



# 124th MAINE LEGISLATURE

**LD 833**

**LR 1232(10)**

## **An Act To Distribute Funds Received from the Racino in Bangor to the Department of Health and Human Services, Office of Substance Abuse**

**Fiscal Note for Bill as Engrossed with:**

**H "A" (H-785)**

**H "A" (H-791) to H "A" (H-785)**

**Committee: Legal and Veterans Affairs**

### **Fiscal Note**

	<b>2009-10</b>	<b>2010-11</b>	<b>Projections 2011-12</b>	<b>Projections 2012-13</b>
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Appropriations/Allocations</b>				
General Fund	\$0	\$0	(\$50,000)	(\$50,000)
Other Special Revenue Funds	\$0	\$0	\$50,000	\$50,000
<b>Revenue</b>				
General Fund	\$0	\$0	(\$50,000)	(\$50,000)
Other Special Revenue Funds	\$0	\$0	\$50,000	\$50,000

### **Fiscal Detail and Notes**

This legislation establishes the Gambling Addiction Prevention and Treatment Fund, Other Special Revenue Funds account within the Office of Substance Abuse, Department of Health and Human Services. It provides that in fiscal years 2011-12 and 2012-13 \$50,000 of the net slot machine income deposited to the General Fund be transferred to this new fund for gambling addiction services. In fiscal year 2013-14 and thereafter, \$100,000 of the net slot machine income deposited to the General Fund shall be transferred to this new fund. The legislation also makes permanent a one-time Department of Public Safety, Gambling Control Board deappropriation of \$50,000 per year included in PL 2009 c 213, Part A.



# 124th MAINE LEGISLATURE

LD 1360

LR 1770(03)

## An Act To Allow Law Enforcement and Family Members To Petition the District Court To Initiate Assisted Outpatient Treatment

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Health and Human Services

Fiscal Note Required: Yes

### Fiscal Note

	2009-10	2010-11	Projections 2011-12	Projections 2012-13
<b>Net Cost (Savings)</b>				
General Fund	\$0	(\$87,600)	(\$87,600)	(\$87,600)
<b>Appropriations/Allocations</b>				
General Fund	\$0	(\$87,600)	(\$87,600)	(\$87,600)

#### Fiscal Detail and Notes

This bill includes a General Fund deappropriation of \$87,600 in fiscal year 2010-11 from the Judicial Department due to an anticipated decrease in the number of psychological examinations. The additional costs to the Department of Health and Human Services can be absorbed utilizing existing budgeted resources.



# 124th MAINE LEGISLATURE

LD 1611

LR 2289(03)

## An Act To Ensure Humane Treatment for Special Management Prisoners

**Fiscal Note for Bill as Amended by Committee Amendment " "****Committee: Criminal Justice and Public Safety****Fiscal Note Required: Yes**

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### Fiscal Note

Current biennium cost increase - General Fund

#### Fiscal Detail and Notes

The Department of Corrections will require significant additional General Fund appropriations beginning in fiscal year 2010-11 for the additional costs at the Maine State Prison that result from this bill. Prohibiting a prisoner determined to be suffering from a serious mental illness from being confined in a special management unit will require the department to reassign these prisoners into 2 existing 56-bed units presently used for close security prisoners and necessitate the construction of a new close security housing unit at the Maine State Prison to house the inmates who are displaced. If the department were authorized to issue securities for the construction of a new pod, the debt service on \$12,600,000 is estimated to be approximately \$1,500,000 a year for 10 years. The additional staffing cost associated with the reassignment of prisoners to the existing units is estimated to be \$3,300,000 annually. The annual cost associated with staffing a new 56-bed housing unit is estimated to be \$2,600,000 per year.

This bill also expands a prisoner's right to a hearing which results in the need for additional Hearing Officer positions and additional Correctional Officer positions to escort prisoners to these hearings. The annual cost of these positions and hearing-related expenses is estimated to be \$975,000 annually. The Department of Corrections will also require funding for the one-time costs of additional audio and video equipment.

The timing of the General Fund appropriations required by the Department of Corrections will depend on how quickly the department will be able to reassign prisoners and the timing of separate legislation authorizing the issuance of securities to construct a new housing unit at the Maine State Prison. Therefore, no appropriations are made at this time.



