

Testimony in Opposition to LD 811: "An Act to Require a Municipal Public Hearing and Vote Before a Sports Wagering Facility May Be Established"

Senator Hickman, Representative Supica, and the distinguished members of the Committee On Veterans and Legal Affairs, my name is Harris Van Pate and I serve as policy analyst for Maine Policy Institute. Maine Policy is a free market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to testify in opposition to LD 811, "An Act to Require a Municipal Public Hearing and Vote Before a Sports Wagering Facility May Be Established."

Maine Policy Institute supports policies that promote economic freedom, reduce government overreach, and allow for a competitive marketplace where businesses can operate without unnecessary bureaucratic hurdles. LD 811 would impose an additional layer of regulation on an industry that is already heavily governed at the state level, creating unnecessary barriers to economic growth and investment in Maine.

Unnecessary Local Red Tape on an Already Regulated Industry

Sports betting was legalized in Maine under a state regulatory framework that carefully considers consumer protections, market competitiveness, and economic impact. LD 811 would introduce new local-level restrictions, forcing businesses that have already met state requirements to undergo additional public hearings and municipal votes before opening their doors. This extra hurdle creates uncertainty, delays investment, and disadvantages Maine compared to nearby states with more light-handed licensing systems. Maine's sports wagering facilities licenses are already incredibly limited, to only commercial tracks, casinos, or off-track horse betting.¹

Despite the law being signed three years ago allowing sports betting in Maine, many have expressed concern that Maine currently only has a single sports betting business, Oddfellahs, so this bill would hurt this young and growing industry before other businesses can even take off.² This shows that Maine needs to loosen its restrictions on sports betting and not pass legislation like this that goes in the opposite direction.

¹ https://legislature.maine.gov/statutes/8/title8sec1206.html

https://www.newscentermaine.com/article/sports/state-revokes-oddfellahs-betting-license-before-super-bowl-and-march-madness/97-dbc405d5-f9cf-44a4-bb89-e1871f6c59d7



Hurting Economic Development and Market Competition

The gaming and sports betting industry has proven to be a significant driver of economic activity, generating revenue for businesses and tax dollars for the state. LD 811 would allow anti-business sentiment or political opposition to override free-market decision-making by requiring municipalities to hold hearings and votes before permitting sports wagering facilities. Instead of allowing businesses to respond to consumer demand, this bill could result in arbitrary rejections, discouraging potential investors from entering the Maine market altogether.

States that have implemented similar restrictive measures have seen delayed rollouts, lost economic opportunities, and confusion in the regulatory process. Maine must avoid anti-competitive policies that deter investment if it wants to compete with New Hampshire, Massachusetts, and other regional players.

Undermining Property Rights and Business Autonomy

LD 811 sets a concerning precedent by subjecting lawful business activity to an unnecessary additional layer of approval beyond what other commercial establishments require. The fundamental principle of free enterprise is that companies should not have to secure special permission beyond zoning and regulatory compliance to operate in a legal marketplace.

The requirement for a municipal vote adds an element of unpredictability that could discourage businesses from expanding into Maine, fearing subjective or politically motivated opposition. We've heard widespread complaints about NIMBYism hurting the growth of Maine's housing market, giving municipalities the authority to deny businesses like this would undoubtedly result in similar anti-growth policies at the local level.³

Conclusion

LD 811 is a solution in search of a problem. Sports betting has already been legalized and regulated at the state level, and municipalities already have zoning laws and local business ordinances that allow them to shape development within their borders. Adding an additional layer of approval will only stifle economic growth, deter investment, and introduce uncertainty into this industry. For these reasons, we respectfully urge the committee to vote "Ought Not to Pass" on LD 811. Thank you for your time and consideration.

³ https://bowdoinorient.com/2023/10/20/not-in-maines-backyard/