourage you to exercise your right to vote.

Sincerely,



Matthew Dunlap
Secretary of State

Features in this Guide

Chapter 316 of the Public Laws of 2005, passed by the First Special Session of the 122nd Legislature, added several features to the Guide.

In addition to the Intent and Content summaries prepared by the Office of the Attorney General, and the Treasurer's Statement and analysis of the debt service on the bond issue, this Guide also includes an estimate of the fiscal impact of each statewide referendum on state revenues, appropriations and allocations. The fiscal impact estimate must summarize the aggregate impact that each ballot measure will have on the General Fund, the Highway Fund, Other Special Revenue Funds and the amounts distributed by the state to local units of government.

In addition the Guide may also include public comments in support of or in opposition to each ballot measure. As required by this law, a person filing a public comment for publication must pay a fee of \$500 to the Secretary of State. Fees filed with public comments will be deposited in the Public Comment Publication Fund. The money in this fund must be used for the purpose of publishing the Secretary of State's Guide to the Referendum Election.

Pursuant to Chapter 316 of the Public Laws of 2005, the Secretary of State adopted rules regarding the publication of public comment by proponents and opponents of ballot measures. Chapter 520, Rules Regarding Publication of Public Comments on Statewide Referenda, are available on the Secretary of State's web site at:

<http://www.maine.gov/sos/cec/rules/29/250/250c520.doc>

**State of Maine
Referendum Election, November 2, 2010
Listing of Referendum Question**

Question 1: Citizen Initiative

Do you want to allow a casino with table games and slot machines at a single site in Oxford County, subject to local approval, with part of the profits going to specific state, local and tribal programs?

Question 2: Bond Issue

Do you favor a \$5,000,000 bond issue to be awarded on a competitive basis to increase access to dental care in Maine, \$3,500,000 to be used for a community-based teaching dental clinic affiliated with or operated by a college of dental medicine to be matched by \$3,500,000 in other funds, and \$1,500,000 to be used to create or upgrade community-based health and dental care clinics across the State to increase their capacity as teaching and dental clinics?

Question 3: Bond Issue

Do you favor a \$9,750,000 bond issue to invest in land conservation and working waterfront preservation and to preserve state parks to be matched by \$9,250,000 in federal and other funds?

Treasurer's Statement

The State of Maine borrows money by issuing bonds. General Obligation bonds are backed by the full faith and credit of the State and must be submitted statewide to the electors for ratification. Upon ratification, the Treasurer borrows money as needed to fund the approved bond projects and uses a rapid 10-year retirement of principal approach to retiring the debt. If these bond proposals are ratified, General Obligation debt service as a percentage of the State's General Fund, Highway Fund and Revenue Sharing appropriations is expected to be 3.63% in FY11 and 4.02% in FY12.

The following is a summary of the general obligation bond debt of the State of Maine as of **July 31, 2010**.

Bonds Outstanding (Issued and Maturing through 2019):

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Highway Fund	\$133,600,000	\$ 28,043,523	\$161,643,523
General Fund	<u>\$343,950,000</u>	<u>\$ 47,234,248</u>	<u>\$391,184,248</u>
Total	<u>\$477,550,000</u>	<u>\$ 75,277,771</u>	<u>\$552,827,771</u>

7/31/2010 Unissued Bonds Authorized by Voters:	\$204,608,667
Unissued Bonds Authorized by the Constitution and Laws:	<u>\$ 99,000,000</u>
Total Authorized but Unissued Bonds:	\$303,608,667

The total amounts that must be paid in the present fiscal year for bonded debt already outstanding (for FY2011):	\$106,926,433
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If the bonds submitted here are approved by voters and issued for the full statutory period authorized, an estimate of the total interest and principal that may reasonably be expected to be paid is **\$18,400,625**, representing **\$14,750,000** in principal and **\$3,650,625** in interest.



David Lemoine, Treasurer of State

Question 1: Citizen Initiative

Do you want to allow a casino with table games and slot machines at a single site in Oxford County, subject to local approval, with part of the profits going to specific state, local and tribal programs?

STATE OF MAINE

“An Act to Allow a Casino in Oxford County”.

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

Sec. 1. 8 MRSA §1001, sub-§2, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

2. Associated equipment. "Associated equipment" means any component part used, or intended for use, in a slot machine or table game, including, but not limited to, software, integrated circuit chips, printed wired assemblies, printed wired boards, printing mechanisms, video display monitors and metering devices.

Sec. 2. 8 MRSA §1001, sub-§5-A is enacted to read:

5-A. Casino. “Casino” means a facility in Oxford County, other than a commercial track, where gambling activities occur, including, but not limited to, the operation of slot machines and table games.

Sec. 3. 8 MRSA §1001, sub-§5-B is enacted to read:

5-B. Casino operator. “Casino operator” means a person who is licensed under this chapter to operate a casino.

Sec. 4. 8 MRSA §1001, sub-§15, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

15. Gambling activity. "Gambling activity" means off-track betting, pari-mutuel wagering at a race track, high-stakes beano, beano, game games of chance or slot machine or table game operation.

Sec. 5. 8 MRSA §1001, sub-§16, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

16. Gambling facility. "Gambling facility" means a race track, off-track betting facility, high-stakes beano or beano facility, a game of chance facility ~~or~~ slot machine facility or casino.

Sec. 6. 8 MRSA §1001, sub-§17, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

17. Gambling services. "Gambling services" means any goods or services provided to an operator licensed under this chapter or at a gambling facility that are used directly in connection with the operation of a slot machine or table game, including, but not limited to, ~~slot machine~~ maintenance, security services or junket services, and excluding slot machine or table game distribution by a slot machine distributor or table game distributor.

Sec. 7. 8 MRSA §1001, sub-§20, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

20. Gaming employee. "Gaming employee" means any person connected directly with a gambling facility, including cashiers, change personnel, counting room personnel, hosts, persons who extend credit or offer complimentary services, machine mechanics, security personnel, supervisors or managers. "Gaming employee" also includes employees of a slot machine distributor or table game distributor whose duties are directly involved with repair or distribution of slot machines ~~or~~ gaming

devices or table games.

Sec. 8. 8 MRSA §1001, sub-§21-A is enacted to read:

21-A. Gross table game income. "Gross table game income" means the total value of money, tokens, credits or similar objects or things of value used to actually play a table game before payback is distributed to a player.

Sec. 9. 8 MRSA §1001, sub-§27, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

27. Key executive. "Key executive" means any executive of a licensee having power to exercise a significant influence over decisions concerning the operation or distribution of slot machines or table games.

Sec. 10. 8 MRSA §1001, sub-§29-B is enacted to read:

29-B. Net table game income. "Net table game income" means money, tokens, credits or similar objects or things of value used to play a table game minus money, credits or prizes paid out to winners.

Sec. 11. 8 MRSA §1001, sub-§30, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

30. Nongambling services. "Nongambling services" means any goods or services, other than gambling services and slot machine or table game distribution by a slot machine distributor or table game distributor, provided to an operator licensed under this chapter or at a gambling facility, including, but not limited to, hotel concessions, restaurant concessions or food service.

Sec. 12. 8 MRSA §1001, sub-§38, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

38. Registration. "Registration" means an approval or board action that authorizes a company to be a holding company of a company that holds or applies for a slot machine operator license or, a casino operator license, a slot machine distributor license or a table game distributor license or of other persons required to be licensed under this chapter.

Sec. 13. 8 MRSA §1001, sub-§41, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

41. Slot machine facility. "Slot machine facility" means a facility, not including a casino, at which a slot machine operator operates slot machines.

Sec. 14. 8 MRSA §1001, sub-§42, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

42. Slot machine operator. "Slot machine operator" means a person, not including a casino operator, who is licensed under this chapter to operate slot machines and associated equipment in the State.

