

**House Ways and Means Committee Hearing
Against Bill HB 605
February 20, 2020
Testimony of Melissa McKenna**

Madam Kaiser and Committee Members:

Good afternoon. My name is Melissa McKenna, proud parent of a public school student. Thank you for the opportunity to speak this afternoon uncharacteristically against House Bill 605: Constitutional Amendment – Gaming – Expansion.

Please do not bypass the ballot referendum required to enact or alter gaming legislation and subvert the vote of Maryland citizens. Your Senate colleagues nearly unanimously threw your constituents' ability to express their views regarding gaming/gambling out the window. I applaud Senator Simonaire for the bravery of his lone dissenting vote. I vaguely remembered a bill to teach students about the dangers of gambling and addiction. I smiled when I read the sponsor of SB322, Senator Simonaire. Strangely enough though, the Senate also adopted that same bill to teach high school students about the dangers of gambling. Mixed messages?

Why make it easier to pass gaming legislation? To pass Sports Betting, of course. No thank you. SB0004 Gaming – Sports Betting will repeat the past mistake of a small percentage share of revenue to the Education Trust Fund (ETF) as Table Game revenue. It promises a measly 20%. How long until that percentage is gradually shaved away? Table games started with that too; however, that ETF percentage now stands at 15%.

Then there's the slots revenue. Originally revenues were originally to be split 45/45/10 among Licensee/ETF/other. The Fiscal Note for this Bill HB605, details that "other" is up to 15%. While 85% is still split between licensees and the ETF, the ETF portion is now only 38% and somehow the licensees portion has risen to 47%. What happened?

At the very least, please fix that instead. Better yet, get a larger percentage from Table Game revenue to the ETF.

In April 2016, The Nelson A. Rockefeller Institute of Government, the public policy research arm of the State University of New York, put out *THE BLINKEN REPORT State Revenues From Gambling: Short-Term Relief, Long-Term Disappointment*.¹ The title gives away the conclusion, so it's too late for me to say, "Spoiler Alert," which is

If history is any lesson, gambling is only a short-term solution to state budget gaps. Gambling legalization and expansion leads to some revenue gains. However, such gains are short-lived and create longer-term fiscal challenges for the states as revenue growth slows or declines. In addition, gambling is associated with social and economic costs that often are hard to quantify and measure. {page 24]

Finally, let me suggest instead of this bill and among the many Kirwan funding bills, that you instead support HB 1543, the Climate Crisis and Education Act or the very aptly named "Our Children's Future Act." I am thrilled to see that nine of you are already co-sponsors of the bill. Thank you. Could you please encourage your Senate colleagues to support SB 912? It's a win/win for everyone: fees collected from companies polluting the air with carbon dioxide, protections for low- and moderate-income residents, create a Climate Crisis Council to save the Bay and our lungs, AND a guaranteed \$350M per year to fund Kirwan Commission initiatives. Save the environment and save our schools all in one fell swoop!

For our students, for the voice of the citizens of Maryland, please return an unfavorable report on HB605.

Thank you.

Melissa McKenna

Melmckenna@utexas.edu

¹ https://rockinst.org/wp-content/uploads/2017/11/2016-04-12-Blinken_Report_Three-min.pdf