



SB338 ALLEGANY COUNTY - VIDEO LOTTERY TERMINALS - DISTRIBUTION OF PROCEEDS

February 5, 2020

BUDGET AND TAXATION COMMITTEE

OPPOSE

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Anne Arundel County Public Schools (AACPS) opposes **SB338 Allegany County - Video Lottery Terminals - Distribution of Proceeds**. This bill permanently continues the current distribution of video lottery terminal (VLT) proceeds from the video lottery facility in Allegany County, instead of altering the distribution after the first 10 years of operations as scheduled under current law.

Passage of this legislation would result in a decrease in funding to the Education Trust Fund. Under current law, the VLT facility in Allegany County receives 60% of the VLT revenues the first 10 years of operation. The remaining 40% is divided among various entities, including the Education Trust Fund, in accordance with the law. After 10 years, the percentage of revenue for the VLT facility in Allegany County is scheduled to decrease to 53% of the VLT revenues to be divided among the various entities identified in the law, including the Education Trust Fund, is scheduled to increase to 47%. By retaining the 60-40 revenue split in perpetuity, as proposed by this bill, less revenue will go to the Education Trust Fund. Efforts to reduce funding flowing into the Education Trust Fund is very concerning especially given the anticipated costs that will be associated with implementing the recommendations of the Kirwan Commission.

As such, AACPS opposes efforts to reduce funding to the Education Trust Fund. Continuing to deplete money from the Education Trust Fund has a negative impact on education in Maryland. The single most important strategic goal of the Board of Education of Anne Arundel County is to accelerate the academic learning and engagement of all students while eliminating all achievement, experience, and opportunity gaps. As expectations and standards rise, increased per-pupil spending is necessary to continue educational success in Anne Arundel County and the State of Maryland. Strong State and local funding for Pre-K–12 public education is essential in ensuring that all AACPS students have access to the appropriate programs and instructional support they need to meet rigorous standards and expectations and ensure that AACPS is elevating all students and eliminating all gaps.

Accordingly, we respectfully request an **UNFAVORABLE** committee report on SB338.