



THE PRINCE GEORGE'S COUNTY GOVERNMENT

OFFICE OF THE COUNTY EXECUTIVE

BILL: House Bill 1298 - Gaming - Distribution of Video Lottery Terminal Proceeds - Local Impact Grants

SPONSOR: Delegate Walker

HEARING DATE: March 11, 2021

COMMITTEE: Ways and Means

CONTACT: Intergovernmental Affairs Office, 301-780-8411

POSITION: SUPPORT

The Office of the Prince George's County Executive **SUPPORTS House Bill 1298 - Gaming - Distribution of Video Lottery Terminal Proceeds - Local Impact Grants**, which requires any amount of local impact grants distributed to Anne Arundel County or Baltimore City as a result of a specified hold harmless provision to be paid by the Comptroller from video lottery terminal (VLT) proceeds.

For Anne Arundel and Prince George's counties, and Baltimore City, the local impact grants must be evenly split between the three jurisdictions. However, the hold harmless provision guarantees that Anne Arundel County and Baltimore City annually receive no less than the amounts received in FY 2016, the fiscal year before the video lottery operation license for Prince George's County was issued. If the three-way split of local impact grants is less than the hold harmless amounts, the difference is made up from Prince George's County's share of local impact grants. The hold harmless provision has cost Prince George's County millions in revenue each year, with \$3.9 million projected to be lost in FY 2022.

For the reasons stated above, the Office of the Prince George's County Executive **SUPPORTS House Bill 1298** and asks for a **FAVORABLE** report.