Sec. 15. 8 MRSA §1001, sub-§43-A is enacted to read:

43-A. Table game. "Table game" means a card game, dice game or other game of chance, including, but not limited to, blackjack, poker, dice, craps, roulette, baccarat, money wheels, wheel of fortune or any electronic facsimile of such a game located in a casino. Table games are governed under this chapter and excluded from the definition of "game of chance" in Title 17, section 330, subsection 2.

Sec. 16. 8 MRSA §1001, sub-§43-B is enacted to read:

43-B. Table game distributor. "Table game distributor" means a person who is licensed under this chapter to distribute table games and associated equipment for use in the State.

Sec. 17. 8 MRSA §1001, sub-§44, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

44. Uniform location agreement. "Uniform location agreement" means a written agreement in a form prescribed by the board between a slot machine operator or casino operator and a slot machine distributor or table game distributor that governs the terms and conditions of that agreement, including the placement of slot machines or table games on the premises of the slot machine operator or casino operator.

Sec. 18. 8 MRSA §1003, sub-§1, ¶A, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

A. Regulate, supervise and exercise general control over the ownership and operation of slot machines and table games, the distribution of slot machines and table games and slot machine facilities and casinos;

Sec. 19. 8 MRSA §1003, sub-§2, ¶I, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

I. Adopt rules to prevent undesirable conduct relating to the ownership, distribution and operation of slot machines and table games and slot machine facilities and casinos, including, but not limited to, the following:

- (1) The practice of any fraud or deception upon a player of a slot machine or table game or a licensee;
- (2) The presence or location of a slot machine or table game in or at premises that may be unsafe due to fire hazard or other public safety conditions;
- (3) The infiltration of organized crime into the ownership, distribution or operation of slot machines or table games and slot machine facilities or casinos; and
- (4) The presence of disorderly persons in a location where slot machines or table games are in use;

Sec. 20. 8 MRSA §1003, sub-§2, ¶Q, as amended by PL 2005, c. 663, §4, is further amended to read:

Q. Certify monthly to the department a full and complete statement of all slot machine and table game revenue, credits disbursed by licensees, administrative expenses and the allocation of slot machine and table game income for the preceding month;

Sec. 21. 8 MRSA §1003, sub-§2, ¶R, as amended by PL 2005, c. 663, §5, is further amended to read:

R. Submit by March 15th an annual report to the Governor and the joint standing committee of the Legislature having jurisdiction over gambling affairs on slot machine and table game revenue, credits disbursed by slot machine operators and table game operators, administrative expenses and the allocation of slot machine and table game income for the preceding year;

Sec. 22. 8 MRSA §1003, sub-§3, ¶E, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

E. The location and hours of operation of slot machines and table games, types of slot machines and table games permitted, methods of operation of slot machines and table games and distribution and servicing of slot machines and table games and associated equipment;

Sec. 23. 8 MRSA §1003, sub-§3, ¶G, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

G. Minimum procedures for the exercise of effective control over the internal fiscal affairs of slot machine operators, casino operators, slot machine distributors, table game distributors, gambling services vendors and nongambling services vendors, including provisions for the safeguarding of assets and revenues, the recording of cash and evidence of indebtedness and the maintenance of reliable records, accounts and reports of transactions, operations and events, including reports to the board;

Sec. 24. 8 MRSA §1003, sub-§3, ¶H, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

H. Procedures for the annual audit of the books and records of slot machine operators, casino operators, slot machine distributors, table game distributors and gambling services vendors;

Sec. 25. 8 MRSA §1003, sub-§3, ¶I, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

I. Establishment of a list of persons who are to be excluded or removed from any slot machine facility or casino, including those persons who voluntarily request that their names be included on the list of excluded persons. These rules must define the standards for exclusion and removal and include standards regarding persons who are career or professional offenders, as defined by rules of the board, whose presence in a slot machine facility or casino would, in the opinion of the board, be inimical to the interest of the State;

Sec. 26. 8 MRSA §1004-A is enacted to read:

§1004-A. Surveillance and monitoring of table games

1. Casino facility requirements. A casino operator shall arrange the facilities of its casino in such a manner as to promote optimum security for the casino facility operations and shall comply in all respects with rules of the board pertaining to security.

2. Internal controls. The following provisions govern internal procedures and controls of a casino.

A. The casino operator shall submit to the board a description of its system of internal procedures and administrative and accounting controls for table games operations accompanied by a certification by its chief financial officer or equivalent officer that the submitted procedures provide adequate and effective controls, establish a consistent overall system of internal procedures and administrative and accounting controls and conform to generally accepted accounting principles. An applicant for licensure under section 1011, subsection 2-A shall make its initial submission at least 30 business days before table game operations are to commence unless otherwise directed by the board.

B. The casino must contain a count room and such other secure facilities as may be required by the board for the counting and storage of cash, coins, tokens, checks, plaques, gaming vouchers, coupons and other devices or items of value used in wagering and approved by the board that are received in the conduct of gaming and for the inspection, counting and storage of dice, cards, chips and other representatives of value. A drop box or other device in which these items are deposited at the gaming tables, and any area in which these boxes and devices are kept while in use, must be equipped with a locking device to which there are 2 keys, one of which must be under the exclusive control of the board and the other of which must be under the exclusive control of the casino operator. These drop boxes and other devices may not be brought into or removed from a casino room except at such times, in such places and according to such procedures as the board may require.

Sec. 27. 8 MRSA §1005, sub-§1, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

1. Powers. In addition to powers conferred by any other provision of law, the department may:

A. Without notice, and at any time during regular hours of operation, enter the offices, facilities or other places of business of slot machine operators, casino operators, slot machine distributors, table game distributors and gambling services vendors to conduct administrative inspections to determine compliance with this chapter and rules adopted under this chapter; and

B. Request the director to disable any slot machine or table game if the department has a reasonable articulable suspicion that the slot machine or table game is being operated in violation of this chapter or of any rule adopted under this chapter.

Sec. 28. 8 MRSA §1006, sub-§4, as enacted by PL 2005, c. 11, §1, is amended to read:

4. Monitoring and surveillance records and information. Financial, statistical and surveillance information obtained by the board or department from the central site monitoring system or surveillance devices is confidential and may not be disclosed. The board shall prepare and make publicly available monthly and annual reports on the results of slot machine and table game operations using the information described in this subsection pursuant to section 1003, subsection 2, paragraphs Q and R, as long as the board takes appropriate measures to protect the confidentiality of specific information designated as confidential by this section.

Sec. 29. 8 MRSA §1011, as amended by PL 2005, c. 663, §6, is further amended to read:

§1011. License to operate

The board shall exercise authority over the licensing of all persons participating in the operation, distribution and maintenance of slot machines and table games and slot machine facilities and casinos and over the registration of slot machines and table games.

1. Operator license required for slot machine facility. A person may not operate any slot machine in a slot machine facility in the State unless the person has been issued a license to operate slot machines by the board. A slot machine operator license authorizes a licensee to own or lease slot machines operated at a licensed gambling facility.

1-A. Operator license required for casino. A person may not operate both slot machines and table games in the State unless the person has been issued a casino operator license by the board. A casino operator license authorizes a licensee to own or lease slot machines and table games operated at a casino.

2. Persons eligible for slot machine operator license. The board may accept applications for a license to operate slot machines from any person who is licensed to operate a commercial track that satisfies the following criteria:

A. The commercial track is located at or within a 5-mile radius of the center of a commercial track that conducted harness racing with pari-mutuel wagering on more than 25 days during calendar year 2002; and

B. The operation of slot machines at the commercial track is approved by the voters of the municipality in which the commercial track to be licensed is located by referendum election held at any time after December 31, 2002 and before December 31, 2003.

