

**BILL:** House Bill 802  
**TITLE:** State Lottery and Gaming Control Commission - Adjustment to the Distribution of Video Lottery Terminal Proceeds - Repeal  
**POSITION:** SUPPORT  
**DATE:** March 8, 2019  
**COMMITTEE:** Ways and Means Committee  
**CONTACT:** John R. Woolums, Esq.

The Maryland Association of Boards of Education (MABE), representing all of the State's local boards of education, supports House Bill 802.

MABE appreciates the attention this legislation brings to a funding and policy issue of great concern to local boards of education. Local boards are alarmed by the declining percentage of gaming revenues dedicated to the Education Trust Fund from the combined sources of Video Lottery Terminals (VLTs) and table games.

In FY 2018, casino gaming revenue in Maryland totaled \$1.6 billion. The Education Trust Fund received \$496 million, or 29.6% of this amount. This is the lowest percentage of casino gaming revenues allocated to the Education Trust Fund since its inception. The percentages gaming money allocated to the education trust fund are as follows: FY 2017 (31.8%), FY 2016 (35.2%); FY 2015 (37.3%); FY 2014 (39.4%); and FY 2013 (46.7%). Over the same time period, the percentage of revenues received by the casino operators has risen from 36.8% to 59.1%.

MABE is advocating strongly for the General Assembly's resolve to increase, not decrease, not only the overall investment of gaming revenues in our public schools but the percentage share allocated to the Education Trust Fund. We believe this commitment is consistent with the expectation of voters asked not once, but twice, to support statewide referendums on legalizing VLTs and then table games. Then, in 2018, Marylanders overwhelmingly approved yet another statewide referendum, this time to clearly mandate the investment of the entire Education Trust Fund as supplemental funding for our public schools, aligned with the programmatic goals set forth in the Kirwan Commission's recommendations.

In this context, MABE supports House Bill 802 as a much needed response to the proposal to change the licensee share for three casinos. Specifically, this bill addresses the proposal to have the casino operator shares increase from 39% to 44% for the Cecil County licensee; from 49% to 51% for the Anne Arundel County licensee; and from 46% to 49% for the Baltimore City licensee.

MABE urges this Committee's attention to the urgent need to firmly establish the Education Trust Fund as a growing source of revenues. Sustaining and the Education Trust Fund is critically important as the State launches the funding and policy recommendations of the Kirwan Commission on Excellence and Innovation in Education.

Maryland must renew its commitment to fulfilling its constitutional mandate to fully fund the equitable access to an excellent education for all students. MABE firmly believes that local boards must be at the helm, and accountable, for fulfilling their responsibility to govern school systems in the best interests of all students. MABE believes this legislation, "The Blueprint for Maryland's Future," will make possible significant improvements in the educational outcomes for all Maryland students by ensuring a balance of funding initiatives and increases, and strengthened accountability measures.

For these reasons, MABE urges a favorable report on House Bill 802.