

TESTIMONY FROM JAMES DAY RE: LD 623 (Rep. McCreight)

VETERANS AND LEGAL AFFAIRS

3/17/2021

Good Morning Senator Luchini, Representative Caiazzo and distinguished members of the Veterans and Legal Affairs. My name is Jim Day. I am President of LRI, Inc. that operates the Lewiston OTB and did operate the former racetrack, Lewiston Raceways and I am speaking in favor of LD 623 with a proposed amendment.

The Original proposed ADW ( Advanced Deposit Wagering ) bill or internet wagering bill did not limit the number of ADW operators. This was changed at this Committee and the bill was passed as such. What we have found in operations is that our customers like to have choices as to the platforms they are using (APPS ) for ADW wagers. Rewards, Promotions, Tracks and Types of Wagers all differ from one site to the other. Currently, they are not enamored with the existing site and therefore are choosing not to use it. Our ADW numbers are substantially below what we anticipate and declining as we field numerous complaints and comments directed towards other sites they were familiar with.

This bill would allow other ADW operators in the market. The end result will allow in State users to choose which sites ( APPS ) they enjoy most. This will benefit the entire Industry in the State of Maine as we all share in the income generated.

A second part of this bill is Churchill Downs asking for a Legislative pardon for taking wagers from Maine citizens illegally BEFORE the ADW bill was operational. While I do not condone Churchill's alleged illegal activity within the State, I can look past that behavior if we can gain your support on an amendment that would require them to provide their signal to us at a cost no more than .5% greater than their best customer. This would provide Maine customers with the tracks signals that have been withheld from the OTBs and Tracks by Churchill Downs for a year – their reaction to losing the bid to be the only ADW. Only because this bill is being heard and in anticipation of our testimony did Churchill Downs provide us with contracts last week for their signals and it is only good through April 30, 2021. The tracks we had not been able to take are more than just Churchill Downs ( and the Kentucky Derby ) but also tracks such

as Oaklawn, Fairgrounds, Arlington, Canterbury Park, Louisiana, Hoosier Park, Indiana Grand, Maimi Valley, Oak Grove Racing, Ocean Downs, Presque Isles Downs, and Turfway Park.

We need the amendment because of the toxic and clearly vindictive nature of Churchill Downs and their history. If forced to just offer us a contract, they can offer it at a percentage that makes it impossible for us to take wagers on their signal. We would lose money on each wager taken, effectively withholding their signal from us. We hope you can see that between their alleged history of taking Maine customers online wagers illegally before ADW was available in Maine, cancelling our ability to show and take wagers on a dozen tracks and withholding the Kentucky Derby, the premier race in the Country from Maine customers, that we need protection. A half a percent over their best customer is not unreasonable and offers us that protection. If they go up on their best customer, then our rate would go up accordingly. Also, the amendment would protect us from them stopping our ability to wager on their tracks after this law is passed. Again, right now we are offered contracts that end in two weeks. They have only extended a contract through April 30, 2021 to us. Clearly, the only reason they offered us contracts THIS WEEK is for our support on this bill.

Interestingly, they are still withholding their signal from the ADW that is allowed in Maine and from the Bangor Casino's OTB. Both have NOT been offered a contract this week. That provider is not able to have their Maine customers wager online on these same dozen tracks. I will leave that to you, whether you think that is justifiable or not.

I am available for any questions and hope you will consider the bill with the Amendment being provided by Representative McCreight