2-A. Person eligible for casino operator license. The board may accept an application for a casino operator license to operate slot machines and table games at a casino from any person if that person and casino satisfy the following criteria:

A. The casino is located on a parcel of land that is:

(1) No less than 50 acres in size; and

(2) Located not more than:

(a) Thirty miles from a Level I or Level II trauma center verified as such by the American College of Surgeons or successor organization;

(b) Fifteen miles from the main office of a county sheriff;

(c) Twenty-five miles from the main office of a state police field troop;

(d) Thirty miles from an interchange of the interstate highway system;

(e) Ten miles from a fire station;

(f) Ten miles from a facility at which harness racing was conducted pursuant to a license from the State Harness Racing Commission for the 2009 racing year; and

(g) One-half mile from a state highway as defined in Title 23, section 1903, subsection 15.

For the purposes of this paragraph, distances are determined by measuring along the most commonly used roadway, as determined by the Department of Transportation;

B. The criteria adopted through rulemaking by the board regarding the licensing of the operation of slot machines and table games;

C. The operation of a casino is approved by the voters of the municipality in which the casino to be licensed is located in a referendum election or by a vote of the municipal officers in the municipality in which the casino is to be licensed and located held at any time after October 1, 2009 and on or before December 31, 2011;

D. The person owns a facility that is within 10 miles of the proposed casino at which harness racing was conducted pursuant to a license from the State Harness Racing Commission for the 2009 racing year; and

E. The slot machines and table games are located and operated in the casino.

3. Requirements for license; continued commercial track licensure. The board may not issue a license to operate ~~a slot machines machine facility~~ or a casino to any person unless that person demonstrates compliance with the qualifications set forth in sections 1016 and 1019. ~~A person who is granted a license to operate slot machines must maintain a license to operate a commercial track, without lapse, suspension or revocation for the duration of the slot machine operator's license.~~ To maintain eligibility for a slot machine operator license, a licensed commercial track must at all times maintain a license to operate a commercial track, without lapse, suspension or revocation, and a licensed commercial track is not eligible for a license to operate table games but may apply for a license to operate slot machines as long as the licensed commercial track satisfies the requirements of this chapter.

4. Requirement for license; agreement with municipality where slot machines are located. A slot machine operator shall enter into an agreement with the municipality where the slot machine operator's slot machines are located that provides for revenue sharing or other compensation, including, but not limited to, a provision requiring the preparation, in conjunction with the municipality, of a security plan for the premises on which the slot machines are located. The revenue-sharing agreement must provide for a minimum payment to the municipality of 3% of the net slot machine income derived from the machines located in the municipality.

5. Renewal. Licenses to operate slot machines machine facilities or a casino may be renewed upon application for renewal in accordance with this subchapter, subject to board rules.

Sec. 30. 8 MRSA §1012-A is enacted to read:

§1012-A. Local approval for renewal of casino operator license

An application for renewal of a casino operator license must first be approved under this section by the municipal officers of the municipality in which the casino is located or, if the casino is in an unincorporated place, the application must be approved by the county commissioners of the county in which the casino is located.

1. Hearings. Municipal officers or county commissioners, as the case may be, may hold a public hearing for the consideration of a request for the renewal of a license to operate a casino, except that, when an applicant has held a license for the prior 5 years and a complaint has not been filed with the board against the applicant within that time, the applicant may request a waiver of the hearing.

A. The board shall prepare and supply application forms for public hearings under this subsection.

B. Municipal officers or county commissioners, as the case may be, shall provide public notice of any hearing held under this section by causing, at the applicant's prepaid expense, a notice stating the name and place of the hearing to appear on at least 3 consecutive days before the date of the hearing in a daily newspaper having general circulation in the municipality where

the premises of the casino are located or one week before the date of the hearing in a weekly newspaper having general circulation in the municipality where the premises are located.

C. If municipal officers or county commissioners, as the case may be, fail to take final action on an application for a renewal of a casino operator license within 60 days of the filing of an application, the application is considered approved and ready for action by the board. For purposes of this paragraph, the date of filing of the application is the date the application is received by the municipal officers or county commissioners.

2. Findings. In granting or denying an application under this section, municipal officers or the county commissioners shall indicate the reasons for their decision and provide a copy to the applicant. A license may be denied on one or more of the following grounds:

A. Conditions of record such as waste disposal violations, health or safety violations or repeated parking or traffic violations on or in the vicinity of the premises of the casino and caused by persons patronizing or employed by the casino or other such conditions caused by persons patronizing or employed by the casino that unreasonably disturb, interfere with or affect the ability of persons or businesses residing or located in the vicinity of the casino to use their property in a reasonable manner;

B. Repeated incidents of record of breaches of the peace, disorderly conduct, vandalism or other violations of law on or in the vicinity of the premises of the casino and caused by persons patronizing or employed by the casino; and

C. A violation of any provision of this chapter.

3. Appeal to board. Any applicant aggrieved by the decision of the municipal officers or county commissioners under this section may appeal to the board within 15 days of the receipt of the written decision of the municipal officers or county commissioners. The board shall hold a public hearing in the city, town or unincorporated place where the premises of the casino are situated. In acting on such an appeal, the board may consider all licensure requirements and findings referred to in subsection 2. If the decision appealed is an application denial, the board may issue the license only if it finds by clear and convincing evidence that the decision was without justifiable cause.

4. Appeal to District Court. Any person or governmental entity aggrieved by a board decision under this section may appeal the decision to the District Court within 30 days of receipt of the written decision of the board. An applicant who files an appeal or who has an appeal pending shall pay the license renewal fee the applicant would otherwise pay. Upon resolution of the appeal, if the applicant's license renewal is denied, the board shall refund the applicant the prorated amount of the unused license fee.

Sec. 31. 8 MRSA §1013-A is enacted to read:

§1013-A. Licensing of table game distributors

1. License to distribute required. A person may not distribute table games in the State unless the person has been issued a license to distribute table games by the board.

2. Requirements for license. The board may issue a license to distribute table games to an applicant that meets the qualifications set out in sections 1016 and 1019.

Sec. 32. 8 MRSA §1015, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1015. Licensing of employees of slot machine and casino operators, slot machine and table game distributors and gambling services vendors

1. License required. A person may not be employed by a slot machine operator, casino operator, slot machine distributor, table game distributor or gambling services vendor unless the person is licensed to do so by the board or granted a waiver by the board pursuant to subsection 3.

2. Requirements for license. The board may issue an employee license to an employee of a slot machine operator, casino operator, slot machine distributor, table game distributor or gambling services vendor if the applicant meets the qualifications set out in sections 1016 and 1019.

3. Requirements for waiver. Upon application by a slot machine operator, casino operator, slot machine distributor, table game distributor or gambling services vendor, the board may waive the employee license requirement under this section if the slot machine operator, casino operator, slot machine distributor, table game distributor or gambling services vendor demonstrates to the board's satisfaction that the public interest is not served by the requirement of the employee license.

Sec. 33. 8 MRSA §1016, sub-§1, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

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

- A. The person has completed the application form, promptly and truthfully complied with all information requests of the board and complied with any applicable rules adopted by the board;
- B. The person has sufficient financial assets and responsibility to meet any financial obligations imposed by this chapter and, if applying for a slot machine operator license ~~or~~, casino operator license, slot machine operator license renewal or casino operator license renewal, has sufficient financial assets and responsibility to continue operation of a commercial track or casino;
- C. The person has not knowingly or recklessly made a false statement of material fact in applying for a license under this chapter or any gambling-related license in any other jurisdiction;
- D. In the case of a person applying to be a slot machine operator or casino operator, the person has sufficient knowledge and experience in the business of operating slot machines or casinos to effectively operate the slot machine facilities or casino to which the license application relates in accordance with this chapter and the rules and standards adopted under this chapter;
- E. The person has not had a gambling-related license application denied or an adverse action taken against a gambling-related license by authorities in this State or any other jurisdiction. For purposes of this paragraph, "adverse action" includes, but is not limited to, a condition resulting from an administrative, civil or criminal violation, a suspension or revocation of a license or a voluntary surrender of a license to avoid or resolve a civil, criminal or disciplinary action;
- F. If the applicant is a business organization, the applicant is organized in this State, although that business organization may be a wholly or partially owned subsidiary of an entity that is organized pursuant to the laws of another state or a foreign country; and
- G. The person and all key executives are citizens or permanent residents of the United States.

