



THE PRINCE GEORGE'S COUNTY GOVERNMENT

(301) 952-3700
County Council

POSITION STATEMENT

HB 569

Delegate Walker
Ways & Means
Committee

Gaming - Distribution of Video Lottery Terminal
Proceeds - Local Impact Grants

POSITION:

SUPPORT

HB 569 – Gaming – Distribution of Video Lottery Terminal Proceeds – Local Impact Grants – FOR the purpose of requiring the Comptroller to pay a certain amount of video lottery terminal proceeds as local impact grants to Anne Arundel County or Baltimore City under certain circumstances; requiring that certain local impact grants received by Anne Arundel County or Baltimore City be used in a certain manner; making conforming changes; and generally relating to the distribution of video lottery terminal proceeds and local impact grants.

HB 569 requires any amount of local impact grants distributed to Anne Arundel County or Baltimore City as a result of a specified hold harmless provision to be paid by the Comptroller from video lottery terminal (VLT) proceeds. For Anne Arundel and Prince George's counties and Baltimore City, the local impact grants must be evenly split between the three jurisdictions. However, the hold harmless provision guarantees that Anne Arundel County and Baltimore City annually receive no less than the amounts received in FY 2016, the fiscal year before the video lottery operation license for Prince George's County was issued. If the three-way split of local impact grants is less than the hold harmless amounts, the difference is made up from Prince George's County's share of local impact grants. The hold harmless provision has cost Prince George's County approximately \$5.4 million per year since the Prince George's video lottery facility began operations in FY 2017 (\$21.5 million total) and is projected to cost \$3.4 million per year through FY 2025 (starting with \$3.9 million in FY 2021).

The Council believes this bill is a matter of fairness and corrects a key deficiency in the distribution of video lottery terminal (VLT) revenues. Prince George's County hosts the busiest, most active casino in the state of Maryland, and should receive the appropriate share of local impact grants to support the communities most impacted by gaming in the state.

For the foregoing reasons, the Prince George's County Council **SUPPORTS HB 569** and respectfully requests your favorable consideration of this legislation.

Prepared by: Carrington & Associates, LLC
On behalf of the Prince George's County Council

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