

February 22, 2024

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

Dear Chair Atterbeary and Members of the Ways and Means Committee:

On behalf of Atlantic Bingo Supply Company, I write in **opposition to House Bill 1159 – State Lottery – Instant Ticket Lottery Machines (ITLM) – Veterans’ and Fraternal Organizations**. Our opposition is not based on substantive issues with fraternal organizations but rather with the way the ITLM program operates.

In 2012, as part of legislation authorizing Maryland’s sixth casino, which would become MGM National Harbor, the legislature created the ITLM program to benefit Veterans’ halls. An ITLM is essentially a Class II electronic bingo machine with one exception, which is defined in statute – the ITLM must emit a paper ticket with a pre-determined outcome for each game from a roll of tickets positioned inside the machine (operation of the machine is consistent with the ruling in *Chesapeake v. Riddle*).

The restriction of mandating a pre-printed paper ticket with a pre-determined outcome has essentially created a **monopoly for one company in the United States**, as no other bingo machine manufacturer creates such machines. During the Lottery’s last Request for Procurement for the ITLM program, the **agency received only one bid that was deemed technically responsive**.

The legislative establishment of this monopoly around the ITLM program has been brought to the attention of the Lottery many times over the years. The Lottery though has never been supportive of changes to the law to end what amounts to a **sole source contract**. In fact, legislation has been brought before the General Assembly to end this **monopoly**.

We believe that fairness and equity should be standards for every State program and procurement. In this case, the **foundation of the ITLM is flawed** and should be examined and reconstituted. For the reasons expressed, we urge an **Unfavorable Committee Report**.

Sincerely,

A handwritten signature in black ink, appearing to read "Sushant Sidh". The signature is fluid and cursive, with a large initial "S" and "S".

Sushant Sidh