

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: Paula Yocum, Managing Director, CFO

DATE: February 13, 2025

SUBJECT: Report for the February Commission Meeting

This is a status update of ongoing and special projects in Accounting.

I. BUDGET

- **FISCAL YEAR 2025 Budget Allowance**

Program	Expenditures
Lottery	\$98,158,399
VLT General Fund	\$7,833,587
VLT Special Fund	\$13,271,691
Sports Wagering and Fantasy Gaming	\$4,113,084
Total	\$123,376,761

- **FISCAL YEAR 2026 Governor's Budget Request**

The Governor has included the Agency in the Fiscal Year 2026 Budget Request as follows:

Program	Proposed
Lottery	\$105,633,901
VLT General Fund	\$9,700,414
VLT Special Fund	\$13,849,244
Sports Wagering and Fantasy Gaming	\$4,052,104
Total	\$133,235,663

Update: The Agency's budget hearings were as follows:

Senate Budget and Taxation Committee Public Safety, Transportation, and Environment Subcommittee	House Appropriations Committee Education and Economic Development Subcommittee
Senator Michael A. Jackson, Chair February 7, 2025 - 11:30 a.m.	Delegate Stephanie M. Smith, Chair February 12, 2025 – 1:00 p.m.

II. ACCOUNTING/FINANCE

• **Promotion Fund (Unclaimed Prizes)**

○ Beginning Balance as of January 1, 2025	\$12,861,089
○ Estimated increase in January, 2025	\$2,217,940
○ Estimated usage in January, 2025	<u>(\$1,409,710)</u>
○ Estimated Ending Balance as of January 30, 2025	\$13,669,319

• **Lottery Retailer Incentives**

Lottery retailer incentives totaled \$521,192,62 for calendar year 2024 and will be included in the retailers' compensation amount on the 1099-NEC, where applicable.

III. FANTASY COMPETITION

- Fantasy Competition Operator quarterly tax forms and tax revenue for the quarters ending:

QUARTER ENDING	AMOUNT COLLECTED FOR QUARTER
September 30, 2024	\$178,000.42
December 31, 2024	\$368,433.90 <i>(updated from prior month)</i>
March 31, 2025	<i>Not available yet</i>
June 30, 2025	<i>Not available yet</i>
FY 2025 Total	\$546,434.32 <i>(current YTD amount)</i>

IV. CUSTOMER RESOURCE CENTER

- **Claims:** Customers continue to make appointments to claim prizes using the scheduling page on mdlottery.com. Lottery winners without internet access can schedule appointments by phone. All Lottery retailers are authorized to cash winning tickets up to \$600; Expanded Cashing Authority (XCAP) retailers can cash tickets up to \$5,000; Winning tickets up to \$25,000 can be cashed without appointments at all Maryland casinos.

Data concerning the number and amount of winners' claims processed by the Lottery, the casinos, and XCAP retailers are noted below:

CLAIMS PROCESSED BY LOTTERY AND CASINOS – January, 2025				
LOCATION	COUNT	AMOUNT	YTD COUNT	YTD AMOUNT
Baltimore - HQ	1,510	\$12,360,450	7,503	\$56,827,191
Casinos	107	\$1,303,871	660	\$8,017,334
XCAP PROCESSING – January, 2025				
COUNT	AMOUNT	YTD COUNT	YTD AMOUNT	
7,295	\$14,619,856	48,051	\$86,674,259	

- **Subscriptions:** The Lottery's Customer Resource Center is also responsible for processing subscriptions. Multi-Match®, Powerball®, and Cash4Life® subscriptions can be purchased for 13, 26, or 52 weeks. At this time, Mega Millions® subscriptions cannot be purchased.

Data concerning subscriptions is noted below:

SUBSCRIPTIONS – January, 2025		
GAME	NUMBER PROCESSED FOR THE MONTH	NUMBER OF ACTIVE
Multi-Match®	265	1,295
Mega Millions®	27	2,415
Powerball®	389	1,812
Cash4Life®	92	295
TOTAL	773	5,817

- **Prize Interceptions:** The Lottery is required by statute to withhold any Child Support or Central Collections Unit (CCU) debts that winners of prizes over \$600 owe.

Data concerning prize interceptions is noted below:

PRIZE INTERCEPTIONS – January, 2025		
TYPE	INTERCEPTED THIS MONTH	INTERCEPTED FYTD
Child Support	\$10,538	\$74,102
Central Collections Unit	\$194,595	\$961,721