

Long Shot's

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Madam Chairwoman and Madam Vice Chairwoman, thank you for having me. My name is Alyse Cohen, and I am in favor of HB 1134. As the owner of Long Shot's, one of Maryland's few retail sports books located outside of a casino or racetrack, we are facing severe challenges in both our ability to grow sales or even maintain an operating partner.

Sports betting in Maryland was anticipated to be an 80/20 split between online and retail. Instead, we have witnessed online to grow to 97.2% of the total handle making retail, especially those without other attractions like a casino, incredibly difficult to operate.

The majority of class B license holders, defined as small gaming facilities outside of a racetrack or casino, have either lost their original sports betting partners or haven't been able to attract one at all.

In many respects, this is a consequence of the class B's not having the same advantages as class A, a casino or racetrack. Class B's simply do not have the funding, name recognition, or technology to compete and, therefore, need to partner with a larger organization. This does not mean that the operator is the predominant shareholder or beneficiary. It simply is a business arrangement seen across a number of other sectors. In fact, a typical franchise model is ubiquitous in both hotels and restaurants where small local owners partner with bigger corporations and in turn have the benefits.

While one intent of the sports wagering initiative was to provide women and minorities the ability to gain access to an otherwise exclusive industry, preventing us from utilizing the full benefit of our larger partners defeats the purpose. In reality, larger players are putting smaller ones out of business. One way of preventing such destruction is to pass HB 1134.

HB 1134 seeks to clarify an interpretation and level the playing field. Class B license holders who have aligned with Class A operators should have the ability to utilize their respective rewards programs. Not only do rewards programs proactively maintain a loyal customer base, they grow interest in the retail network as certain email blasts and promotional play is targeted for in-person gaming.

Furthermore, class B operators are mostly located in areas that border other states. Promoting retail sports betting via rewards will keep Maryland gaming dollars in state the coffers and further promote local economic development.

In conclusion, HB 1134 will help create a diverse and successful gaming network by enabling multiple types of outlets to not only exist but thrive. It will clarify an interpretation to allow the Class B's to pass along a similar rewards program as the larger casinos and racetracks were granted. Thank you for the opportunity.