A person may not hold more than one class of license under this chapter unless the 2nd license is an employee license under section 1015.

Sec. 34. 8 MRSA §1018, sub-§1, as amended by PL 2005, c. 663, §7, is further amended to read:

1. Fees. The application fee for a license and the annual fee for a registered slot machine or table game under this chapter are as set out in this subsection.

A. The initial registration fee for a registered slot machine is \$100. The annual renewal fee is \$100 for each registered slot machine.

A-1. The initial registration fee for a registered table game is \$100. The annual renewal fee is \$100 for each registered table game.

B. The initial application fee for a slot machine distributor license is \$200,000. The annual renewal fee is \$75,000.

B-1. The initial application fee for a table game distributor license is \$5,000. The annual renewal fee is \$1,000.

C. The initial application fee for a slot machine operator license is \$200,000. The annual renewal fee is \$75,000 plus an amount, set by rules of the board, equal to the cost to the board of licensing slot machine operators and determined by dividing the costs of administering the slot machine operator licenses by the total number of slot machine operators licensed by the board.

C-1. The initial application fee for a casino operator license is \$225,000. The annual renewal fee is \$80,000 plus an amount, set by rules of the board, equal to the cost to the board of licensing casino operators and determined by dividing the costs of administering the casino operator licenses by the total number of casino operators licensed by the board.

D. The annual application fee for a license for a gambling services vendor is \$2,000.

E. The initial application fee for an employee license under section 1015 is \$250. The annual renewal fee is \$25.

In addition to the application fee for a license or annual fee for a registered slot machine or table game, the board may charge a one-time application fee for a license or registration listed in paragraphs A to E in an amount equal to the projected cost of processing the application and performing any background investigations. If the actual cost exceeds the projected cost, an additional fee may be charged to meet the actual cost. If the projected cost exceeds the actual cost, the difference may be refunded to the applicant. All fees collected pursuant to this section must be deposited directly to the General Fund, except that \$25,000 of the annual renewal fee for a slot machine operator or casino operator must be deposited to the Gross Slot Income Other Special Revenue Fund account within the Gambling Control Board to be transferred to the municipality in which the slot machines ~~are~~ machine facility or casino is operated, in accordance with subsection 2. All application and registration fees are nonrefundable and are due upon submission of the application.

Sec. 35. 8 MRSA §1019, sub-§6, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

6. Proximity of licensed casinos and slot machine facilities. A casino operator license or slot machine operator license may not be issued under this chapter ~~at to operate any commercial track casino or slot machine facility~~ located within 100 miles of a licensed casino or slot machine facility.

Sec. 36. 8 MRSA §1019, sub-§7 is enacted to read:

7. Referendum and municipal vote. After January 1, 2011, any proposed casino or slot machine facility may not be issued a license unless it has been approved by a statewide referendum vote and a vote of the municipal officers or municipality in which the casino or slot machine facility is to be located.

Sec. 37. 8 MRSA §1020, sub-§3, as amended by PL 2005, c. 663, §9, is further amended to read:

3. Limits on total slot machines. The board shall determine the number of slot machines to be registered in the State. The board shall make this determination based upon the minimum net slot machine income, when distributed pursuant to section 1036, necessary to maintain the harness horse racing industry in this State, except that:

A. The total number of slot machines registered in the State may not exceed ~~4,500~~ 3,000; and

B. A slot machine operator may not operate more than 1,500 slot machines at any one commercial track and a casino operator may not operate more than 1,500 slot machines at a casino.

Sec. 38. 8 MRSA §1021 is enacted to read:

§1021. Registration of table games

1. Registration required. A table game may not be operated or distributed pursuant to this chapter unless the table game is registered by the board and the casino operator and the table game distributor are each licensed by the board.

2. Requirements for registration. To be registered, a table game:

A. May not have any means of manipulation that affect the random probabilities of winning a game; and

B. Must have, in addition to the requirements of paragraph A, other such characteristics as the board may establish by rule.

3. Examination of table games. The board shall, in cooperation with the department, examine table games and associated equipment of table game distributors seeking registration as required in this chapter. The board shall require the table game distributor seeking examination and approval of the table game or associated equipment to pay the anticipated cost of the examination before the examination occurs. After the examination occurs, the board shall refund overpayments or charge and collect amounts sufficient to reimburse the board for underpayments of actual cost. The board may contract for the examinations of table games and associated equipment as required by this section.

4. Unregistered or noncompliant table games subject to confiscation. A table game that is not registered as required by this section or that does not comply with the requirements of this chapter or rules adopted under this chapter is contraband and a public nuisance and the table game and the table game's monetary contents, monetary proceeds and associated equipment are subject to confiscation by any law enforcement officer. Table games and any monetary contents, monetary proceeds and associated equipment confiscated pursuant to this section are subject to forfeiture in accordance with the procedures outlined in Title 17-A, section 959 or 960.

Sec. 39. 8 MRSA §1031, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1031. Age limit on slot machine and table game use; access by minors; credit prohibited

1. Minimum age. A slot machine operator or casino operator may not permit a person under 21 years of age to play a slot machine or table game.

2. Placement of slot machines and table games. A slot machine operator, casino operator, slot machine distributor, table game distributor or gambling services vendor shall prohibit persons under 21 years of age from any area in which a slot machine or table game is located, except that a person 18 to 20 years of age may be present if that person is a licensed employee under section 1015.

3. Credit prohibited. A slot machine operator or casino operator may not allow the use of a credit card or debit card by a person to play a slot machine or table game.

4. Table game wagering. Each table game must be equipped with a sign indicating the permissible minimum and maximum wagers pertaining to that table game. A casino operator may not require any wager to be greater than the stated minimum or less than the stated maximum, and any wager actually made by a patron and not rejected by a casino operator prior to the commencement of play must be treated as a valid wager.

Sec. 40. 8 MRSA §1032, as amended by PL 2005, c. 663, §10, is further amended to read:

§1032. Payment of credits by slot machine or casino operator

A slot machine operator or casino operator shall redeem credits for players who earn credits on a slot machine or table game located on the premises of that slot machine ~~operator~~ facility or casino in accordance with rules adopted by the board. A slot machine operator or casino operator may not redeem a credit slip more than 365 days from the date of issuance. The funds reserved for the payment of such a credit slip or expired unclaimed jackpot must be retained by the slot machine operator or casino operator and treated as gross slot machine income or gross table game income and do not constitute property subject to the requirements of Title 33, chapter 41.

Sec. 41. 8 MRSA §1033, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1033. Uniform location agreement

Each slot machine or table game is subject to a uniform location agreement between the slot machine distributor or table game distributor and the slot machine operator or casino operator. A copy of the agreement must be submitted to the board for approval. The uniform location agreement is the complete and sole agreement between the slot machine operator or casino operator and the slot machine distributor or table game distributor regarding slot machines and table games. No other agreement between the slot machine operator or casino operator and the slot machine distributor or table game distributor is legally binding.