# 124th MAINE LEGISLATURE

LD 1664

LR 2421(03)

## An Act To Enhance the Redevelopment of the Brunswick Naval Air Station

Fiscal Note for Bill as Engrossed with:

C "A" (S-503)

Committee: Business, Research and Economic Development

### Fiscal Note

Potential future biennium cost increase - General Fund

	2009-10	2010-11	Projections 2011-12	Projections 2012-13
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$0	\$24,270	\$101,352
<b>Appropriations/Allocations</b>				
Other Special Revenue Funds	\$0	\$0	\$24,720	\$101,352
<b>Revenue</b>				
General Fund	\$0	\$0	(\$24,270)	(\$101,352)
Other Special Revenue Funds	\$0	\$0	\$24,720	\$101,352
<b>Transfers</b>				
Other Special Revenue Funds	\$0	\$0	\$0	\$0

### Fiscal Detail and Notes

The bill establishes the Brunswick Naval Air Station Job Increment Financing Fund to (1) support local higher education programs and costs of the Midcoast Campus of Southern Maine Community College, and (2) support the Midcoast Regional Development Authority. The Fund will annually receive from the state 50% of the employment tax increment attributed to employees at the base area that is greater than the base level of employment for a business. This revenue would otherwise be credited to the General Fund. The reduction in General Fund revenue is estimated to be \$24,270 in fiscal year 2011-12 and \$101,352 in fiscal year 2012-13.

This legislation provides that in fiscal years 2011-12 and 2012-13 100% of the above amounts be transferred from the Fund to the Maine Community College System (MCCS) for higher education services costs associated with establishing and operating the Midcoast Campus. In fiscal year 2014 MCCS will receive 75% of the revenue credited to the Fund and the Midcoast Regional Development Authority will receive the remaining 25% to fund municipal services in the base area, including water, sewer, electricity, telecommunications, fire protection, police protection, sanitation services and the maintenance of buildings, facilities, grounds and roads. After that, the two purposes will each receive 50% of the Fund revenues until January 1, 2031.

The Maine Community College System has estimated the first year cost of establishing and operating the Midcoast Campus to be approximately \$1,277,328 and anticipates revenue from tuition to be \$263,835 and rent revenue to be \$10,000, resulting in net first year costs of \$1,003,493. Net costs are projected to be \$1,429,291 in the second year of operation and \$1,272,118 in the third year. Given that funding from the Brunswick Naval Air Station Job Increment Financing Fund will not be sufficient to support the estimated costs of establishing and operating the Midcoast Campus, MCCS is seeking to identify and secure alternative sources of funding. The ability of MCCS to secure other funding sources, other than General Fund appropriations, to support the operating costs of the Midcoast Campus can not be determined at this time.

The Maine Community College System has also identified approximately \$4,800,000 in costs for renovations of certain buildings located at the Brunswick Naval Air Station that will be used to house the higher education engineering and economic development center. Public Law 2009, chapter 414, An Act To Authorize Bond Issues for Ratification by the Voters for the November 2009 and June 2010 Elections, includes a request for \$4,750,000 for this purpose and will be presented to the voters as part of the June 2010 referendum. If this measure is not approved by the voters, additional General Fund appropriations to the Maine Community College System will be required for the capital costs associated with establishing the Midcoast Campus.

Any additional costs to the Bureau of Revenue Services associated with calculating job tax increments and related tasks can be absorbed within existing budgeted resources.



# 124th MAINE LEGISLATURE

LD 1747

LR 2323(02)

**An Act To Allow the Town of Wells and the Town of Ogunquit To Amend the Terms of Their Cost-sharing Agreement for Their Community School District and To Provide Each Town the Ability To Withdraw from the Wells-Ogunquit Community School District**

**Fiscal Note for Bill as Amended by Committee Amendment " "**

**Committee: Education and Cultural Affairs**

**Fiscal Note Required: Yes**

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## Fiscal Note

No state fiscal impact

### Fiscal Detail and Notes

This bill will not affect the total cost of K-12 public education or the State's share of that cost. This bill may affect the amount of state subsidy received by the Town of Wells and the Town of Ogunquit for K-12 education. The impact to each individual town can not be determined at this time and will depend on how each separate unit is structured.



