

Testimony of Matthew Gallagher, General Manager, Oxford Casino and Hotel

In Opposition to

**LD 1838, An Act to Provide Opportunities and Sustainable Revenue for Maine Farms,
Agricultural Fairs, Wabanaki Tribes, and Veterans' Homes**

Joint Standing Committee on Veterans and Legal Affairs

May 7, 2025

Senator Hickman, Representative Supica, and distinguished members of the Joint Standing Committee on Veterans and Legal Affairs,

I'm Matthew Gallagher, General Manager of Oxford Hotel and Casino in Oxford Maine, representing nearly 400 Maine families working at the facility, testifying in opposition to LD 1838, An Act to Provide Opportunities and Sustainable Revenue for Maine Farms, Agricultural Fairs, Wabanaki Tribes, and Veterans' Homes.

I'm sure it will come as no surprise to the committee that Oxford Casino opposes this bill. Gaming dollars in New England are limited, especially with thirteen new Historic Horse Racing (HHR) machine facilities in the last three years, not to mention the massive Encore Boston Harbor opening in 2019 - altogether, over 5,000 additional slot-like machines within 160 miles of Portland. So, we were already concerned about the continued strength of the market, and now LD 1838 will allow thousands of new slot-like machines in Maine. I also note that mobile sports wagering is still an infant industry in Maine with the eventual impact on the market unclear.

Gaming expansion proposals, especially for brick-and-mortar facilities, have been decided almost exclusively by a statewide vote for the last 30 plus years, with the award of mobile sports wagering to Maine tribes the only exception.

Current law also requires that facilities be located at least 100 miles from an existing casino and that host communities must provide local approval. Also, Maine's two existing casinos currently pay a 46 percent net tax rate on slots----21 percent higher than the rate suggested in this bill.

A vote to approve this bill is functionally a vote to authorize the following three types of machines, which all play effectively like a slot-machine – you press a button, and you win or lose. These new machines will be able to be operated in various locations at varying levels throughout the State.

- **Electronic pull-tab machines.** Please reference the photo in handout 1 for a photo of an electronic pull tab machine. I've also included a link to a YouTube video demonstrating the operation of an electronic pull tab machine (and HHRMs and electronic beano) that we will email to each of you. The bottom line is that there is no discernable difference in function from a slot machine.

- **Historical Horse Race Machines (HHRMs):** We strongly oppose the authorization of HHRMs in Maine. To the public and the player, there is virtually no difference between an HHRM and a traditional slot machine. The gameplay, appearance, and experience are nearly identical. Popular slot titles like *Buffalo Gold*, *Wheel of Fortune*, and *Huff N More Puff* are available in HHR format. These machines are designed to look and feel like the slot machines already on casino floors. Though HHR machines rely on past horse races to determine outcomes, this is not sports betting. Authorizing HHR in Maine would expand slot-style gaming under the guise of horse racing—something voters and lawmakers have never approved.

- **Electronic Beano:** These machines also operate just like slot machines, except there is a small bingo card in the corner. Unlike casino slot machines, which are determined according to a random number generator, electronic beano games are pooled into a time-delineated beano game against other players, which takes milliseconds. So, after you press the button and the slot reels are spinning, the bingo game automatically completes itself and you win or lose.

Facilities, which include these slot-like machines will be located throughout the State in properties owned by the Tribes (400 machines), on the grounds of a commercial harness racing track (100 machines), at the Off-track betting parlors (75 machines), and at hundreds of non-profits across the state (4 machines each).

Oxford Casino and the State of Maine have operated as partners since 2012 with the facility generating millions of dollars for K-12 education, Maine's federally recognized tribes, agricultural interests across the state, and harness racing interests. This bill would upset that partnership by authorizing thousands of new machines in every community across the state without consideration for the impact on existing facilities and their beneficiaries.

We ask that you please vote against any version of this bill that includes an expansion of casino gaming without the following three processes that have governed such expansions efforts since 2003:

1. Statewide vote
2. Local approval by host municipality
3. Respect for the 100-mile buffer between facilities.

Please oppose LD 1838. Thank you.