

Maryland Lottery and Gaming Control Agency

Wes Moore, Governor • John Martin, Director



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TO: Maryland Lottery and Gaming Control Commission
John Martin, Director

FROM: James Butler, Assistant Deputy Director, Chief of Staff

DEPARTMENTS: Government Relations, Regulations and Human Resources

DATE: January 23, 2025

SUBJECT: Report for the January 2025 Commission Meeting

Following is the status update of ongoing efforts in Government Relations, Regulations, and Human Resources for January.

I. GOVERNMENT RELATIONS MATTERS

A. Sports Wagering Application Review Commission (SWARC)

The next SWARC meeting is scheduled for February 19, 2025, but it is uncertain if a meeting will be held, as none of the remaining sports wagering applicants has fully completed the sports wagering application for MLGCC's review in order to make a determination on the applicant's qualifications for a sports wagering license under the Maryland Sports Wagering Law.

B. Legislative Update

On January 8, 2025, the Maryland General Assembly convened for the 447th Legislative Session. Below are six (6) bills of interest, from the six (6) bills that we are currently tracking during the 2025 session. In addition, the Department of Legislative Services (DLS) has requested that the Agency respond to 16 (sixteen) bills in an effort to determine the fiscal and operational impact on the Agency or Commission, and to assist DLS in preparing its fiscal and policy note on the proposed legislation.

1. Gaming Bills of Interest

- a. [HB17/SB340](#) - ***Internet Gaming - Authorization and Implementation (Delegate Atterbeary)***. This bill would authorize the Commission to issue certain licenses to qualified applicants to conduct or participate in Internet gaming operations in the State, and require the Commission to regulate Internet gaming and the conduct of Internet gaming in the State. If passed, this bill would be submitted to a referendum vote by the voters. HB17 is essentially in the same posture as last sessions' amended bill that passed the House and was referred to the Senate Budget and Taxation Committee. The Senate has scheduled a bill hearing for January 29, at 10:30 a.m., and the House Ways and Means Committee has scheduled a bill hearing on February 10, at 11:00 a.m. for the cross-filed bill.
- b. [HB352/SB321](#) - ***Budget Reconciliation and Financing Act of 2025 (The Speaker By Request - Administration/ The President By Request - Administration)***. This bill would alter the State's share of the casino table game tax rate from 20% to 25% and of

the mobile sports wagering tax rate from 15% to 30%. The House Appropriations and Ways and Means Committees and Senate Budget and Taxation Committee have not yet scheduled bill hearings.

2. *Sports Wagering Bills of Interest*

- a. [**HB218/SB195**](#) - **Family Law – Child Support (Chair, Judiciary Committee By Request - Departmental - Human Services/ Chair, Judicial Proceedings Committee (By Request - Departmental - Human Services))**. This bill would require Fantasy Competition Licensees and Sports Wagering Licensees to intercept fantasy competition and sports wagering prize winnings from players who are in arrears in child support obligations. The House Judiciary Committee and Senate Judicial Proceedings Committee have not yet scheduled bill hearings.
- b. [**SB86**](#) - **Online Sports Wagering - Problem Gambling Resources - Required Contact Information (Senator Waldstreicher)**. This bill would require a mobile sports wagering licensee to publish the phone number for and link to the website of the Maryland Center of Excellence on Problem Gambling on the homepage of its online sports wagering website and mobile application. The Senate Budget and Taxation Committee had a bill hearing on January 15, but the Committee has not yet taken a vote. The Agency submitted clarifying amendments to the proposed bill to ensure consistent responsible gaming language and placement of the appropriate website link.

3. *Lottery Bills of Interest*

- a. [**HB328**](#) - **State Lottery – Instant Ticket Lottery Machines – Veterans’ and Fraternal Organizations (Delegate Ebersole and Senator Charles)**. This bill would authorize the Agency Director to issue certain fraternal organizations a license for not more than five instant ticket lottery machines (ITLM) as well as alter the distribution of proceeds from ITLM sales by veterans' organizations and fraternal organizations. The House Ways & Means Committee has scheduled a bill hearing for January 30, at 1:00 p.m.
- b. [**HB337**](#) - **State Lottery Fund - Laurel Race Course - Local Impact Aid (Delegates Lehman, Bartlett, Guzzone, et. al)**. This bill would require the Comptroller, beginning in fiscal year 2026, to distribute from the State Lottery Fund \$500,000 of supplemental local impact aid to Anne Arundel County, Howard County, and the City of Laurel from the proceeds of the Racetrax lottery game to be used for certain programs and services in the communities surrounding Laurel Race Course. The House Ways & Means Committee has scheduled a bill hearing for January 30, at 1:00 p.m.

4. *Early Session Briefing*

On January 15, the Agency briefed members of the House Ways and Means Committee about our lottery and gaming operations in FY24. The briefing went well, and we were able to have follow-up conversations with Committee members after the briefing concluded. *See*

https://mgaleg.maryland.gov/mgawebsite/Committees/Media/false?cmte=w%26m&clip=WAM_1_15_2025_meeting_1&ys=2025rs

5. *Budget Hearings*

The Agency is currently scheduled to appear before the following subcommittees to discuss

our FY26 budget submission:

- a. Friday, February 7 at 11:30 a.m. – Senate Budget and Taxation Subcommittee on Public Safety, Transportation, and Environment; and
- b. Wednesday, February 12 at 1:00 p.m. – House Appropriations Subcommittee on Education and Economic Development.

II. REGULATORY MATTERS

The proposed regulations that were approved by the Commission at its August, September and October Commission meetings appeared in the November 15, December 2, and December 13 editions of the *Maryland Register*. The 30-day public comment in the aforementioned Agency proposed actions has ended, and the Agency will review the comments received and submit its recommendation to the Commission. In addition, the Agency received a copy of a letter from Senator Jennings to the AELR Committee requesting a hold and a public hearing on one proposed action concerning fantasy competition regulations that were published in the *Maryland Register* on November 15. The Agency is awaiting word from AELR if the Senator's request will be granted.

III. HUMAN RESOURCES MATTERS

The Human Resources (HR) team continues to focus on recruiting for sports wagering positions and backfilling other positions around the Agency. Currently, the Agency has eleven (11) active recruitments for December and thirty-one (31) vacant positions to be filled, mainly in our Regulatory Oversight Division, and our Accounting, Finance and Operations Division. The recruitment for the HR Manager position has concluded and an offer has been extended.