# 124th MAINE LEGISLATURE

LD 1759

LR 2513(02)

**Resolve, To Transfer the Ownership of the Fort Kent Armory from the Military Bureau to the University of Maine at Fort Kent**

**Fiscal Note for Bill as Amended by Committee Amendment " "**

**Committee: Legal and Veterans Affairs**

**Fiscal Note Required: Yes**

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## Fiscal Note

Potential current biennium cost increase - General Fund

### Fiscal Detail and Notes

This legislation allows the transfer of the Fort Kent Armory to the University of Maine at Fort Kent for the sum of \$1 and would result in minor General Fund savings to the Department of Defense, Veterans and Emergency Management from armory maintenance costs that would no longer need to be met.

The Department of Administrative and Financial Services currently spends \$22,659 per year in debt service on a 2005 bond for improvements to the Fort Kent Armory. The total amount remaining to be paid over the next 6 years is \$135,953. Transfer of the property will not effect that department's requirement to continue funding these payments.

The University of Maine System estimates the cost for the removal of asbestos and repair of the roof drain to be approximately \$175,000. Because the University of Maine at Fort Kent has not budgeted for these environmental clean-up costs that would be required if this legislation is approved, a future General Fund appropriation may be required.



# 124th MAINE LEGISLATURE

LD 1808

LR 2625(02)

## An Act To Allow a Casino in Oxford County

**Fiscal Note for Bill as Amended by Committee Amendment "A"**

**Committee: Legal and Veterans Affairs**

**Fiscal Note Required: Yes**

### Fiscal Note

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

#### Referendum Costs

Month/Year	Election Type	Question	Length
Nov-10	General	Initiated Bill	Standard

The Secretary of State's budget includes sufficient funds to accommodate one ballot of average length for the general election in November. If the number or size of the referendum questions requires production and delivery of a second ballot, an additional appropriation of \$107,250 may be required.

#### Fiscal Detail and Notes

The impact of this bill as amended is contingent on approval by the voters as a competing measure to the initiated bill at the referendum in November of 2010. The bill proposes to authorize a tribal commercial track and casino in Washington County, a casino in Oxford County and table games at the existing racino in Bangor. It also changes the current tax structure from 1% of gross slot machine income and 39% of net slot machine income to 46% of net slot machine income and 16% of net table game income. If approved by statewide vote, this legislation is also contingent on subsequent approval of the voters of the local governmental bodies where the casinos are proposed. Presented below is an estimate of the potential revenues that may be generated from all three facilities and the subsequent distribution of those revenues.

This estimate assumes the Bangor facility would continue to operate its existing 1,000 slot machines and would install 54 table games, the Oxford County facility would operate 1,000 slot machines and 54 table games and the Washington County facility would operate 500 slot machines and 54 table games.



The total estimated annual increase in General Fund revenue is \$9,475,136, which includes \$8,329,536 from gaming activities and \$1,145,600 from license fees. The estimated annual increase in Other Special Revenue Funds revenue is \$35,598,682. Annual state costs associated with Inspectors, State Police Detectives, an Identification Specialist, an Auditor II, contracts for monitoring services and related costs are estimated to be \$2,523,571. The timing of these impacts will depend on the timing of the local votes and the amount of time needed for construction and opening the new facilities.

	<b>Annual Estimate</b>
<b><u>Summary of Bangor Casino Revenue - Increases over March 2010 Forecast</u></b>	
Gross Slot Income (total value of money, tokens, credits, other value used to play a slot machine)	\$0
Player Payback - Slot Income	\$0
Gross Table Game Income (total value of money, tokens, credits, other value used to play a table game)	\$209,462,565
Player Payback -Table Game Income (assumed at 91.55% of gross income)	\$191,762,978
Net Slot Income (gross slot income - player payback)	\$0
Net Table Game Income (gross table game income - player payback)	\$17,699,587
State Share of Net Income (46% of net slot income and 16% of net table game income)	\$9,544,041
Operator Share of Net Income (54% of net slot income and 84% of net table game income)	\$15,581,945

	<b>Annual Estimate</b>
<b><u>Summary of Tribal Casino Revenue</u></b>	
Gross Slot Income (total value of money, tokens, credits, other value used to play a slot machine)	\$326,700,000
Player Payback - Slot Income (assumed at 91.55% of gross income)	\$299,093,850
Gross Table Game Income (total value of money, tokens, credits, other value used to play a table game)	\$92,146,154
Player Payback -Table Game Income (assumed at 91.55% of gross income)	\$84,359,804
Net Slot Income (gross slot income - player payback)	\$27,606,150
Net Table Game Income (gross table game income - player payback)	\$7,786,350
State Share of Net Income (46% of net slot income and 16% of net table game income)	\$13,921,287
Operator Share of Net Income (54% of net slot income and 84% of net table game income)	\$21,471,213

