

Slots vote prepared for home stretch

Court of Appeals approves ballot language; Montgomery County and Greater Baltimore Committee say 'game on'

by Sean R. Sedam | Staff Writer

ANNAPOLIS — A Court of Appeals ruling allowing the ballot question on whether to legalize slot machine gambling, endorsements by the leader of the state's largest county and by Baltimore's chief business and civic group, and the chance of an infusion of cash from the horse racing industry raised the stakes on the slots debate this week.

Montgomery County Executive Isiah Leggett issued a statement late Thursday afternoon saying that "a vote in favor of slots is the preferable position to take."

Legislative analysts project that when the slot machine program is fully in place, the state will receive nearly \$919 million. Of that, a projected \$660.4 million would go to an "Education Trust Fund" that would pay for school projects and programs.

Officials like Leggett see that as a welcome infusion of money to a state facing hundreds of millions of dollars in cuts this year and that analysts say could face a \$1 billion budget deficit by fiscal 2010.

Not passing the referendum, which could bring 15,000 slots terminals to five locations across the state, would likely mean further cuts that "would hit Montgomery County disproportionately hard" and "would especially impact the poorest and most vulnerable in our midst," Leggett (D) said.

"In an ideal world, state and local governments should not be dependent on such revenues to help fund critical programs," he said. "Unfortunately we do not now live in that ideal world."

Leggett's endorsement follows the announcement on Wednesday that the **Greater Baltimore Committee** is urging voters to back the referendum.

"Failure of the slots referendum would place even more fiscal pressure on the governor and lawmakers to find revenue sources," GBC President and CEO Donald C. Fry said in a statement. "They would not just cut budgets. They would seek additional revenues and business is a likely target."

The state's triple-A bond rating, which allows Maryland to borrow money at the most favorable rates, could also be jeopardized if slots revenue is

not available to shore-up the budget, Fry said.

Comptroller Peter V.R. Franchot disputed Fry's claims at an anti-slots news conference at Trinity United Methodist Church in Annapolis on Wednesday.

"Slots mean higher taxes and ultimately the fiscal situation will affect the triple-A bond rating if we do not reform state spending," said Franchot (D).

Sen. Janet Greenip, who appeared with Franchot and clergy members to call for the defeat of the referendum, called the GBC endorsement "more scare tactics."

Senate President Thomas V. Mike Miller Jr. (D-Dist. 27) of Chesapeake Beach blasted Franchot in a harshly worded letter last week. Miller, in a Sept. 12 letter to Franchot, said the comptroller had an "obsession with the press" and "disregard for the relationships you need to be an effective leader."

Franchot said this week that he was ready to sit down with Miller to discuss their differences. But that did not stop him from throwing barbs Miller's way on Wednesday.

"You think the fix is in," Franchot said of the slots question. "Because, my goodness, the governor, the Senate president, aren't they powerful? They're for slots. And now they have all this money from these gambling people coming into the state. You think, gee, how can you beat them? So I have a lot of faith in the Maryland public seeing through the lies and deceptions, understanding who is going to benefit from all of this."

Miller said he is not the only slots supporter.

"So is Congressman [Steny] Hoyer and the majority of the Senate and the majority of the House," he said. "So is the lieutenant governor and the attorney general. [Franchot]'s out there in left field all by himself, not only on this issue, but on a number of other issues."

Franchot also decried this week's news that Canadian-based MI Developments Inc. had authorized its subsidiary Magna Entertainment, which owns Laurel Park in Anne Arundel County and Pimlico Race Course in Baltimore, to use \$2 million of a bridge loan toward supporting referendum's passage.

"We always thought that it was going to be a \$1 million check in a dirty brown paper bag at

midnight delivered to the leadership," Franchot said. "Instead it turned out to be \$2 million. And there are going to be more coming after them."

Slots opponents are "working hard" to counter the expected onslaught of pro-slots advertising in the coming weeks, said Scott Arceneaux, a senior advisor with Marylanders United to Stop Slots.

Opponents hope to get on the radio and maybe television, but will not be able to compete with the \$2 million infusion that proponents now have, Arceneaux said.

"That's out of our range," he said. "We're going to get outspent six to seven to one."

The week began with the state's highest court clearing the way for the referendum to go on the Nov. 4 ballot.

The Court of Appeals affirmed a ruling issued Sept. 10 by a three-judge panel of the Anne Arundel County Circuit Court. That court ruled that the question must be changed so the word "primary" is inserted to reflect that education would be the main recipient of the slots revenue.

The appeals court said it would release a written opinion at a later date. It also ruled that slots opponents must pay court costs.

Maryland Secretary of State John P. McDonough said in a statement that he welcomed the court's decision.

"I attempted to set forth the question on the ballot regarding the constitutional amendment on slot machines to fund education in a manner that adhered strictly to the legislative intent of the General Assembly and have implemented the one-word change by the Circuit Court," he said. "I believe it is important now that all parties move forward and discuss the important public issues involved and let the voters make the final decision on November 4th."

Greenip (R-Dist. 33) of Crofton said the question is now less favorable than McDonough's original.

"The new language is even more disingenuous because it highlights education even more," she said.