

March 26, 2024

The Honorable Guy Guzzone
Chair, Senate Budget and Taxation Committee
3 West, Miller Office Building
Annapolis Maryland 21401

Re: Letter of Information – House Bill 1319 – Internet Gaming – Authorization & Implementation

Dear Chair Guzzone and Committee Members:

The Maryland Department of Transportation (MDOT) offers the following information on House Bill 1319 for the Committee’s consideration.

House Bill 1319 calls for The State’s Minority Business Enterprise (MBE) program requirements to apply to the Internet gaming industry to the extent practicable and permitted by federal law. The bill also provides that within six months of the issuance of an Internet gaming license, the Governor’s Office of Small, Minority, and Women Business Affairs – in consultation with the Office of the Attorney General (OAG) and the licensee – will establish a clear plan for setting reasonable and appropriate MBE participation goals and procedures for the procurement of goods and services related to Internet gaming.

As a preliminary matter, an analysis must be conducted to identify all the relevant industry codes that are expected to be impacted by the iGaming industry. These analyses have historically been conducted by an outside consultant. Then, as is the constitutional prerequisite for efforts to apply race-conscious remedies like the MBE program to nascent industries, a predicate disparity analysis must be conducted to determine whether significant disparities exist for minority and women-owned businesses operating within the identified codes. It should be noted that MDOT is statutorily required to produce various disparity studies/analyses for other nascent industries prior to the 2026 legislative session.

The Maryland Department of Transportation respectfully requests the Committee consider this information during its deliberations of House Bill 1319.

Respectfully submitted,

Chantal Kai-Lewis
Director, Office of Small & Minority Business Policy
Maryland Department of Transportation
410-865-1156

Pilar Helm
Director of Government Affairs
Maryland Department of Transportation
410-865-1090