	<b>Annual Estimate</b>
<b><u>Summary of Oxford Casino Revenue</u></b>	
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

<b><u>State Revenues by Fund</u></b>	<b>Annual Estimate</b>
<b><u>General Fund</u></b>	
From Gaming*	\$8,329,536
From Annual License Fees	<u>\$1,145,600</u>
Total General Fund Revenue	\$9,475,136
 <b><u>Other Special Revenue Funds</u></b>	
K-12 Essential Programs and Services	\$15,360,345
Maine's Penobscot and Passamaquoddy Indian Tribes	\$1,104,246
University of Maine System Scholarship Fund	\$3,087,544
Agricultural Fair Support Fund	\$1,870,702
Municipality in which casino is located	\$1,855,227
Maine Community College System Scholarship Programs	\$2,095,896
Fund to Supplement Harness Racing Purses	\$4,921,900
Sire Stakes Fund	\$1,870,702
Fund to Encourage Racing at Commercial Tracks	\$1,732,620
Fund to Stabilize Off-Track Betting	\$439,527
County in which casino is located	\$707,850
Maine Dairy Farm Stabilization Fund	<u>\$552,123</u>
Total Other Special Revenue Funds Revenue	<u>\$35,598,682</u>
 Total Revenue All Funds	 <u><u>\$45,073,818</u></u>
 <b><u>Summary of Expenditure Impacts to the State</u></b>	
<b><u>General Fund</u></b>	
- Public Safety	<u><u>\$2,523,571</u></u>

\*General Fund gaming revenue of \$8,329,536 was reduced by \$7,426,400 by elimination of 1% of gross slot income at the Bangor facility.



# 124th MAINE LEGISLATURE

LD 1811

LR 2611(02)

## An Act To Amend the Maine Medical Marijuana Act

**Fiscal Note for Bill as Amended by Committee Amendment " "**

**Committee: Health and Human Services**

**Fiscal Note Required: Yes**

### Fiscal Note

	2009-10	2010-11	Projections 2011-12	Projections 2012-13
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$100,000	(\$100,000)	\$0
<b>Appropriations/Allocations</b>				
Other Special Revenue Funds	\$0	\$251,145	\$203,605	\$206,286
<b>Revenue</b>				
Other Special Revenue Funds	\$0	\$251,145	\$203,605	\$206,286
<b>Transfers</b>				
General Fund	\$0	(\$100,000)	\$100,000	\$0
Other Special Revenue Funds	\$0	\$100,000	(\$100,000)	\$0

#### Fiscal Detail and Notes

Provides for the advance of up to \$200,000 from the General Fund to a newly created Medical Use of Marijuana Fund in the Department of Health and Human Services to provide start-up funds for the implementation of the Medical Marijuana Act with the ongoing costs of the Fund to be paid by fees established in the Act. It is assumed that a minimum of \$100,000 of the General Fund advance will be repaid by June 30, 2011, with the balance to be repaid by June 30, 2012.

Provides an allocation of \$251,145 in fiscal year 2010-11 for the costs of one Social Services Program Specialist II position and one Office Associate II position and other related costs for the administration of the Medical Marijuana Act.

Additional costs to the Department of Labor associated with rulemaking can be absorbed within existing budgeted resources.



# 124th MAINE LEGISLATURE

LD 1824

LR 2608(03)

## An Act To Decriminalize Violations of Rules or Permit Conditions of the Baxter State Park Authority

Fiscal Note for Bill as Engrossed with:

C "A" (H-812)

Committee: Judiciary

### Fiscal Note

	2009-10	2010-11	Projections 2011-12	Projections 2012-13
<b>Net Cost (Savings)</b>				
General Fund	\$0	(\$19,266)	(\$19,266)	(\$19,266)
<b>Appropriations/Allocations</b>				
General Fund	\$0	(\$19,266)	(\$19,266)	(\$19,266)

#### Fiscal Detail and Notes

This bill includes a General Fund deappropriation of \$19,266 from the State Board of Corrections from an anticipated reduction in the number of Class E sentences, an average of 6 per year.