

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: April 11, 2025

SUBJECT: Report for the April 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

II. ACCOUNTING/FINANCE

• **Promotion Fund (Unclaimed Prizes)**

○ Beginning Balance as of March 1, 2025	\$13,201,263
○ Estimated increase in March, 2025	\$1,152,406
○ Estimated usage in March, 2025	<u>(\$3,269,620)</u>
○ Estimated Ending Balance as of March 31, 2025	\$11,084,049

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
March 31, 2025	\$5,828.91 <i>(Due date is April 15th, amount is received to date)</i>
June 30, 2025	<i>Not available yet</i>
FY 2025 Total	\$552,263.23 <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 – March, 2025				
LOCATION	COUNT	AMOUNT	YTD COUNT	YTD AMOUNT
Baltimore - HQ	1,293	\$7,754,269	9,930	\$68,901,302
Casinos	103	\$1,349,995	864	\$10,564,135
XCAP PROCESSING – March, 2025				
COUNT	AMOUNT	YTD COUNT	YTD AMOUNT	
7,308	\$12,531,787	62,183	\$111,287,245	

- **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 – March, 2025		
GAME	NUMBER PROCESSED FOR THE MONTH	NUMBER OF ACTIVE
Multi-Match®	282	1,329
Mega Millions®	0	396
Powerball®	367	1,938
Cash4Life®	83	356
TOTAL	732	4,019

- **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 – March, 2025		
TYPE	INTERCEPTED THIS MONTH	INTERCEPTED FYTD
Child Support	\$12,207	\$102,106
Central Collections Unit	\$177,449	\$1,271,823

V. SPECIAL PROJECTS

The Sports Entertainment Facilities and Events, Prince George’s County Blue Line Corridor Facilities, and Racing Facilities Act (the “Sports Entertainment Facilities Act”) was enacted as Chapter 61 (HB 897) of the Acts of 2022, and amended by Chapter 468 (SB 442) of the Acts of 2023 (the “Amendment” and with the Sports Entertainment Facilities Act, the “Act”) by the Maryland General Assembly. Subject to the terms and conditions set forth in the Act, the Maryland Stadium Authority (the “Authority”) is authorized to issue up to \$220 million in bonds to finance the design, construction, equipping, and furnishing of any segment of a Sports Entertainment Facility (a “Sports Entertainment Facility”) as defined in the Act. In November 2023, the Authority issued \$20.1 million of its revenue as Series 2023A and \$78.4 million of its revenue bonds as Series 2023B, totaling \$98.5 million.

The Authority’s Comprehensive Plan of Financing Sports and Entertainment Facilities Series 2025 is expected to issue up to \$121.5 million of tax-exempt bonds. It was approved by the Authority’s Board of Directors on March 4, 2025.

Because the capital improvements projects will be funded by lottery revenues, the Maryland Lottery & Gaming Control Agency is assisting the Maryland Stadium Authority in the debt service preparations. The department and other Agency personnel have been participating in the compilation and review of documents required for the bond offerings; assisting the credit rating agencies in determining of the credit rating for this offering through presentation of various Lottery information to the rating agency personnel; and participating in the due diligence conducted by the Underwriter in connection with the issuance of the bond.