

Good day distinguished members of the Joint Committee for Veterans and Legal Affairs. My name is Robert Moore, I am a former UN international civil servant and have lived in Maine since my retirement in 2013. I am an avid follower of horse racing and do not represent any Advance Deposit Wagering provider. I am addressing you as a racing fan in hopes that LD 731 will replace the current law that grants a monopoly to a single, State-selected ADW provider to operate in Maine. I believe Mainers who wish to wager legally on horse races should have the freedom to choose among those ADW providers who wish to do business in this State.

I became interested in this matter when the two ADW accounts that I had had since becoming a Maine resident were suddenly closed in 2019. In contacting my former ADW providers, I was informed that this action was taken in response to an "Educational Letter" sent by the Executive Director of the Gambling Control Board in May 2019, and subsequently learned of the current restrictive law that had been approved in 2016.

There are at least five or six major ADW providers in the United States; they all operate in the same way in terms of collecting deposits and wagers, maintaining client accounts and disbursing funds. However, they compete in terms of new deposit offers, special inducements on particular types of wagers, tracks covered, provision of past performance information on the races, quality of customer interface and reward programs. These criteria, important to customers, were not considered in granting the license to the present holder. Maine consumers, like those in other States, should be free to make their own choices about which ADW provider best suits their needs, so long as the provider complies with the conditions to be licensed.

There is inherent reputational risk inherent in the State granting a monopoly to a single provider, especially when there is no compelling reason to restrict consumer choice. Suspicion about the reasons behind the choice of a monopoly provider are inevitable. Furthermore, an increased number of providers with competition between them for clients will almost certainly result in more revenue for the State than the present arrangements. The benefits of a market-focused approach are clear and should not be controversial.

The current contract for the conduct of ADW (RFP#201908135 of June 2019) in Part II, Section A specifically envisaged the possibility of change in the current law. It states "In the event the law changes to allow multiple advance deposit wagering licenses, the successful bidder's exclusive advance deposit wagering license will revert to an ordinary, non-exclusive license provided that the successful bidder first complies with any new licensing and suitability requirements under the new law. In addition, in the event the law changes to allow multiple licenses, the Board will have the right to terminate any contract resulting from this Request for Proposals". Thus there is no risk of legal problems from the current license holder if the law is changed.

LD 731 will enable Maine to rid itself of an ADW regime which benefits only the selected monopolist and is in the broader interests of neither the State nor its citizens who choose to use ADW services. I hope LD 731 will be approved and signed into law.