

January 27, 2025

The Honorable Guy Guzzone
Budget & Taxation Committee
3 West Senate Office Building
Annapolis, Maryland 21401

Re: SB340 – Internet Gaming – Authorization and Implementation

Dear Chairman Guzzone and Members of the Committee:

The Allegany County Chamber of Commerce opposes **SB340 – Internet Gaming – Authorization and Implementation** as written.

While we understand the importance of maintaining competitive tax policies to support state revenue, we believe the current structure and rates would put Maryland businesses—especially those in the gaming and hospitality sectors—at a significant disadvantage both regionally and nationally.

The proposed 55% tax rate poses a substantial challenge for reinvestment in brick-and-mortar locations, which is vital for sustaining operations and remaining competitive in a hyper-competitive marketplace. Neighboring states, such as Pennsylvania (State College, opening January 2026) and Virginia (with a potential Tysons Corner development), offer more favorable tax environments that attract businesses and investments. Maryland must address this disparity to retain and grow its business community.

Furthermore, the economic impact of casinos in Maryland cannot be overlooked. The industry has invested over \$3 billion in initial construction and an additional \$1 billion in reinvestment since opening, directly contributing to local economies and tourism. These investments highlight the commitment of gaming operators to Maryland's economic growth and stability.

Rocky Gap Casino, as the smallest casino in Maryland, is a critical economic driver for Allegany County and Western Maryland. Its contributions to local tourism and economic success are significant, yet this proposed tax structure could effectively force it out of the marketplace, particularly as it seeks to establish technical partnerships critical for future operations.

We respectfully urge the committee to reconsider the current tax proposal. Instead of moving forward with SB340 as written, we recommend establishing a more balanced and accretive tax framework that fosters economic growth and sustainability.

Sincerely,



Juli McCoy
President & CEO

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cc: Allegany County Delegation