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January 22, 2020

The Honorable Guy Guzzone  
Chair, Senate Budget and Taxation Committee  
Miller Senate Office Building, 3 West  
Annapolis MD 21401

***Re: Letter of Information – Senate Bill 51 – Video Lottery Terminal Proceeds – Local Impact Grants – Reimbursement for Maryland Route 210 Projects***

Dear Chairman Guzzone and Committee Members:

The Maryland Department of Transportation (MDOT) offers the following letter of information for the Committee's consideration on Senate Bill 51.

Senate Bill 51 requires the State to reimburse Prince George's County for the funding that it allocates to Maryland Route 210 (MD 210) infrastructure improvements from local impact grants. The State would be required to reimburse Prince George's County in an amount equal to the lesser of \$15 million annually or the amount sufficient to reimburse Prince George's County for any of the funds used for the MD 210 improvements.

Prince George's County currently receives local impact grants from video lottery terminal proceeds collected from MGM National Harbor. This was authorized during the second 2012 special session and subsequent November 2012 referendum. The legislation authorized the sixth video lottery terminal location in Prince George's County and required Prince George's County to allocate 40% of its share of local impact grants for improvements to MD 210. This amount is capped at \$15 million annually. The expectation at the time was that Prince George's County would receive at or close to the \$15 million annually for MD 210, but the reality is that funding has fallen significantly short of that mark.

In November 2019, the MDOT State Highway Administration (MDOT SHA) executed a Memorandum of Understanding (MOU) with Prince George's County to establish the process for advancing future MD 210 projects. The details of the MOU specifically contemplated the local impact grant funds received by Prince George's County. The MOU reflects the intention that MDOT SHA and Prince George's County would work together to identify improvements that MDOT SHA would complete using County funds. Currently, MDOT SHA is working on a project task agreement, which will be used to finalize the funding, schedule, and scope of the first project under the agreement.

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The Maryland Department of Transportation respectfully requests the Committee carefully consider this information when deliberating Senate Bill 51.

Respectfully submitted,

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