



Subject: SB 340 Internet Gaming

Dear Chairman Guzzone,

Representing Maryland's smallest casino, we oppose SB 340, Internet Gaming in its current form.

Similar to Sports Betting the excessive number of licenses offered will dilute the market and allow insertion of unqualified licensees that do not possess the necessary gaming background and knowledge. This inevitably will result in issues related to regulatory compliance and failures of responsible gaming.

Maryland's casinos are a cornerstone of the State's economy, driving substantial revenues and unmatched benefits to Maryland and its communities. Collectively, we employ over **15,000 workers**, generate an annual economic impact of over **\$5.78 billion**, and create over **\$962 million** in tax impacts each year. As such, the initial five-year term of licenses should be tethered to the already established brick and mortar locations only. Additional licenses then can be considered by the legislators as the platform solidifies with analytics and data to drive those decisions.

The tax rates put Maryland at a national and regional disadvantage. The 55% tax rate would not be conducive for further reinvestment back into the brick-and-mortar locations needed to compete in a now hyper-competitive market place with the continued expansion in neighboring states Pennsylvania (State College Jan 2026), and Virginia with the potential of a Tysons Corner location. As Rocky Gap Casino will look for a partner that owns the necessary technical stack, these tax rates would effectively push us out of the marketplace.

Our commitment to Maryland extends beyond operations. Casinos spent over **\$3 billion** in initial "brick & mortar" construction and have reinvested an additional **\$1 billion** since opening, ensuring continued growth and stability in local economies.

As the smallest casino in Maryland, yet a major contributor to Allegany County and Western Maryland tourism and economic success, we respectfully request that the Budget & Taxation Committee give **an unfavorable report to SB 340**, until more reasonable and accretive terms can be established.

Sincerely,

Brian Kurtz P-819

Brian Kurtz

SVP | General Manager

Rocky Gap Casino, Resort, and Golf