



March 23, 2021

Guy J. Guzzone, Chair, Budget & Taxation Committee
Miller Senate Office Building
3 West Wing
11 Bladen St.
Annapolis, MD 21401 – 1991

James C. Rosapepe, Vice-Chair, Budget & Taxation Committee
Miller Senate Office Building
3 West Wing
11 Bladen St.
Annapolis, MD 21401 – 1991

Dear Chair Guzzone and Vice-Chair Rosapepe:

I am the Orioles' Senior Vice President for Community Development and Communications and am honored to be submitting these comments on behalf of the Baltimore Orioles for your consideration.

As the Maryland Senate reviews HB940 and proposed amendments, I welcome this opportunity to confirm to you that the Orioles support the enactment of sports wagering legislation by the State of Maryland and are proposing amendments to the current bill which we believe will ensure that the legislation enacted is best for the people of our state and properly addresses the critical role that Maryland's major professional sports teams play in creating the very content on which wagers would be made.

While HB940 sets a good foundation, we are proposing a number of important changes to the proposed bill, which broadly fall into two areas: to ensure the Maryland legislation does not unfairly put Maryland professional sports teams at a disadvantage as compared with casinos and racetracks – or other professional sports teams in other states – and also to take into account the importance of digital and mobile technology in establishing successful sports wagering operations. Specifically, we are requesting that the Class A licenses to be allocated for sports teams, casinos, and racetracks include a mobile license as well.

We are providing an accompanying written submission (enclosed) detailing the specific amendments we are proposing. Our emphasis is that this legislation needs to recognize the importance of the actual sports teams in bringing us to this watershed moment by including protections to ensure that the Orioles and the other professional sports teams in Maryland can build

a successful sports wagering business. After all, through hundreds of millions of dollars in annual investment, it is the sports teams themselves who have created the “assets,” including intellectual property and team affinity, that is the value and source of sports wagering. All we ask is that we not be thwarted in our ability to develop a successful betting operation that will create jobs and bring more visitors to Maryland. It is only fair that all operators compete on equal grounds and have to play by the same set of rules. There are certain features of HB940 which are problematic, particularly the lack of an accompanying mobile license to the “bricks and mortar” licenses being allocated to the Class A licensees (which include the teams) and other aspects which will put the teams at a disadvantage as compared to casinos and racetracks.

We at the Orioles recognize that enacting appropriate sports wagering legislation will increase the tax base, create jobs, and create economic investment for the benefit of our local communities. The proposed legalization is a framework that establishes an effective regulatory structure to control and regulate sports betting for the benefit of the entire State. The key to many of these economic benefits is through an increase in tourism and visitors---and as is clearly recognized, the Maryland professional sports teams are a key component of attracting tourists and visitors to our state. Oriole Park alone has attracted 72 million visitors from all 50 states and more than 100 countries in fewer than 29 seasons. Particularly as we emerge from the COVID lockdowns and the virtually complete stop to tourism and convention visitors (as well as the significant revenue that both bring to our local businesses and State tax revenue), we should ensure that legalized sports wagering within the State reinforces the connection between tourists and visitors that view sports betting as an enhancement to the over-all sports experience. In these final steps taken to enact legislation and ultimately increase the state’s coffers, let’s not overlook why sports wagering has become such a significant business---at its heart, it’s about the public’s love of competitive sports. The teams, through massive annual investments, are what create the product, the affinity with fans, and the intellectual property that is the foundation of all sports wagering.

My message today is to urge you to recognize the importance of “sports” as you consider how to structure an optimal sports betting law that will be fair to all and not disadvantage local business owners in favor of out-of-state operators and businesses that are not headquartered in Maryland. Our goal is to bring more fans to Camden Yards and the surrounding area and make it a year-round entertainment destination—and we firmly believe that enacting fair and appropriate sports wagering legislation is the key to unlocking these benefits.

The partnership group that has owned and operated the Orioles for more than a quarter century is made up of a collection of local Marylanders who have the best interests of the State’s revenues and the City’s tourism at heart. The team has contributed mightily to the economic impact of both the City of Baltimore and the State of Maryland, and we can continue to drive the economic engine forward through properly crafted sports gambling legislation that provides equitable treatment to the sports teams, casinos, and racetracks.

Our amendments provide that the professional sports teams are to be treated on a parity basis with the casinos and racetracks and are also able to invest in and build a “modern” sports wagering operation, which includes the critically important mobile license to enable betting via digital devices.

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In conclusion, on behalf of the Orioles, I urge you to write and adopt a new bill that is fair to all Maryland stakeholders. The proposed HB940 is a good start but deficient in some critical areas. It's important that in formulating this legislation the Senate does not overlook why sports wagering exists, and I urge you to take into account the role that Maryland sports teams and venues have had, and will continue to have, in fostering the growth and success of these new business ventures by putting the local sports interests on a level playing field with casinos and racetracks as well as providing that the licenses enable us to utilize new digital technologies. I believe that by adopting our proposed amendments, the State of Maryland will not only benefit by achieving higher revenues but also by ensuring the long-term economic viability of the Maryland sports teams and venues and the many businesses that depend on the influx of sports-loving tourists and other visitors.

Thank you for considering the Orioles' perspective as you continue to amend this important legislation for the future of our state.

Respectfully,

A handwritten signature in black ink, appearing to read "Jennifer Grondahl".

Jennifer Grondahl
Senior Vice President, Community Development &
Communications