New bid for York County casino - News - seacoastonline.com

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By Alexander LaCasse alacasse@seacoastonline.com

A York County casino could be in the cards for southern Maine courtesy of a citizen initiative slated to be on the November ballot.

The group Harness Racing Jobs Fairness LLC based in Augusta introduced the citizen petition in December and the secretary of state certified it Jan. 23. This measure would allow for a single casino or slot parlor to be constructed in a town willing to host it in York County. The Legislature has the ability to vote on the bill sometime between now and the November election. Historically, the Legislature has declined to vote on citizen petitions and usually allows them to go before the voters.

According to the ballot initiative, 10 percent of net income from slot machines, and 9 percent of net income from table games would be earmarked for the Maine Department of Education. Smaller fractions are to be set aside for the Penobscot Nation and Passamaquody Tribe, higher education in Maine, agriculture, drug addiction programs, the "Fund to Encourage Racing at Maine's Commercial Tracks," and several other entities.

Both the Penobscot Nation and Passamaquody Tribe did not return multiple phone calls asking what qualified them to receive 1 percent of net slot income under the proposed legislation.

One element that troubles opponents of the casino is the stipulation that 10 percent of net slot income would be given to the harness racing industry.

"This bill is written like people in York County care about saving this gambling industry from a by-gone era," said Jenny Freeman, a Kittery resident who was a founding member of the Casinos No political action committee in 2003. "It simply can't support itself anymore."

Harness Racing Jobs Fairness is associated with Las Vegas casino developer Shawn Scott. Scott's associates would stand to come away with 61 percent of the net gaming revenue for a York County facility.

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In 2014, the gaming management company White Sands Gaming published a report for the Maine Legislative Council that arrived at the conclusion that Maine could support another casino, and wrote, "Based on demographics including population, income, age and propensity to game this facility should be located in southern Maine (Maine beaches) with close proximity and access to Interstate 95. Southern Maine includes not only substantial Maine population but is positioned to draw upon important demographics in New Hampshire and Massachusetts."

The Oxford Casino and Hollywood Casino in Bangor netted more than \$80 million and more than \$52 million, respectively, in gaming income in 2016, with a majority of revenue from slots, according to the Maine Gambling Control Board.

Scott was responsible for establishing Bangor's slot parlor in 2003 at the Bangor harness racetrack. He later sold the racetrack and parlor to Penn National Gaming for \$51 million soon thereafter.

It was Scott's ownership of the Bangor racetrack and casino, or "racino," in 2003, which served as the basis for the language on the proposed ballot initiative in York County. It grants his group the exclusive right to open the York County casino, and reads, "the board may accept an application for a slot machine operator license or casino operator license; to operate in York County slot machines at a slot machine facility or slot machines and table games at a casino from any entity that owned in 2003 at least 51 percent of an entity licensed to operate a commercial track in Penobscot County that conducted harness racing with pari-mutuel wagering on more than 25 days during calendar year 2002."

Harness Racing Jobs Fairness did not return multiple attempts to reach its representatives for comment.

Tim Feeley, spokesman for the Office of the Maine Attorney General, said since the proposed bill has language saying a willing town would have to either approve a casino by a public referendum or vote by a town's municipal officers, a town would not have to worry about the rest of the voters in Maine approving a casino for York County and giving developers free reign over where they would like to put it.

However, casinos do not operate in the vacuum of a single community and often have spillover

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costs that affect surrounding towns, according to state Rep. Mark W. Lawrence, D-South Berwick.

"I have a friend in law enforcement who says when you build a casino you need to prepare for OUIs at all hours of the day, since these are a non-stop operations, and they'll bring you free drinks if you keep playing," Lawrence said. "States become addicted to gaming revenue and don't consider the policy impacts. The state essentially becomes promoters of gaming in order to increase revenue."

This ballot effort illustrates a concern with Maine's citizen initiative law, which allows individual entities to gain economic advantage through a narrowly tailored ballot box initiative and not through the legislative process.

"My concern is the citizen ballot process is becoming a process where one group specifically is trying to craft a law to get a special privilege," Lawrence said. "Conversely, then you'll only see one group oppose the measure, in this case it would likely be the Bangor and Oxford (casino) owners."

Some fear with more casinos opening, there may be an over-saturation of gaming in New England. Wynn Resorts will be opening a resort just outside of Boston in 2019 to go along with the Bangor and Oxford casinos in Maine. Wynn paid \$85 million for its gaming license, according to the Massachusetts Gaming Commission's application.

"Under this referendum, Shawn Scott would pay the state \$5 million for the licensing fee, a drop in the bucket when you consider what the developer of the Wynn casino outside of Boston paid," Freeman said. "He made a quick \$51 million from the Bangor casino in 2003 and thinks we're dumb enough to give him another ridiculously sweet deal."

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