

Testimony in Support of LD 1405

by Jason A Vafiades, PE LEED AP

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Senator Luchini, Representative Caiazzo, and other distinguished members of the Veterans and Legal Affairs Committee (VLA), my name is Jason Vafiades, a resident of Freeport, Maine and I thank you for hearing my testimony in support of LD 1405.

Before you are a number of proposed bills aiming to legalize Sports Wagering. While each bill has its merits, I humbly ask you to strongly consider and adopt the infrastructure of LD 1405 as the dominant bill to create a legal market for Sports Wagering in the State.

There are two primary reasons, of which I will touch on briefly, in recognition of your busy schedule. The primary reason is that LD 1405 includes the “tethering” clause. As a small business owner in Maine, I can not stress enough the importance of giving Maine owned and operated businesses an advantage in today’s business climate. To tie legal Sports Wagering to a brick and mortar establishment in the State of Maine is to confirm the State’s commitment to generating jobs and local investment into real estate (and the ancillary benefits – increased property tax revenue, increased ancillary sales and subsequent taxable income (meals, tips, employee wages etc). The language of 1405, in concert with existing gaming law, allows for an expansion of the number of facilities that could offer Sports Wagering beyond the existing dozen or so establishments already in existence (Casinos, Commercial Harness Racing Facilities, OTBs, Recognized Tribal Authorities).

The other reason to support LD 1405 is that the current flood of Sports Wagering bills into states across the country is the resultant interplay it has with other established Gaming Facilities. LD 1405 is the only bill that has been submitted that takes into consideration a partnership with the Maine Harness Racing industry; an industry that has been historically used by larger gaming operations to piggy-back their operations into Maine.

As the new President of the MSBOA, I can tell you that in the last few years, the Maine Harness Racing Industry has seen an influx of younger, more nimble-thinking leadership (of which I consider myself an elder version (45 years old). For years I have owned harness racing horses, and I’ve watched industry languish under poor operating conditions of its own making.

This has changed starting in 2020, when the industry’s new leadership came together to map out a path to a more independent future. LD 1405 offers the harness racing industry a *very* small slice of the revenue (a revenue we’ve off-set by agreeing to a reduced tax rate from our commercial tracks and OTBS). This revenue was negotiated in order to make Sports Wagering work in concert with harness racing wagering opportunities (early indications from other State’s Sports Wagering facilities are trending towards a correlation in increased pari-mutuel wagering on racing during peak Sports Wagering events).

Moreover and more importantly, the Maine Harness Racing Industry is on the verge of significant investment (First Tracks, LLC – owned by the Cianchette Family) via the introduction of a new, exciting, multi-modal entertainment facility and commercial race track. Already this year – the total amount

wagered on the Maine Harness Racing Industry Product has seen a significant increase (Hollywood Casino/Bangor Raceway is handling an average of over \$100,000 a card – which is the highest I’ve seen in a number of years).

Finally, while the Maine Harness Racing Industry works with its new and existing partners, the Maine Standardbred Breeders and Owner’s Association is primed to introduce new program changes (driven by the modest revenue of Sports Wagering) that will promote a broader ownership base (incentives to breed and sell horses prior to racing to invite new owners in at more palatable timeframe, etc). As part of Maine Harness Racing Industry leadership, I can say that I recognize that the Industry has done little to help itself for a number of years. **But those years of indifference and inactivity are over.** There are big changes and plans ahead – LD 1405 can benefit the positive movement within the Industry. Adopting Sports Wagering outside of the framework of LD 1405 would be allowing Expanded Gaming Interests to leave its historic wagering partner outside in the rain (forgive the tortured metaphor on this dreary day).

I strongly encourage any of you to ask me any questions you may have regarding the Maine Harness Racing Industry’s future plans, and I look forward to seeing you all in person over the next couple of years as we move beyond the COVID era and work towards a bigger and better future of for the State of Maine.

I graciously thank you for your time and attention on these matters this morning, and I also thank you for your continued work on behalf of the entire State of Maine.