Sec. 42. 8 MRSA §1034, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1034. Disclosure of other contracts and agreements

A slot machine operator or casino operator must submit to the board all contracts or agreements the slot machine operator or casino operator establishes with a slot machine distributor, table game distributor, licensed gambling services vendor or a key executive.

Sec. 43. 8 MRSA §1035, as amended by PL 2007, c. 611, §11, is further amended to read:

§1035. Location of slot machines

Slot machines may be located only on the premises of a commercial track or the premises of a casino. For the purposes of this section, "premises of a commercial track" means property owned by the person who owns the property on which a commercial track is located and that is either within 200 feet of the outside edge of the racing oval or, if the commercial track was owned by a municipality when a license to operate slot machines in association with that commercial track was issued, within 2,000 feet of the center of the racing oval.

Sec. 44. 8 MRSA §1035-A is enacted to read:

§1035-A. Location of table games

Table games may be located only on the premises of a casino.

Sec. 45. 8 MRSA §1036, sub-§2-A is enacted to read:

2-A. Distribution from casino of slot machine income. A casino operator shall collect and distribute 46% of the net slot machine income from slot machines operated by the casino operator to the board for distribution by the board as follows:

A. Twenty-five percent of the net slot machine income must be forwarded directly by the board to the Treasurer of State, who shall credit the money to the Department of Education, to be used to supplement and not to supplant funding for essential programs and services for kindergarten to grade 12 under Title 20-A, chapter 606-B;

B. Four percent of the net slot machine income must be forwarded by the board to the University of Maine System Scholarship Fund created in Title 20-A, section 10909;

C. Three percent of the net slot machine income must be forwarded by the board to the Board of Trustees of the Maine Community College System to be applied by the board of trustees to fund its scholarships program under Title 20-A, section 12716, subsection 1;

D. Four percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall distribute the funds to the tribal governments of the Penobscot Nation and the Passamaquoddy Tribe;

E. Three percent of the net slot machine income must be deposited to the General Fund for administrative expenses of the board, including gambling addiction counseling services, in accordance with rules adopted by the board;

F. Two percent of the net slot machine income must be forwarded directly to the municipality in which the casino is located;

G. One percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Agricultural Fair Support Fund established in Title 7, section 91;

H. One percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the fund established in section 298 to supplement harness racing purses;

I. One percent of the net slot machine income must be credited by the board to the Sire Stakes Fund created in section 281;

J. One percent of the net slot machine income must be forwarded directly to the county in which the casino is located to pay for mitigation of costs resulting from gaming operations; and

K. One percent of the net slot machine income must be forwarded by the board to the Treasurer of State, who shall credit the money to the Department of Agriculture, Food and Rural Resources to fund dairy farm stabilization pursuant to Title 7, section 3153-B.

If a recipient of net slot machine income in paragraph D, H or I owns or receives funds from a slot machine facility or casino, other than the casino in Oxford County or the slot machine facility in Bangor, then the recipient may not receive funds under this subsection, and those funds must be retained by the Oxford County casino operator.

Sec. 46. 8 MRSA §1036, sub-§2-B is enacted to read:

2-B. Distribution from casino of table game income. A casino operator shall collect and distribute 16% of the net table game income from table games operated by the casino operator to the board for distribution by the board as follows:

A. Ten percent of the net table game income must be forwarded directly by the board to the Treasurer of State, who shall credit the money to the Department of Education, to be used to supplement and not to supplant funding for essential programs and services for kindergarten to grade 12 under Title 20-A, chapter 606-B;

B. Three percent of the net table game income must be deposited to the General Fund for administrative expenses of the board, including gambling addiction counseling services, in accordance with rules adopted by the board;

C. Two percent of the net table game income must be forwarded directly to the municipality in which the table games are located; and

D. One percent of the net table game income must be forwarded directly to the county in which the table games are located to pay for mitigation of costs resulting from gaming operations.

Sec. 47. 8 MRSA §1036, sub-§3, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

3. Failure to deposit funds. A slot machine operator or casino operator who knowingly or intentionally fails to comply with this section commits a Class C crime. In addition to any other sanction available by law, the license of ~~that person~~ the operator may be revoked by the board and the slot machines or table games operated by that slot machine operator or casino operator may be

disabled, and the slot machines or table games, slot machines' or table games' proceeds and associated equipment may be confiscated by the board and are subject to forfeiture under Title 17-A, section 959 or 960.

Sec. 48. 8 MRSA §1041, sub-§2, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

2. Location. A slot machine operator or casino operator shall maintain all records required by this chapter or by rules adopted under this chapter at the operator's primary business office within this State or on the premises where the slot machine or table game is operated. A slot machine distributor or table game distributor shall maintain these records at the distributor's primary business office within this State. The primary business office must be designated by the license holder in the license application. All records must be open to inspection and audit by the board or its designee and a license holder may not refuse the board or its designee the right to inspect or audit the records. Refusal to permit inspection or audit of the records constitutes grounds for revocation or suspension of the license or registration.

Sec. 49. 8 MRSA §1054, as enacted by PL 2003, c. 687, Pt. A, §5 and affected by Pt. B, §11, is amended to read:

§1054. Criminal violations

A person commits a Class C crime if that person knowingly or intentionally:

1. Tampering with slot machine or table game. Manipulates or intends to manipulate the outcome, payback or operation of a slot machine or table game by physical tampering or any other means;

2. Interference. Interferes with the board's ability to monitor compliance with this chapter;

3. Operation or distribution without license. Operates or distributes a slot machine or table game in this State without a license;

4. Operation or distribution of unregistered slot machine or table game. Operates or distributes a slot machine or table game that is not registered in this State;

5. Possession of tools for purpose of tampering with slot machine or table game. Possesses or makes any tool, implement, instrument or other article that is adopted, designed or commonly used for manipulating the outcome, payback or operation of a slot machine or table game with intent to use that tool, implement, instrument or other article to commit the manipulation of a slot machine or table game;

6. Failure to disclose contracts and agreements. Violates section 1034;

7. Underage use of slot machine or table game. Violates section 1031, subsection 1;

8. Failure to deposit funds. Violates section 1036, subsection 2; or

9. Failure to grant access to premises, equipment and records. Violates section 1042.

Sec. 50. 17 MRSA §330, sub-§2, as repealed and replaced by PL 1995, c. 674, §1, is amended to read:

2. Game of chance. "Game of chance" means any game, contest, scheme or device in which:

A. A person stakes or risks something of value for the opportunity to win something of value;

B. The rules of operation or play require an event the result of which is determined by chance, outside the control of the contestant or participant; and

C. Chance enters as an element that influences the outcome in a manner that can not be eliminated through the application of skill.

For the purposes of this subsection, "an event the result of which is determined by chance" includes but is not limited to a shuffle of a deck or decks of cards, a roll of a die or dice or a random drawing or

generation of an object or objects that may include, but are not limited to, a card or cards, a die or dice, a number or numbers or simulations of any of these. A shuffle of a deck or decks of cards, a roll of a die or dice, a random drawing or generation of an object or objects or some other event the result of which is determined by chance that is employed to determine impartially the initial order of play in a game, contest, scheme or device does not alone make a game, contest, scheme or device a game of chance. For purposes of this chapter, beano and bingo and table games as defined in Title 8, section 1001, subsection 43-A are not games of chance.

Intent and Content
Prepared by the Office of the Attorney General

This initiated legislation authorizes the Gambling Control Board to license a casino at a single site in Oxford County for the operation of table games and slot machines. The casino could be licensed to operate up to 1,500 slot machines, and the maximum number of slot machines allowed to be operated in the state would be increased from 1,500 to 3,000. The casino would be the only place in the state where table games are allowed.

