

# 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: March 26, 2025

SUBJECT: Report for the March 2025 Commission Meeting

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

## **I. GOVERNMENT RELATIONS MATTERS**

### **A. Sports Wagering Application Review Commission (SWARC)**

The next SWARC meeting is scheduled for April 16, 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**

March 31<sup>st</sup> will mark the 83<sup>rd</sup> day of the legislative session which is set to adjourn on Monday, April 7<sup>th</sup>. Below are fourteen (14) bills of interest, from the forty-one (41) bills that we are currently tracking during the 2025 session. Fifteen (15) bills passed to the opposite chamber during cross-over, and of those 15, six (6) were cross-filed and both versions passed for a total of twenty-one (21) bills that are still actively being tracked. In addition, the Department of Legislative Services (DLS) has requested that the Agency respond to forty-five (45) 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/ Senator Watson)***. 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 session's amended bill that passed the House and was referred to the Senate Budget and Taxation Committee. The Senate held a bill hearing (SB340) on January 29, but the Committee has not yet taken a vote. The House Ways and Means Committee held a bill hearing (HB17) on February 10, but the Committee has not yet taken a vote.

- 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 passed HB352 on second reader with amendments, striking a provision to change the casino table game tax rate in its entirety and amended the mobile sports wagering tax rate from 15% to 20%. The Senate Budget and Taxation Committee held a bill hearing (SB324) on February 28, but has not yet taken a vote as it is now reviewing subcommittee decisions.
- c. [SB725](#) - ***Charles County - Gaming - Video Lottery Operation License and Video Lottery Terminals (Senator Ellis)***. This bill would authorize the awarding of an additional video lottery operation license and up to 1,500 additional video lottery terminals for a video lottery facility in Charles County on a vessel on the Potomac River that can be accessed by the pier in Colonial Beach, Virginia; and authorize the Governor to reconstitute the Video Lottery Facility Location Commission for the purpose of awarding the license. The Senate Budget and Taxation Committee held a bill hearing (SB725) on February 25, but the Committee has not yet taken a vote.
- d. [HB1048/SB982](#) - ***Sports Wagering – Wagers on Historical Horse Races – Authorization (Delegates Buckel, Fair, Hornberger, et al. and Senators Corderman, Lewis Young, et al.)*** This bill would alter the definition of "sporting event" for purposes of provisions of law governing sports wagering to include historic horse races; authorize certain sports wagering facility licensees (Racetracks and OTBs) to accept wagers on historic horse races that are made by an individual physically present; and authorize sports wagering on historical horse races only in a designated area on the premises of a sports wagering facility licensee that is approved by the Commission. The House Ways and Means Committees held a bill hearing (HB1048) on March 11, but the Committee has not yet taken a vote. The Senate Budget and Taxation Committee held a bill hearing (SB982) on March 5, but the Committee has not yet taken a vote.
- e. [HB1140/SB860](#) - ***Gaming – Prohibition of Online Sweepstakes Games and Revenue from Illegal Markets (Delegate Ebersole and Senator Corderman)***. This bill would prohibit a person from operating, conducting, or promoting online sweepstakes games or supporting the operation, conducting, or promotion of online sweepstakes games; require the Agency to deny certain license applications and revoke certain licenses under certain circumstances; and prohibit the Commission from issuing a license to certain persons or allowing the person to commence or continue operations under certain circumstances. The House Ways and Means Committees held a bill hearing (HB1140) on March 11, but the Committee has not yet taken a vote. The Senate Budget and Taxation Committee held a bill hearing (SB860) on March 20, but the Committee has not yet taken a vote.

## 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 held a bill hearing (HB218)

on February 20, but the Committee has not yet taken a vote. The Senate Judicial Proceedings Committee held a bill hearing (SB95) on January 14, but the Committee has not yet taken a vote.

