

**Testimony of Michael Cianchette, First Tracks Investments, LLC**  
**Neither For Nor Against**  
**LD 811 - An Act to Require a Municipal Public Hearing and Vote Before a Sports Wagering Facility May Be Established**

Distinguished Members of the VLA Committee:

Thank you for hearing this bill. As some of you are aware, First Tracks Investments, LLC is southern Maine's licensed harness racing track and additionally operates Oddfellahs Sportsbook and Bar, Maine's only licensed retail sports wagering facility to date. Unfortunately, we have not been able to connect with Rep. Brennan concerning this bill, but we presume it is focused at our efforts to date. We testify today neither for nor against, but wanted to at least identify some areas the Committee may wish to consider in the context of the bill.

First, **everywhere in Maine is a sportsbook**. As the Committee knows well, the 130<sup>th</sup> Legislature legalized sports wagering and provided Maine's Wabanaki tribes with exclusivity over online or mobile sports wagering. That means every single computer and cell phone in Maine is a sportsbook, which means every single bar and restaurant (and home, and grocery store, and committee room) in Maine is a sportsbook. Any new law which singles out physical sports wagering for heightened regulation not applicable to online sports wagering creates the strange result that makes it more difficult for a business to hire Mainers and invest in physical locations. If the Committee is interested in pursuing new regulation, we would suggest that the review be comprehensive for all types of sports wagering. Otherwise, an online wagering provider could "partner" with a sports bar next door to a licensed facility and encourage online wagering, all without any municipal involvement.

Second, **the Committee should add objective standards** to the bill as drafted if it intends to proceed. Municipalities are already explicitly authorized to use their zoning powers to control where a sports wagering facility can be located; that is the appropriate way to answer the question of "where" facilities may be located. In terms of "who" may operate facilities, Maine's liquor licensing statutes should serve as a guide, with clearly delineated standards provided to municipal governments in order to give applicants and licensees fair treatment. The current draft of the bill is far too broad and provides no certainty to a would-be applicant; the municipality just needs to state its reasons, which can only be overturned if an applicant proves by "clear and convincing evidence" – a high legal standard – that the denial was "without justifiable cause," an entirely undefined test.

Third, **the Committee should consider a single comprehensive approach to municipal wagering approval**. As Ms. Olsen detailed during the "Gaming 101" brief, the Maine State Lottery is one of the largest wagering operations in the state. There is no requirement for municipal approval of lottery terminals. Given the balkanized governance of gaming in Maine – from the harness racing commission, to the gambling control board and unit, to the bureau of alcoholic beverages and lottery operations, among others – the Committee may want to use this opportunity to create a clear, single, even-handed approach to the broader question of wagering. It would be a worthwhile effort to bring the process to unify the law of Maine in this area.

I am happy to answer any questions the committee may have and, depending on the timing, happy to make myself available at the work session.