Table games include card games, dice games and other games of chance such as blackjack, poker, dice, craps, roulette, baccarat, money wheels, wheels of fortune, and any electronic facsimile of such games. The minimum age for playing table games would be 21 – the same age required for playing slot machines. Table game distributors would be subject to licensing and regulation by the Gambling Control Board, including the requirement to register each table game.

To be eligible for a casino license, the operator must own a facility at which harness racing was conducted in the 2009 racing year, under a license from the State Harness Racing Commission, and that facility must be located within 10 miles of the proposed casino. (The only facility that meets this requirement is the Oxford County Fairgrounds, which conducted harness racing in 2009 under a state license.) The casino also must be on at least 50 acres of land located within certain specified distances from a hospital with a Level I or II trauma center, a fire station, the main offices of a county sheriff and of a state police field troop, a state highway and an interstate highway interchange.

Before it could be licensed by the state, operation of the casino would first have to be approved by the municipality where it is to be located – either by the voters in a local referendum election, or by vote of the municipal officers. The local vote must be held on or before December 31, 2011. Renewal of a casino license would also require local approval.

After January 1, 2011, no other casino or slot machine facility could be licensed unless it was first approved by voters in a statewide referendum, as well as by the municipal officers or voters of the municipality where it was to be located.

A licensed casino operator would be required to turn over 46% of the net revenue from slot machines and 16% of the net revenue from table games to the Gambling Control Board for distribution to a variety of state and local programs itemized in the legislation in specified amounts. One quarter of the net revenue from slot machines and one tenth of the net revenue from table games would be used to supplement (but not supplant) funding for essential programs and services in public schools, for kindergarten through grade 12. The remainder of the net slot machine revenue would be distributed in specified amounts, ranging from 1% to 4%, to the University of Maine System and Maine Community College System scholarship programs, the tribal governments of the Penobscot Nation and the Passamaquoddy Tribe, the Agricultural Fair Support Fund, the Sire Stakes Fund, a fund to supplement harness racing purses, and dairy farm stabilization programs. Net revenue from both slot machines and from table games would also be directed to the host municipality (2%), the host county (1%), and to support administrative costs of the Gambling Control Board (3%), which include counseling services for gambling addiction.

Percentage payments to the Penobscot Nation and the Passamaquoddy Tribe, and payments to supplement the Sire Stakes Fund and harness racing purses would cease if those recipients ever received funds from a slot machine facility or casino other than the Oxford County casino or the existing slot machine facility in Bangor.

If approved, this citizen initiated legislation would take effect 30 days after the Governor proclaims the official results of the election.

A "YES" vote is to enact the initiated legislation.

A "NO" vote opposes the initiated legislation.

Fiscal Impact Statement
Prepared by the Office of Fiscal and Program Review

Fiscal Notes and Detail. This initiated bill is contingent on approval of the voters of the local governmental body where the casino is proposed. Presented below is an estimate of the potential revenues that may be generated from a casino in Oxford County and the subsequent distribution of those revenues. This estimate assumes the facility would operate 1,000 slot machines and 54 table games and indicates a potential annual distribution of revenues of \$2,123,550 to the State's General Fund and \$25,765,740 to Other Special Revenue Funds. The General Fund would also receive license fees of \$649,900 in the first year and \$274,650 for license renewals in subsequent years. Annual state costs associated with Inspectors, a State Police Detective, a Clerk IV and related costs are estimated to be \$1,165,178. The timing of these impacts will depend on the timing of the local vote and the amount of time needed for construction and opening a new facility.

This analysis assumes no significant effect on revenue generated at the licensed racino facility in Bangor. That effect may depend on the location of the new casino. If there is an appreciable reduction in racino revenue, there will be a reduction in the amounts of revenue distributed from that facility.

<u>Summary of Casino Revenue</u>	Annual Estimate
Gross Slot Income (total value of money, tokens, credits, other value used to play a slot machine)	\$653,400,000
Player Payback - Slot Income (assumed at 91.55% of gross income)	\$598,187,700
Gross Table Game Income (total value of money, tokens, credits, other value used to play a table game)	\$184,292,308
Player Payback -Table Game Income (assumed at 91.55% of gross income)	\$168,719,608
Net Slot Income (gross slot income - player payback)	\$55,212,300
Net Table Game Income (gross table game income - player payback)	\$15,572,700
State Share of Net Income (46% of net slot income and 16% of net table game income)	\$27,889,290
Operator Share of Net Income (54% of net slot income and 84% of net table game income)	\$42,895,710

<u>State Revenues by Fund</u>	Annual Estimate
<u>General Fund</u>	
Administration (3% of net slot income and 3% of net table game income)	<u>\$2,123,550</u>
Total General Fund Distribution	\$2,123,550
<u>Other Special Revenue Funds</u>	
K-12 Essential Programs and Services	\$15,360,345
Maine's Penobscot and Passamaquoddy Indian Tribes	\$2,208,492
University of Maine System Scholarship Fund	\$2,208,492
Agricultural Fair Support Fund	\$552,123
Municipality in which casino is located	\$1,415,700
Maine Community College System Scholarship Programs	\$1,656,369
Fund to Supplement Harness Racing Purses	\$552,123
Sire Stakes Fund	\$552,123
County in which casino is located	\$707,850
Maine Dairy Farm Stabilization Fund	<u>\$552,123</u>
Total Other Special Revenue Funds Distribution	\$25,765,740

<u>Other Revenue Impacts to the State</u>	
License fees to the General Fund - 1st Year	\$649,900

<u>Summary of Expenditure Impacts to the State</u>	
<u>General Fund</u>	
- Public Safety	\$1,165,178

Public Comments

No public comments were filed in opposition to Question 1.

Public comment in support of Question 1

Comment submitted by:

Maine Taxpayers Taking Charge
PO Box 15274
Portland, ME 04112

A YES vote on QUESTION 1 has strong support among the residents of Oxford County where the four-season resort casino will be located—as well as teachers, civic leaders, large and small employers, and taxpayers from all across Maine.

QUESTION 1 has generated such broad support because a recent economic study by a University of Maine professor shows that a YES vote will:

- **CREATE THOUSANDS OF GOOD PAYING, YEAR ROUND JOBS.**
Over 2,700 jobs providing \$80.7 MILLION in wages and benefits— including 1,700 jobs directly related to the resort casino and another 1000 jobs at Maine businesses statewide, supplying products and services to the resort and its employees.
- **GENERATE MILLIONS OF DOLLARS IN REVENUE WITHOUT RAISING TAXES.**
At least \$60 MILLION will be generated each year benefiting all residents and communities across Maine. As an investment in our children’s future, more than \$30 MILLION will be directed to improve education funding for grades K-12 and scholarships at Maine state colleges and universities— helping increase the skill level of Maine’s workforce.

The owners are Maine business people ready to invest as much as \$165 MILLION to build a destination four-season resort casino.

- **CREATE HUNDREDS OF CONSTRUCTION JOBS.**
Over 800 construction jobs will be created for one of the largest private development projects in Maine.
- **BRING HUNDREDS OF THOUSANDS OF VISITORS TO THE STATE EVERY YEAR.**
Mainers have spent more than \$140 MILLION at Connecticut casinos over the past 5 years. That’s money that should be plugging Maine’s BILLION dollar budget deficit. A new destination will attract more visitors from away who will enjoy all Maine has to offer—and boost Maine’s economy.

That’s why over 100,000 Maine voters signed the petition to place QUESTION 1 on the state ballot.

Vote YES on QUESTION 1.

The printing of this public comment does not constitute an endorsement by the State of Maine, nor does the State warrant the accuracy or truth of any statements made in the public comment.

