

Larry Hogan Governor Boyd K. Rutherford Lt. Governor James F. Ports, Jr. Secretary

February 23, 2022

The Honorable Vanessa E. Atterbeary Chair, House Ways and Means Committee 131 House Office Building Annapolis, MD 21401

Re: Letter of Information – House Bill 733 – Gaming – Video Lottery Operation License – Baltimore–Washington International Thurgood Marshall Airport

Dear Chair Atterbeary and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on House Bill 733 but offers the following information for the Committee's consideration.

House Bill 733 allows for the Video Lottery Facility Location Commission to award 3,000 video lottery terminals (VLTs) to be placed within the security perimeter at the Baltimore/Washington International Thurgood Marshall (BWI Marshall) Airport.

The MDOT Maryland Aviation Administration (MAA) anticipates that installing 3,000 VLTs in the airport terminal building would require more than 100,000 square feet of open space. Currently, BWI Marshall does not have sufficient space to accommodate this volume of VLTs, in addition to providing traveler services, amenities, and egress requirements. A new terminal construction would be required to fulfill House Bill 733, with costs estimated to exceed several millions of dollars. These funds are not currently budgeted in the Transportation Trust Fund.

The existing VLT law provides that all proceeds from the operation of VLTs and table games shall be electronically transferred daily into the State Lottery Fund. Under federal law, the MDOT MAA is required to use all revenues generated at BWI Marshall for lawful airport purposes. While House Bill 733 does not address where the proceeds from VLTs are to be sent or how they are to be used; without specification of these details, House Bill 733 could violate federal airport revenue use law if the proceeds aren't directed towards lawful airport purposes. Other domestic airports with similar VLT programs such as Las Vegas Harry Reid International Airport and Reno/Tahoe International Airport ensure that the airport receives the revenue from the VLTs located at those airports.

The Maryland Department of Transportation respectfully requests the Committee consider this information when deliberating House Bill 733.

Respectfully Submitted,

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