



House Bill 17

Internet Gaming - Authorization and Implementation

MACo Position: **SUPPORT**
WITH AMENDMENTS

To: Ways and Means Committee

Date: February 10, 2025

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS HB 17 WITH AMENDMENTS**. If passed, and the resulting ballot question approved through a statewide referendum in the 2025 general election, this bill would authorize the State Lottery and Gaming Control Commission (SLGCC) to license video lottery operators to conduct and operate internet gaming in Maryland.

HB 17 presents an opportunity to generate new revenue through internet gaming, but does not safeguard essential funding from brick-and-mortar casinos, which is vital to local communities. These casinos generate crucial local impact grants that support infrastructure improvements, public safety, economic development, and education services in casino-adjacent communities. Local development councils ensure that these investments effectively address community needs and priorities.

However, the expansion of internet gaming could jeopardize these funding streams, posing risks to local economies, jobs, and the stability of critical community investments. Accordingly, MACo urges the Committee to include measures that protect existing revenue streams and maintain the effectiveness of local impact grants.

Counties are already facing fiscal pressures from the Blueprint for Maryland's Future and rising costs for public safety, transportation, health services, and other essential programs. Despite providing record funding for education, counties lack the revenue flexibility needed to meet these growing demands. A fair and balanced revenue distribution from internet gaming would help counties sustain their commitment to critical services while addressing long-term challenges.

The bill allocates counties 1% of internet gaming revenue—distributed based on school-age population—to support education. While helpful, MACo urges the Committee to pursue a more equitable revenue distribution for county governments as true partners in education investments.

HB 17 provides a pathway for generating meaningful education revenue. However, ensuring that counties have equitable access to these funds is essential to maintain vital services and support public schools. Protecting existing funding streams from brick-and-mortar casinos while fairly distributing new revenues will help local governments meet evolving community needs and priorities.

For these reasons, MACo urges a **FAVORABLE WITH AMENDMENTS** report on HB 17.