

## Testimony of First Tracks Investments, LLC SUPPORTING LD 1188 – An Act to Include Harness Racing with Other Sports for Purposes of Sports Wagering

Sen. Hickman, Rep. Supica, and Distinguished Members of the Committee:

We want to thank Rep. Cooper for helping us submit this bill, as well as Sen. Black for being the lead cosponsor along with Reps. Cray, Frost, Guerrette, Hall, and Perkins. As Rep. Cooper noted, this bill should be fairly simple.

First Tracks got involved with harness racing after Scarborough Downs was sold for a development program and it became clear that racing in Southern Maine was in grave jeopardy. Working closely with the Maine Harness Horseman's Association, the Harness Racing Commission, and the Cumberland Farmers' Club, we began racing at the Cumberland Fairgrounds in 2021.

The laws governing harness racing are somewhat complicated, since they have been amended and adjusted by both earlier Legislatures and statewide referenda. Licensing is governed by the Racing Commission and incorporates rules from the United States Trotting Association. Adding more complexity, other aspects of wagering are governed by the Gambling Control Unit or Gambling Control Board under entirely different chapters of law.

Relevant to this bill, since 2021, there have been 2 significant changes in the market. The first was the decision to (1) legalize sports wagering and (2) provide online exclusivity to Maine's Wabanaki tribes. Existing gaming licensees – commercial tracks, casinos, and off-track betting locations – received the ability to conduct in-person sports wagering. The second change was the decision by the 131<sup>st</sup> Legislature to open up the "advanced deposit wagering" market – effectively online betting on horse races – to a variety of national, out-of-state operators.

These two changes effectively made every phone in Maine a potential gaming outlet. This bill simply allows an entity licensed to conduct racing and also licensed to accept in-person sports wagers to accept wagers on horse racing at any location licensed for in-person sports wagering. In short, this places us on an even playing field with every cell phone in the State.

Drawing new fans to the sport is critical to its longer-term success, and that includes showing the races – and accepting wagers – at places people are likely to congregate. The dual-licensing structure created a loophole where we can operate in locations which accept wagers on the Boston Celtics, but not on Maine's historic, homegrown harness races. This bill closes that loophole.

It is presented as an emergency because our racing season begins April 11<sup>th</sup>. We'd like the opportunity to make more Mainers – and visitors – fans of this historic sport and ask your favorable, and quick, consideration. We are happy to answer any questions and do our utmost to have someone available for a work session at the Committee's request.