



January 27, 2025

Senate Budget and Taxation Committee
Senate Office Building Annapolis, MD 21401

Chairman Guzzone and Members of Committee:

The Anne Arundel County Chamber of County has reviewed SB 340 and would like to express its concern and **opposition to SB 340.**

It is common knowledge that the state is facing a \$3 billion financial short fall this year and in the budget proposal submitted by Governor Moore there are a number of tax increase proposals for approximately \$1 billion along with various spending cuts of approximately \$2 billion.

As the General Assembly considers potential tax increases, it appears these proposals include raising the tax rate on table games and sports betting. Such measures would increase operational costs for casinos in Maryland. Additionally, if internet gaming is permitted as proposed in SB 340, it could further worsen the business environment, negatively impacting the state's economy.

There is a great deal of uncertainty about how much revenue i-gaming might produce for the State and there is a lot of certainty that i-gaming would have a negative social impact by providing gamble opportunities to minors and people with gambling problems. Here are four very solid economic reasons the Chamber does not support SB 340:

- 1) **Cannibalization:** the decline in revenues at “bricks and mortar” casinos,
- 2) **Job Loss:** reduced “bricks and mortar” revenue will not only impact casino workers but those businesses supporting casino activity,
- 3) **Reduced capital investment:** reduced patronage will result in a decline of investment in “bricks and mortar” facilities hurting local businesses and reducing work from local contractors,
- 4) **Revenue leaves the State:** There will be a flow of revenue to out of state i-gaming platform operators.

The Anne Arundel Chamber of Commerce strongly urges you and other committee members to give this bill an **unfavorable recommendation.**

Respectfully submitted,

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