

REMARKS OF DENISE TERRY
IN SUPPORT OF L.D. 1405

Distinguished Chairs and members of the Committee,

On behalf of my family and all the employees at Scarborough Downs I appreciate the opportunity to explain the importance of LD 1405. I agree wholeheartedly with everything the previous speakers have said about the importance of the bill to Maine's OTBs and harness racing industry; so I will not repeat those comments.

I think it helps, though, to understand the struggle my family has faced trying to preserve our family business and racing in Maine and the history of a particular provision of the bill that is directed to the Downs' circumstance. When my mother took over Scarborough Downs following my step-father's death in 2001, the track had not had a profitable year for several decades. My mom could not sustain the losses. So as the first woman owner of a Maine race track she worked hard and made the track marginally profitable.

In 2003 Mainers voted to allow slot machines at both commercial tracks, but the referendum was written by the new owner of the Bangor Raceway and included provisions designed to make it impossible for the Downs to ever get slot machines. The strategy worked. Eventually, the Downs had to compete with Casinos in Bangor and Oxford County. The loss of revenues was far more than the Downs share of the revenues shared by the Bangor operation through what's called the cascade.

As the business declined, we sold assets, including the track's timber, parcels of land and eventually the entire parcel, using proceeds to preserve the operation.

Eventually, we reached an agreement with the industry to step aside and operate only as an OTB, hopefully with sports wagering, to allow a modern, well capitalized track and entertainment center to replace the Downs. One component of that agreement was a provision in a 2019 industry bill to amend the OTB licensing statute, 11 Maine Revised Statutes section 275-D, to allow commercial tracks that close at the industry's request to continue on as full OTBs. The Legislature passed the bill, but in a technical revision rather than include that provision in section 275-D it was placed in a separate section not incorporated into any statute. We were told the change was made because it was felt the provision would likely only apply to us and so it need not be in statute. As a result, the law

under which the Downs received its OTB license exists in the public laws, but not in section 275-D. That has created unexpected ambiguity because bills referring to OTBs have specifically referred to OTBs licensed under section 275-D, which would suggest the law does not apply to the Downs or that it does not qualify for the benefit or license the law allows.

The Downs needs sports wagering in order to compete, and we need the law to include OTBs licensed under Public Law 2019, Chapter 626, Section 16, because of the peculiar history of that law and its application to the Downs OTB.

Everyone in my family and at our company is very proud of the hard work we've done to help harness racing through difficult times. LD 1405 will give the entire industry: the horsemen, breeders, fairs, tracks and the OTBs a chance to compete in the modern, digital age. I respectfully ask for your support, and I would of course be pleased to answer any questions.