



126th MAINE LEGISLATURE

LD 1298

LR 1068(02)

An Act To Authorize the Houlton Band of Maliseet Indians To Operate a Casino in Aroostook County

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Veterans and Legal Affairs

Fiscal Note Required: Yes

Fiscal Note

- Contingent future biennium cost increase - General Fund
- Contingent future biennium cost increase - Other Special Revenue Funds
- Contingent current biennium revenue increase - General Fund
- Contingent current biennium revenue increase - Other Special Revenue Funds

Fiscal Detail and Notes

This legislation allows the Gambling Control Board to accept an application for a casino operator license from the Houlton band of Maliseet Indians. Issuance of a license is contingent upon approval by means of a referendum of the voters of Aroostook County. This facility would be taxed at the rate of 35% of net slot income and 10% of net table game income.

Presented below is an estimate of the potential revenues that may be generated from the new facility and the subsequent distribution of those revenues. This fiscal note assumes a total of 500 slot machines and 10 table games, generating annual revenue of \$206,776 for the State's General Fund and \$7,753,268 for various other funds. The Gambling Control Board, Other Special Revenue Funds account would also receive license fees of \$688,000 in the first year and \$285,000 for license renewals in subsequent years. Annual state costs associated with 5 inspectors, an auditor and other related expenses are estimated to be \$481,478.

This legislation could have a significant impact on revenues generated by the Hollywood and Oxford Casinos. An assessment of the impact has not been done at this time.

	Annual Estimate
Summary of Casino Revenue	
Gross Slot Income (total value of money, tokens, credits, other value used to play a slot machine)	\$200,750,000
Player Payback - Slot Income	\$180,072,750
Net Slot Income	\$20,677,250
Share of Net Slot Income for Distribution - 35%	\$7,237,038
Operator Share of Net Slot Income - 65%	\$13,440,213
 Net Table Game Income	 \$4,380,000

Share of Net Table Game Income for Distribution - 10%	\$438,000
Operator Share of Net Table Game Income - 90%	\$3,942,000
	Annual
State Revenues by Fund	Estimate
General Fund	<u>\$206,773</u>
Total General Fund Revenue	\$206,773
Gambling Control Board - Table Games	\$87,600
Gambling Control Board - License Fees (\$688,000 the 1st year)	<u>\$285,000</u>
Subtotal	\$372,600
Education	\$2,155,325
Penobscot Nation, Passamaquoddy Tribe and Mi'kmaq	\$1,860,953
University of Maine and Maine Maritime Academy Scholarship Funds	\$620,318
Maine Community College System - Scholarship Fund	\$413,545
Purse Supplements	\$206,773
Sire Stakes Fund	\$206,773
Agricultural Fair Support Fund	\$206,773
County	\$588,745
Coordinated Veterans Assistance Fund	\$294,373
Town of Houlton	\$620,318
Maine Milk Pool	\$103,386
Dairy Improvement Fund	<u>\$103,386</u>
Total Other Special Revenue Funds Revenue	<u>\$7,753,268</u>
Total Revenue All Funds	<u>\$7,960,041</u>
Summary of Expenditure Impacts to the State	
General Fund	
- Public Safety	\$108,878
Other Special Revenue Funds	
- Public Safety	<u>\$372,600</u>
Total Expenditures	<u>\$481,478</u>