

Testimony of Matthew Gallagher, General Manager, Oxford Casino Hotel
In Opposition to
LD 1902, An Act to Support Nonprofit Organizations by Authorizing the Operation of
Electronic Lucky Seven Devices and Similar Sealed Ticket Games
Joint Standing Committee on Veterans and Legal Affairs
January 14, 2026

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 LD 1902, **An Act to Support Nonprofit Organizations by Authorizing the Operation of Electronic Lucky Seven Devices and Similar Sealed Ticket Games**.

Oxford Casino Hotel opened for business June 6, 2012, on a 100-acre property along Route 26 in Oxford. Over the past 14 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, 955 slot machines and 22 table games are housed at the Casino, and two restaurants and two full bars operate on the property. Importantly, Oxford Casino employs 350 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 1902 would allow for the operation of electronic lucky seven devices in any nonprofit organization in the state, including veterans and fraternal organizations, agricultural societies, volunteer fire departments, and any "auxiliary" of any of these organizations. Specifically, this bill would allow any "eligible organization in subsection 2" to apply for a license to operate these electronic devices:

- 2. Eligible organizations; licenses.** The Gambling Control Unit may issue a license to operate a card game and certain tournament games to an organization that submits a completed application as described in subsection 5 and has been founded, chartered or organized in this State for a period of not less than 2 consecutive years prior to applying for a license and is:
- A. An agricultural society;
 - B. A bona fide nonprofit charitable, educational, political, civic, recreational, fraternal, patriotic or religious organization;
 - C. A volunteer fire department; or
 - D. An auxiliary of any of the organizations in paragraphs A to C.

17 MRSA §1832(2). As with HRMs and Electronic Beano, electronic lucky seven devices are just slot machines under a different name. A prominent manufacturer of these machines touts on their website that these machines offer a "casino-style gaming experience" with the goal of attracting a "younger demographic." Here is a link with multiple examples of these machines in Indiana: <https://equipment.arrowinternational.com/indiana>, and videos of these machines in action:

https://www.youtube.com/watch?v=AaJmnx7I_Wc and
<https://www.youtube.com/watch?v=cXBk5cPrqWE>.

We applaud the sponsor of this bill for looking for solutions to support veterans and local charities. However, the experiences in other jurisdictions, including Kentucky, demonstrate the rapid expansion of these facilities, the regulatory strain of trying to regulate this rapidly expanding sector, and the harm to local economies and existing brick and mortar.

1. Would Result in a Massive Expansion of Facilities Hosting Slot Machines in Nearly Every Community and Strain Regulatory Oversight

The bill would authorize the licensed operation of electronic lucky seven devices by nonprofit organizations, veterans' groups, fraternal organizations, and agricultural societies. This could potentially be the addition of thousands of slot facilities scattered throughout Maine without municipal votes, which is required of casinos and slot facilities, and any of the existing regulatory protections for the current slot facilities.

Combined with the recent authorization of iGaming, which was already the largest expansion of gambling in Maine history, this will put gambling facilities in every community, as well as in every individual's pocket. Such a massive expansion will strain regulatory oversight, efforts to prevent abuses, and economic stability to existing employers and taxpayers.

2. Unequal Tax Treatment

Additionally, the electronic lucky seven devices would not be taxed, which is compared to the 46% tax treatment of slots currently. 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 and many other entities, would be hurt the most by this uneven treatment.

3. Age Concerns and Problem Gambling Resources Not Required

Maine's casinos are required to implement responsible gaming measures and consumer protections. The dispersed electronic gaming machines in local venues in this bill lack comparable safeguards, increasing the risk of problem gambling in communities across the state.

LD 1902 would allow 18-year-olds to play these machines, while at the same time, Maine's casinos are responsibly off limits to those under the age of 21.

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

4. Existing Casinos Use Less Than the 2/3 of the Available Licensed Slot Machines so Any New Machines Will Cannibalize the Existing Machines and Related Jobs

Oxford Casino Hotel operates 955 slot machines out of a 1500 slot machine cap. Hollywood Casino in Bangor operates about 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 authorized slot machines are not being operated. Any new machines authorized under this proposed legislation will cannibalize existing slot machines and related jobs.

LD 1902 is yet another proposal to expand gambling in Maine through a version of slot machines. This session, we've already seen the passage of iGaming and the consideration of many different types of machines that could be located in many different locations and regulated in different ways.

The bottom line is that supporting veterans and charities should not come at the expense of destabilizing Maine's existing gaming industry or local economies. The State of Maine already is operating at capacity and such a massive expansion of slot machines will strain the State's ability to effectively regulate slot machines and will threaten the existing brick and mortar facilities, related jobs, and businesses that depend on these facilities.

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University of Idaho System	1,699,147.01	25,666,377.09	1,310,300.29	1,899,907.04	25,666,995.58	1,309,262.76	2,008,682.93	1,892,975.93	77,587.37	352,472.90	1,724,583.48	346,872.31	327,446.36	1,414,002.32	405,252.92	1,765,816.62	32,640,567.79	1,765,816.62
Mathematics Academy	10,838.38	9,977.97	11,813.04	11,171.01	13,520.96	11,170.92	10,868.97	11,595.61	10,368.94	3,844.92	3,989.24	7,113.69	2,742.60	1,068.73	1,811.80	2,773.18	13,626.37	13,626.37
Mathematics Academy	20,962.33	23,844.43	20,962.33	20,962.33	20,962.33	20,962.33	20,962.33	20,962.33	20,962.33	20,962.33	20,962.33	20,962.33	20,962.33	20,962.33	20,962.33	20,962.33	20,962.33	20,962.33
General Fund - Gift Admin and Granting Addition	20,919.74	15,813.15	21,006.00	22,748.43	24,167.95	22,748.43	22,748.43	22,748.43	22,748.43	22,748.43	22,748.43	22,748.43	22,748.43	22,748.43	22,748.43	22,748.43	22,748.43	22,748.43
Host Municipality (Over)	135,451.15	117,222.17	134,380.03	151,513.55	165,311.95	139,096.46	164,649.39	151,724.08	140,770.00	76,531.62	76,531.62	76,531.62	76,531.62	76,531.62	76,531.62	76,531.62	76,531.62	76,531.62
Host Municipality (Under)	67,296.58	58,411.07	77,664.01	75,795.58	78,355.98	63,340.71	77,405.61	82,347.20	75,670.03	70,555.99	70,555.99	70,555.99	70,555.99	70,555.99	70,555.99	70,555.99	70,555.99	70,555.99
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Arts and Culture Support Fund	78,461.07	58,411.07	77,664.01	75,														

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