



TO: INTERESTED PARTIES

RE: November 4 Referendum

Our campaign is organized and has the momentum because the choice is clear.

In the past few months, our effort was endorsed by the *Maryland State Teachers Association* (MSTA), Maryland Chamber of Commerce, *Maryland State & District of Columbia AFL-CIO* and the *Maryland Association of Counties* (MACo) and other civic and business leaders across the state. Why? Because Maryland cannot afford to keep exporting our money to build schools and roads in other states.

“Because of our state’s precarious fiscal outlook, if this referendum fails, students, teachers and support staff will be left with outdated facilities, larger classes, outdated textbooks and shortages of materials. School systems will be left with fewer resources to recruit and retain the best teachers and support staff.”

-- Clara Floyd, President, Maryland State Teachers Association

“It is our view that our state should recapture the millions being spent today in Delaware, Pennsylvania and West Virginia. As Maryland’s leading statewide business advocacy organization, the Maryland Chamber supports passage of the slots referendum as a reasonable alternative to tax increases.”

-- Betty Buck, Chair, Maryland Chamber of Commerce

“The State of Maryland and the District of Columbia AFL-CIO, which represents approximately 300,000 union members and nearly 500 local unions, is supporting the November 2008 ballot referendum to legalize slot machines in Maryland because we are confident that the passage of the referendum will create thousands of good jobs with family sustaining wages and benefits.”

-- Fred D. Mason Jr., president of the Maryland State & District of Columbia AFL-CIO

“Slots will generate approximately \$660 million in new education funding. Without this source of revenue, taxpayers across Maryland will be facing either severe reduction of services or additional tax increases.”

-- Jim Smith, Baltimore County Executive & President of Maryland Association of Counties

UNACCEPTABLE: CUTTING SERVICES OR RAISING TAXES

Failure to pass the referendum will lead to **cuts in services and/or higher taxes** – both completely unacceptable options that will harm the economic and job-creation environment of our great state.

THE SOLUTION: VOTE FOR THE REFERENDUM

The long-term fiscal responsibility of the November 4 referendum will:

- Dedicate 48.5% to 51% of total annual gross revenues to the Education Trust Fund.
- Produce, by fiscal year 2012, approximately **\$660.4 million in new education funding**.
- Support the funding mandates of the Thornton Act, the Geographic Cost of the Education Index, as well for providing adequate funding of teacher pensions.
- Help **prevent future tuition increases** by creating the Higher Education Investment Fund (HEIF), the first ever dedicated source of funding for higher education in Maryland's history.
- Help **expand access to health care**. Maryland's Health Reform Initiative will eventually cover an additional 100,000 Maryland citizens for comprehensive health insurance.
- Benefit taxpayers because it is "one of the most **taxpayer-friendly** proposals in the nation."
- Represent only a **minor expansion** of existing gaming, since it will authorize no more than five video-lottery-terminal facilities in very specific areas, and no more than 15,000 video lottery terminals.
- Be **closely regulated** by state authorities on a non-partisan nine-member State Lottery Commission. Unlike in some states, the State of Maryland will own and lease all of the video lottery terminals. In addition, the State of Maryland will maintain sole access to the slots' central computer system in order to prevent fraud.
- Prevent further expansion of gaming in Maryland. The so-called "**slippery slope**" **is impossible** because the referendum is a Constitutional amendment that **prevents any additional expansion of gaming anywhere in Maryland** without a future voter-approved Constitutional amendment.
- Required license applicants to invest \$25 million in construction and related costs for every 500 VLTs proposed in their bids.