- 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 Agency submitted clarifying amendments to the proposed bill to ensure consistent responsible gaming language and placement of the appropriate website link. The full Senate passed SB86 on third reader (46-0), and the House Ways and Means Committee held a bill hearing on March 20, but the Committee has not yet taken a vote.
- c. [HB484/SB470](#) - ***Fantasy Competitions - Alterations and Voluntary Exclusion Requirements (Delegate Ebersole/Senators Rosapepe and Corderman)***. This bill would alter the definition of "fantasy competition" for purposes of allowing sports wagering to be conducted under the guise of fantasy competition. The bill also would attempt to bypass licensing requirements, fees, background checks for employees, bond requirements, and applicable tax rates while allowing 18-year-olds to engage in sports wagering. The House Ways & Means Committee held a bill hearing (HB484) on February 6, but the Committee has not yet taken a vote. The Senate Budget and Taxation Committee held a bill hearing (SB470) on February 12, but the Committee has not yet taken a vote.
- d. [HB1543/SB1000](#) - ***Gaming - Sports Wagering Facilities - Request for Relocation (Delegate Stein/Senator Hettleman)***. This bill would authorize certain sports wagering facility licensees to submit a written request to the Commission to relocate the sports wagering facility to a new location that is in the same county, complies with certain location requirements, and is approved by the Sports Wagering Application Review Commission. The full House passed HB1543 on third reader (138-0), and this bill has been referred to the Senate Budget and Taxation Committee for its review. The full Senate passed SB1000 on third reader (42-0), and this bill has been referred to the House Ways and Means Committee for its review.
- e. [SB1033](#) - ***Gaming - Online Sports Wagering - Repeal (Senator Benson)***. This bill would repeal online sports wagering beginning January 1, 2026 and require the Commission, notwithstanding a certain provision of law, to refund the application fee submitted by applicants for and holders of mobile sports wagering licenses under certain circumstances. This bill is currently in the Senate Rules Committee for its review.

### 3. *Lottery Bills of Interest*

- a. [HB328/SB541](#) - ***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 full House passed HB328 with amendments (138-0), and this bill has been referred to the Senate Budget and Taxation Committee for its review. The Senate

Budget and Taxation Committee held a bill hearing (SB541) on March 5, but the Committee has not yet taken a vote.

- b. [HB337/SB595](#) - ***State Lottery Fund - Laurel Race Course - Local Impact Aid (Delegates Lehman, Bartlett, Guzzone, et. al and Senator Rosapepe)***. This bill would require the Comptroller, beginning in fiscal year 2026, to distribute from the State Lottery Fund \$250,000 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 for the two-year period. The full House passed HB337, as amended (137-0), and this bill has been referred to the Senate Budget and Taxation Committee for its review. The Senate Budget and Taxation Committee held a bill hearing (SB595) on March 6, but the Committee has not yet taken a vote.
- c. [HB539/SB850](#) - ***State Lottery – Ticket Purchase and Delivery by Third-Party Entity – Authorization (Delegate Ebersole/Senator Zucker)***. This bill would authorize the Agency to allow licensed agents to enter into an agreement with third-party entities to allow those entities to purchase State lottery tickets on behalf of individuals in the State and deliver the tickets to the purchasers. This also would authorize the third-party entities to charge a service fee. The House Ways & Means Committee held a bill hearing (HB539) on February 6, but the Committee has not yet taken a vote. The Senate Budget and Taxation Committee held a bill hearing (SB850) on March 5, but the Committee has not yet taken a vote.
- d. [HB618](#) - ***State Lottery - Internet Sales of Subscription Plans – Authorization (Delegate Patterson)***. This bill would authorize the Agency to allow the establishment of a system or program that allows for the purchase of a State lottery subscription plan through an electronic device that connects to the Internet, such as a personal computer or mobile device, and require the Agency to report by December 1, 2026, to certain committees of the General Assembly on State lottery subscription sales. The full House passed HB618 with amendments (125-12), and this bill has been referred to the Senate Budget and Taxation Committee for a bill hearing on March 27 at 1:00 p.m.

#### 4. *Budget Hearings*

In mid-February, the Agency appeared before the Senate's Public Safety, Transportation and Environment Subcommittee in the Budget and Taxation Committee and the House's Subcommittee on Education and Economic Development in the Appropriations Committee to discuss our FY26 budget submission. The Agency concurred with DLS' recommendation, and both Committees concurred with DLS' recommendation.

#### 5. *2025 Green Bag Appointments*

On February 19, Governor Moore presented his 2025 Green Bag Appointments to Senate President Ferguson and nominated E. Randolph Marriner for reappointment to the Commission and also nominated Nicholas Mosby for appointment to the Commission. The full Senate approved both nominees, and they must now take the oath of office to finalize their appointments to the Commission. We anticipate that both appointees will be present at the April 24 Commission meeting.

## **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. The Agency is reviewing the comments received and will submit its recommendation to the Commission in April.

## **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 had ten (10) active recruitments for March and has twenty-nine (29) vacant positions to be filled, mainly in our Regulatory Oversight Division, and our Accounting, Finance and Operations Division. The HR Department is arranging Labor Management Committee meetings with both exclusive bargaining representatives for our unit employees, and these unions are the American Federation of State, County & Municipal Employees (AFSCME) and the Maryland Professional Employees Council (MPEC).