Question 2: Bond Issue

Do you favor a \$5,000,000 bond issue to be awarded on a competitive basis to increase access to dental care in Maine, \$3,500,000 to be used for a community-based teaching dental clinic affiliated with or operated by a college of dental medicine to be matched by \$3,500,000 in other funds, and \$1,500,000 to be used to create or upgrade community-based health and dental care clinics across the State to increase their capacity as teaching and dental clinics?

STATE OF MAINE Chapter 645 Public Laws of 2009 Approved April 12, 2010

An Act To Authorize Bond Issues for Ratification by the Voters for the June 2010 Election and November 2010 Election

PART D

Sec. D-1. Authorization of bonds. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$5,000,000 for the purposes described in section 6 of this Part. The bonds are a pledge of the full faith and credit of the State. The bonds may not run for a period longer than 10 years from the date of the original issue of the bonds. At the discretion of the Treasurer of State, with the approval of the Governor, any issuance of bonds may contain a call feature. The bonds may not be issued before July 1, 2011.

Sec. D-2. Records of bonds issued kept by Treasurer of State. The Treasurer of State shall keep an account of each bond showing the number of the bond, the name of the successful bidder to whom sold, the amount received for the bond, the date of sale and the date when payable.

Sec. D-3. Sale; how negotiated; proceeds appropriated. The Treasurer of State may negotiate the sale of the bonds by direction of the Governor, but no bond may be loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the bonds, which must be held by the Treasurer of State and paid by the Treasurer of State upon warrants drawn by the State Controller, are appropriated solely for the purposes set forth in this Part. Any unencumbered balances remaining at the completion of the project in this Part lapse to the debt service account established for the retirement of these bonds.

Sec. D-4. Interest and debt retirement. The Treasurer of State shall pay interest due or accruing on any bonds issued under this Part and all sums coming due for payment of bonds at maturity.

Sec. D-5. Disbursement of bond proceeds. The proceeds of the bonds must be expended as set out in this Part under the direction and supervision of the Department of Health and Human Services.

Sec. D-6. Allocations from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Part must be expended as designated in the following schedule.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Provides funds to be awarded on a competitive basis, \$3,500,000 to be used for a community-based teaching clinic affiliated with or operated by a college of dental medicine to be matched by \$3,500,000 in other funds, and \$1,500,000 to be used to upgrade community-based health and dental care clinics across the State to increase their capacity as teaching clinics. \$5,000,000

Sec. D-7. Contingent upon ratification of bond issue. Sections 1 to 6 do not become effective unless the people of the State ratify the issuance of the bonds as set forth in this Part.

Sec. D-8. Appropriation balances at year-end. At the end of each fiscal year, all unencumbered appropriation balances representing state money carry forward. Bond proceeds that have not been expended within 10 years after the date of the sale of the bonds lapse to General Fund debt service.

Sec. D-9. Bonds authorized but not issued. Any bonds authorized but not issued, or for which bond anticipation notes are not issued within 5 years of ratification of this Part, are deauthorized and may not be issued, except that the Legislature may, within 2 years after the expiration of that 5-year period, extend the period for issuing any remaining unissued bonds or bond anticipation notes for an additional amount of time not to exceed 5 years.

Sec. D-10. Referendum for ratification; submission at election; form of question; effective date. This Part must be submitted to the legal voters of the State at a statewide election held in the month of November following passage of this Act. The municipal officers of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the acceptance or rejection of this Part by voting on the following question:

“Do you favor a \$5,000,000 bond issue to be awarded on a competitive basis to increase access to dental care in Maine, \$3,500,000 to be used for a community-based teaching dental clinic affiliated with or operated by a college of dental medicine to be matched by \$3,500,000 in other funds, and \$1,500,000 to be used to create or upgrade community-based health and dental care clinics across the State to increase their capacity as teaching and dental clinics?”

The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a cross or check mark placed within a corresponding square below the word “Yes” or “No.” The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns. If a majority of the legal votes are cast in favor of this Part, the Governor shall proclaim the result without delay and this Part becomes effective 30 days after the date of the proclamation.

The Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this Part necessary to carry out the purposes of this referendum.

Intent and Content
Prepared by the Office of the Attorney General

This Act would authorize the State to issue bonds in an amount not to exceed \$5,000,000 to raise funds to be used for a community-based teaching dental clinic and to create or upgrade community-based health and dental clinics across the State to increase their capacity as teaching and dental clinics. The bonds would run for a period not longer than 10 years from the date of issue and would be backed by the full faith and credit of the State. The bonds may not be issued before July 1, 2011.

Proceeds of the sale of the bonds are to be awarded on a competitive basis and would be expended under the direction and supervision of the **Department of Health and Human Services** as follows:

- **\$3,500,000** must be expended for a community-based teaching clinic affiliated with or operated by a college of dental medicine and must be matched with \$3,500,000 in other funds.

- **\$1,500,000** must be expended to create or upgrade community-based health and dental care clinics across the State to increase their capacity as teaching and dental clinics.

If approved, the bond authorization would take effect 30 days after the Governor's proclamation of the vote. A statement of the Treasurer describing the financial considerations of this bond issue is published together with this statement.

A "YES" vote approves the authorization of the \$5,000,000 bond issue to finance all of the activities.

A "NO" vote disapproves the bond issue in its entirety.

Debt Service
Prepared by the Office of the Treasurer

Total estimated life time cost is **\$6,237,500** representing **\$5,000,000** in principal and **\$1,237,500** in interest (assuming interest at 4.5% over 10 years).

Fiscal Impact Statement
Prepared by the Office of Fiscal and Program Review

This bond issue has no significant fiscal impact other than the debt service costs identified above.

Public Comments

No public comments were filed in support of or in opposition to Question 2.

Question 3: Bond Issue

Do you favor a \$9,750,000 bond issue to invest in land conservation and working waterfront preservation and to preserve state parks to be matched by \$9,250,000 in federal and other funds?

STATE OF MAINE
Chapter 414
Public Laws of 2009
Approved June 16, 2009

An Act To Authorize Bond Issues for Ratification by the Voters for the November 2009 and June and November 2010 Elections

As amended by Chapter 645, Part J
Public Laws of 2009
Approved April 12, 2010

An Act To Authorized Bond Issues for Ratification by the Voters for the June 2010 Election and November 2010 Election

PART E

Sec. E-1. Authorization of bonds. The Treasurer of State is authorized, under the direction of the Governor, to issue bonds in the name and on behalf of the State in an amount not exceeding \$9,750,000 for the purposes described in section 6 of this Part. The bonds are a pledge of the full faith and credit of the State. The bonds may not run for a period longer than 10 years from the date of the original issue of the bonds. At the discretion of the Treasurer of State, with the approval of the Governor, any issuance of bonds may contain a call feature.

Sec. E-2. Records of bonds issued kept by Treasurer of State. The Treasurer of State shall keep an account of each bond showing the number of the bond, the name of the successful bidder to whom sold, the amount received for the bond, the date of sale and the date when payable.

Sec. E-3. Sale; how negotiated; proceeds appropriated. The Treasurer of State may negotiate the sale of the bonds by direction of the Governor, but no bond may be loaned, pledged or hypothecated on behalf of the State. The proceeds of the sale of the bonds, which must be held by the Treasurer of State and paid by the Treasurer of State upon warrants drawn by the State Controller, are appropriated solely for the purposes set forth in this Part. Any unencumbered balances remaining at the completion of the project in this Part lapse to the debt service account established for the retirement of these bonds.

Sec. E-4. Interest and debt retirement. The Treasurer of State shall pay interest due or accruing on any bonds issued under this Part and all sums coming due for payment of bonds at maturity.

