

Friday, March 7, 2025

Re: Support for House Bill 1048 – Sports Wagering on Historical Horse Races

Dear Chair Atterbeary, Vice Chair Wilkins, and Members of the Ways and Means Committee,

On behalf of Chesapeake Gaming, I write in strong support of House Bill 1048, which would authorize certain sports wagering facilities to accept wagers on historical horse races. This legislation presents an opportunity to sustain and revitalize Maryland's longstanding gaming industry.

Off-Track Betting (OTB) facilities like ours have long relied on a dedicated but aging customer base. However, in recent years, we have experienced a significant decline in attendance and revenue. The COVID-19 pandemic accelerated this trend, as many of our core patrons have not returned, and attracting new customers has proven increasingly difficult. Additionally, while the introduction of retail sportsbooks was expected to bolster revenues, the reality has not met expectations. The rise of online betting has drastically cut into the retail market, making it nearly impossible for facilities like ours to attract a viable retail sportsbook partner. The financial viability of these operations has been strained, making it imperative to explore additional ways to engage customers and drive foot traffic.

At the same time, we continue to lose dollars to neighboring states, particularly Virginia, which has already implemented HHR machines. Without action, Maryland will continue to cede revenue to out-of-state competitors while our local businesses fight to stay afloat.

Historical Horse Racing (HHR) machines offer a way to reinvigorate our industry by enhancing the customer experience and appealing to a broader demographic. This is not a novel concept—similar models are already in place in some neighboring states, helping to sustain their economies. By allowing HHR machines in Maryland, we can remain competitive while providing patrons with an additional reason to visit our facilities.

At its core, this bill is about preserving jobs, keeping Maryland businesses viable, and ensuring that established gaming operations can continue serving their communities. OTBs have played an essential role in Maryland's gaming landscape for decades, and it is critical that they are given the tools to adapt to evolving market conditions.

For these reasons, I respectfully urge the committee to issue a favorable report on HB 1048. Thank you for your time and consideration.

Sincerely,

Jennifer DiPietro

Jennifer DiPietro

Founder

Chesapeake Gaming, LLC

If you have any questions, please contact:

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