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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: June 17, 2025

SUBJECT: Report for the June 2025 Commission Meeting

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

## **I. GOVERNMENT RELATIONS MATTERS**

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

The next SWARC meeting is scheduled for July 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**

The following bills were approved by the Governor and signed into law on May 20:

- a. [HB350](#) - ***Budget Bill (Fiscal Year 2026)***. This bill included language striking the \$17 million disbursement to the Racing and Community Development Financing Fund, Special Fund Appropriation. As passed, this disbursement has been reduced by \$3.6 million, resulting in a remaining appropriation of \$13.4 million (effective July 1, 2025).
- b. [HB352](#) - ***Budget Reconciliation and Financing Act of 2025***. This bill would have provided State employees with a 1% cost of living increase and a 2.5% salary increase, altered the State's share of the casino table game tax rate from 20% to 25%, and increased the mobile sports wagering tax rate from 15% to 30%. The bill passed with several amendments (effective July 1, 2025). The amendments impacting the Agency included:
  - State employees receiving a 1% general cost of living increase, effective July 1, and increments to State employees that are part of bargaining units.
  - Mobile sports wagering tax increasing from 15% to 20%, and specifying the additional revenues would go to the General Fund.
  - Reducing the statutory distribution of lottery revenues to the Montgomery County Bus Rapid Transit by \$10 million annually (from \$27 million to \$17 million) and

requiring the Transportation Trust Fund (TTF) to provide the \$10 million to make the funding for the program whole.

- c. [HB1347/SB299](#) - ***Security Guards and Security Guard Employers - Registration, Certification, and Regulation (Delegate Adams/Senators Carozza and Feldman)***. This bill was intended to prevent a duplication in the requirement to obtain a State or national criminal history records check if the cannabis agent was authorized to provide security guard services in accordance with certain provisions of law. The bills were amended to exclude video lottery operators and sports wagering facility licensees from the definition of security guard employer. Both bills passed with the amendment (effective October 1, 2025).

The Governor vetoed the following bill on May 16:

[HB328](#) - ***State Lottery – Instant Ticket Lottery Machines – Veterans’ and Fraternal Organizations (Delegate Ebersole)***. This bill authorizes 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. HB328 passed with amendments to limit the number of ITLMs to three (3) per location and to remove the pre-printed ticket requirement (effective July 1, 2025). Governor’s Veto [Letter](#).

## **II. REGULATORY MATTERS**

The Agency is preparing the Notice of Final Actions on the remaining proposed amendments that were approved by the Commission at its May 22 Commission meeting for submission into the Electronic Filing System (ELF) and publication in the *Maryland Register*. The Notice of Final Action on COMAR 36.02.08 Voluntary Assignment of Monetary Prizes was published in the June 13 edition of the *Maryland Register*, with a June 23 effective date.

## **III. HUMAN RESOURCES MATTERS**

The Human Resources team continues to focus on recruiting for sports wagering positions and backfilling other positions around the Agency. Currently, the Agency has thirteen (13) active recruitments for May and has twenty-six (26) vacant positions to be filled, mainly in our Regulatory Oversight Division, and our Accounting, Finance and Operations Division. As you may recall, Governor Moore announced a series of actions to help Marylanders impacted by federal workforce reductions, including charging Department of Budget and Management (DBM) with developing a program to expedite the hiring of displaced federal workers. DBM has identified several job series to focus streamlined pooled hiring efforts, and MLGCA was recently recognized by DBM as the first unit of State government to hire a displaced federal worker under this initiative.