

**Testimony of Matthew Gallagher, General Manager, Oxford Casino**

**In Opposition to**

**LD 1992, An Act to Legalize Historical Horse Racing and Electronic Beano to Allow Maine Gaming Licensees and Federally Recognized Indian Tribes to Compete with Other Gaming States**

**Joint Standing Committee on Veterans and Legal Affairs**

**January 3, 2024**

Senator Hickman, Representative Lupica, and Members of the Joint Standing Committee on Veterans and Legal Affairs, my name is Matt Gallagher, and I am General Manager of Oxford Casino Hotel in Oxford, Maine. I testify today in opposition to each of these bills that will historically expand gaming in the State of Maine, but this testimony will focus on LD 1992, An Act to Legalize Historical Racing and Electronic Beano to Allow Maine Gaming Licensees and Federally Recognized Indian Tribes to Compete with Other Gaming States.

Oxford Casino & Hotel opened for business June 6, 2012 on a 100-acre property along Route 26 in Oxford. Over the past 12 years, the Casino has expanded three times, including a \$25 million investment in a 107-room hotel, a new restaurant, and an expanded gaming floor. Currently, 980 slot machines and 23 table games are housed at the Casino, and two restaurants and two full bars operate on the property. Importantly, Oxford Casino employs over 400 Mainers – the vast majority with full benefits – bringing economic vitality to a region that sorely needs it. Attached to my testimony is a detailed description of the beneficiaries of the Oxford Casino, which extend both locally, regionally, and statewide.

LD 1992 would allow for the operation of Historical Horse Racing machines and Electronic Beano machines in licensed Maine gaming facilities and tribal facilities. HRM and Electronic Beano machines are just slot machines but use as the “random number generator” mechanisms of historic horse races and beano.

**1. Existing Casinos Use Less Than the 2/3 of the Available Licensed Slot Machines**

Oxford Casino Hotel operates 980 slot machines out of a 1500 slot machine cap. Hollywood Casino in Bangor operates 650 slot machines also out of a 1500 cap. Maine clearly does not have the demand for other facilities to operate slot machines, as a total of 1370 slot machines are not being operated below the cap.

**2. Would Result in Huge Expansion of Facilities Hosting Slot Machines**

The bill would authorize the licensed operation of electronic beano terminals and HRM terminals by federally recognized Indian tribes, off-track betting facilities, commercial tracks, slot machine facilities, and casinos. This could potentially be an additional ten slot facilities scattered throughout Maine without a municipal vote, which is required of casinos and slot facilities.

### **3. Unequal Tax Treatment**

Additionally, the HRM and electronic beano terminals would only be taxed at 10%, which is nearly 40% less than the tax on traditional slot machines operating at the casinos. This would create an uneven playing field for the operation of what are essentially the same machines (from a consumer's perspective). Importantly, the existing beneficiaries of the slot revenue, including K12 education and colleges, would be hurt the most by this uneven treatment.

### **4. Exclusionary Lists Not Required**

LD 1992 would not require the use of exclusionary lists by these new slot facilities, while they still would be required at the existing casinos. These lists are an effective way to prohibit problem gamers from a gaming facility, and they would essentially become ineffective if not included as part of the regulatory structure of these gaming facilities.

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