

**Meridian Management Group, Inc.
Testimony Supporting House Bill 416**

February 19, 2020

Madam Chair and distinguished members of the Health & Government Operations Committee, thank you for taking time to hear my testimony in support of House Bill 416. My name is Anthony L. Williams, Sr. Vice President of Meridian Management Group, Inc. (“MMG”).

MMG is the manager of the Maryland Casino Business Investment Fund (“MCBIF”), one of several Video Lottery Terminal (“VLT”) fund managers. In addition, MMG manages the Maryland Small Business Development Financing Authority (“MSBDF”) for the Department of Commerce. In total, our professional staff has over 125 years of experience providing financing, management and technical assistance to small, minority and women-owned businesses in the State of Maryland.

Background

There continues to be a “lack of access to capital” to support the growth of small, minority and women-owned businesses in Maryland. This lack of access to capital is supported by recent state and national studies.

Small, minority and women-owned businesses create and retain jobs in the State of Maryland. More specifically:

1. 70% of the businesses in Maryland are small.

2. Job creation and retention provides stability to the households in Maryland, which improves the environment for the children to learn.
3. Supporting these businesses are providing job opportunities for our children once they graduate from our education institutions.

Businesses that benefit from state financing initiatives pay federal, state and local taxes that comes back into the state of Maryland coffers.

The proposed amendment to the HB 416 is similar to the existing Video Lottery Terminal Fund (“VLT Fund”) legislation, where 1.5% of the gross revenues from slots machines go into a “Small, Minority and Women-Owned Business Investment Account” that is under the management of the Department of Commerce.

It should be noted that the VLT Fund is the only one of its kind in the country. It has been very successful and has received a national award for its innovativeness. It is becoming a national model for how states can generate revenues to support small, minority and women-owned businesses as well as education in their states.

Recommendation

MMG supports House Bill 416 because it provided needed funding to support small, minority and women-owned businesses that will become the employer of the youth educated in the Maryland school system.