Sec. E-5. Disbursement of bond proceeds. The proceeds of the bonds must be expended as set out in this Part under the direction and supervision of the Executive Department, State Planning Office and the Department of Conservation. The proceeds of the bonds for the Land for Maine's Future Board must be expended for acquisition of land and interest in land for conservation, water access, outdoor recreation, wildlife and fish habitat, farmland preservation in accordance with the provisions for such acquisitions under the Maine Revised Statutes, Title 5, chapter 353 and working waterfront preservation in accordance with the terms of this Part, including all costs associated with such acquisitions, except that the use of the proceeds of these bonds is subject to the following conditions and requirements.

1. Hunting, fishing, trapping and public access may not be prohibited on land acquired with bond proceeds, except to the extent of applicable state, local or federal laws, rules and regulations and except for working waterfront projects and farmland protection projects.

2. Payment from bond proceeds for acquisitions of local or regional significance, as determined by the Land for Maine's Future Board, may be made directly to cooperating entities as defined in Title 5, section 6201, subsection 2 for acquisition of land and interest in land by cooperating entities, subject to terms and conditions enforceable by the State to ensure its use for the purposes of this Part. In addition to the considerations required under Title 5, chapter 353, the board shall give a preference to acquisitions under this subsection that achieve benefits for multiple towns and that address regional conservation needs including public recreational access, wildlife, open space and farmland.

3. The bond funds expended for conservation, recreation, farmland and water access must be matched with at least \$6,500,000 in public and private contributions. Seventy percent of that amount must be in the form of cash or other tangible assets, including the value of land and real property interest acquired by or contributed to cooperating entities, as defined in Title 5, section 6201, subsection 2, when property interests have a direct relationship to the property proposed for protection, as determined by the Land for Maine's Future Board. The remaining 30% may be matching contributions and may include the value of project-related, in-kind contributions of goods and services to and by cooperating entities.

4. Of the bond proceeds allocated to the Land for Maine's Future Board, \$1,000,000 must be made available to protect farmland in accordance with Title 5, section 6207.

5. Of the bond proceeds allocated to the Land for Maine's Future Board, \$1,750,000 must be made available to protect working waterfront properties in accordance with Public Law 2005, chapter 462, Part B, section 6.

6. To the extent the purposes are consistent with the disbursement provisions in this Part, 100% of the bond proceeds may be considered as state match for any federal funding to be made available to the State.

Sec. E-6. Allocations from General Fund bond issue. The proceeds of the sale of the bonds authorized under this Part must be expended as designated in the following schedule.

EXECUTIVE DEPARTMENT

**State Planning Office
Land for Maine's Future Board**

Provides funds in order to leverage \$6,500,000 in other funds to be used for the acquisition of land and interest in land for conservation; water access, wildlife and fish habitat; outdoor recreation, including hunting and fishing; and farmland preservation. \$6,500,000

Provides funds to be used for working farmland preservation in order to leverage \$1,000,000 in other funds. \$1,000,000

Provides funds to be used for working waterfront preservation in order to leverage \$1,750,000 in other funds. \$1,750,000

DEPARTMENT OF CONSERVATION

Bureau of Parks and Lands

Provides funds to preserve state parks and properties managed by the Department of Conservation. \$500,000

Sec. E-7. Contingent upon ratification of bond issue. Sections 1 to 6 do not become effective unless the people of the State ratify the issuance of the bonds as set forth in this Part.

Sec. E-8. Appropriation balances at year-end. At the end of each fiscal year, all unencumbered appropriation balances representing state money carry forward. Bond proceeds that have not been expended within 10 years after the date of the sale of the bonds lapse to General Fund debt service.

Sec. E-9. Bonds authorized but not issued. Any bonds authorized but not issued, or for which bond anticipation notes are not issued within 5 years of ratification of this Part, are deauthorized and may not be issued, except that the Legislature may, within 2 years after the expiration of that 5-year period, extend the period for issuing any remaining unissued bonds or bond anticipation notes for an additional amount of time not to exceed 5 years.

Sec. E-10. Referendum for ratification; submission at election; form of question; effective date. This Part must be submitted to the legal voters of the State at a statewide election held in November 2010 following passage of this Act. The municipal officers of this State shall notify the inhabitants of their respective cities, towns and plantations to meet, in the manner prescribed by law for holding a statewide election, to vote on the acceptance or rejection of this Part by voting on the following question:

“Do you favor a \$9,750,000 bond issue to invest in land conservation and working waterfront preservation and to preserve state parks to be matched by \$9,250,000 in federal and other funds?”

The legal voters of each city, town and plantation shall vote by ballot on this question and designate their choice by a cross or check mark placed within a corresponding square below the word “Yes” or “No.” The ballots must be received, sorted, counted and declared in open ward, town and plantation meetings and returns made to the Secretary of State in the same manner as votes for members of the Legislature. The Governor shall review the returns. If a majority of the legal votes are cast in favor of this Part, the Governor shall proclaim the result without delay and this Part becomes effective 30 days after the date of the proclamation.

The Secretary of State shall prepare and furnish to each city, town and plantation all ballots, returns and copies of this Part necessary to carry out the purposes of this referendum.

Intent and Content **Prepared by the Office of the Attorney General**

This Act would authorize the State to issue bonds in an amount not to exceed \$9,750,000 to raise funds to invest in: the acquisition of land and interest in land for conservation, water access, outdoor recreation, wildlife and fish habitat, farmland preservation and working waterfront preservation. The bonds would run for a period not longer than 10 years from the date of issue and would be backed by the full faith and credit of the State.

Proceeds of the sale of the bonds would be expended as follows:

- **\$9,250,000** would be expended under the direction and supervision of the **Land for Maine’s Future Board**, as follows:

\$6,500,000 must be spent for the acquisition of land for conservation, water access, wildlife and fish habitat, outdoor recreation, including hunting and fishing, and farmland preservation. The bond funds must be matched with at least \$6,500,000 in public and private contributions, 70% of

which must be in cash or other tangible assets, while the remaining 30% may be in the form of project-related in-kind contributions or services.

\$1,750,000 must be made available to protect working waterfront properties that support commercial fisheries businesses in accordance with the Maine Working Waterfront Access Pilot Program enacted as Chapter 462, Part B, Section 6 of the Public Laws of 2005. Grants for working waterfront projects would have to be matched, dollar for dollar, by the local governments or organizations receiving the grants and would be made subject to a condition that the property may not be used, altered or developed in a manner that precludes its use by commercial fisheries businesses. The Land for Maine's Future Board would be required to retain a right of first refusal on any waterfront property acquisition.

\$1,000,000 must be made available to preserve working farmland in accordance with Title 5, section 6207. Grants for the preservation of farmlands would be made when matching funds are available from cooperating entities.

With the exception of working waterfront projects and farmland preservation projects, hunting, fishing, trapping and public access may not be prohibited on lands acquired with these bond proceeds, unless required by applicable federal, state or local laws. In using bond proceeds to acquire land or interests in land of local or regional significance, the Land for Maine's Future Board would be required to give preference to acquisitions that achieve benefits for multiple towns and address regional conservation needs.

• **\$500,000** would be expended by the **Department of Conservation's Bureau of Parks and Lands** to preserve state parks and properties managed by the Department of Conservation.

If approved, the bond authorization would take effect 30 days after the Governor's proclamation of the vote. A statement of the Treasurer describing the financial considerations of this bond issue is published together with this statement.

A "YES" vote approves the authorization of the \$9,750,000 bond issue to finance all of the activities.

A "NO" vote disapproves the bond issue in its entirety.

Debt Service

Prepared by the Office of the Treasurer

Total estimated life time cost is **\$12,163,125** representing **\$9,750,000** in principal and **\$2,413,125** in interest (assuming interest at 4.50% over 10 years).

Fiscal Impact Statement

Prepared by the Office of Fiscal and Program Review

This bond issue has no significant fiscal impact other than the debt service costs identified above.

Public Comments

No public comments were filed in support of or in opposition to Question 3.