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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Appropriations Committee

Oversight Committee on Pensions

Transportation and the Environment
Subcommittee

Joint Committee on Ending
Homelessness

Joint Committee on Pensions

**HB 131: State Lottery – Instant Ticket Lottery Machines Fraternal Organizations
("ITLM" for Homeless Veterans Act)
Ways and Means Committee – January 28, 2020
Delegate Krimm**

House Bill 131 has been re-introduced to expand Instant Ticket Lottery Machines (ITLM) licenses to fraternal organizations on the Western Shore and establish a permanent funding source to combat veteran homelessness in Maryland. If enacted, this bill adds fraternal organizations to the list of eligible organizations that the State Lottery and Gaming Control Agency can issue licenses for up to five instant ticket lottery machines.

Veteran homelessness in Maryland is a multipronged issue. As a state, we are failing our veterans by not providing:

- solutions to ensure permanent housing and/or sustainability to remain housed (voucher access);
- consistent and intensive services to identify vulnerable individuals;
- more flexibility and access to shelters;
- and service access to immediate family members.

House Bill 131 would direct 10% of net revenue from these ITLMs to a special fund to be used by the Division of Neighborhood Revitalization in the Department of Housing and Community Development. The first \$100,000 distributed is earmarked for outreach and advocacy programs within the Department of Veterans Affairs.

Frequently Asked Questions

What region of the state would this affect?

- Fraternal organizations west of the Chesapeake Bay would be authorized to install ITLMs; the 9 counties on the Eastern Shore will not be impacted.

How are "fraternal organizations" defined?

- Fraternal organizations, which include sororal organizations, are nonprofit organizations that:
 - are bona fide fraternal organizations;
 - are operated under the lodge system;

- are conducted solely for the benefit of their members and beneficiaries; and
- are located in applicable counties for at least five years before the organization applies for a license.
- “Fraternal organizations” do not include:
 - any college or high school fraternity or sorority; or
 - fraternal or sororal organizations in which membership is restricted to students or graduates from a particular school.

How many veterans organizations currently use instant ticket lottery machines, and how many fraternal organizations would be authorized to install these machines?

- 89 veterans organizations currently use ITLMs.
- 55 fraternal organizations with national affiliations could potentially install ITLMs.
 - While estimating that at least 63% of eligible locations install an average of 3.5 machines per location, these ITLMs will generate approximately \$3.3 million in annual net revenue—a 34% increase over current ITLM revenue levels.