

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

UNITS: Government Relations, Regulations and Human Resources

DATE: August 12, 2026

SUBJECT: Director Report for the August 2026 Commission Meeting

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

I. GOVERNMENT RELATIONS MATTERS

The Maryland General Assembly (MGA) convened for a Special Session on August 3-4, 2026. The MGA took up the issues of overturning certain Governor's vetoes and redistricting. Senate Bill 459, *Procurement - Advertising - Local News Organizations (Local Newspapers for Maryland Communities Act of 2026)*, was being considered for a veto override by the MGA but the gubernatorial veto was not overridden.

The Agency submitted four departmental concepts to the Governor's Legislative Office (GLO) in July. Three of the four concepts were approved by the GLO for further development. The Agency plans to submit final departmental bill packets to GLO by August 28th. Two of the departmental proposals were submitted in 2026, including the *Gaming - Prohibition on Interactive Games and Revenue From Illegal Markets proposal*; and *Sports Wagering Proceeds - Promotional Play Exclusion - Limitation*. A third bill would seek to repeal a procurement exemption that has not been utilized by the Agency in over two decades. As a reminder, please note that full departmental proposals are to remain confidential until approved by GLO and introduced by the MGA.

II. REGULATORY MATTERS

The Agency has chosen to allow the sports wagering promotional play regulations that were published in the August 22, 2025, edition of the *Maryland Register* (Volume 52, Issue 17), to expire by operation of law rather than publishing Notices of Withdrawals in the *Maryland Register*. Proposed actions on regulations that are not moved to final action or withdrawn automatically expire one year after publication in the *Maryland Register*.

In May 2026, the Agency submitted Notices of Final Action on the following regulations:

- 36.03.06.03; Enforcement and Voluntary Exclusion Program - Gaming Provisions
- 36.03.10.38; Video Lottery Facility Minimum Internal Control Standards - Jackpot Payout
- 36.07.04.14; Instant Bingo Minimum Internal Control Standards - Review of Internal Controls
- 36.07.06.08; Technical Standards - Instant Bingo Machine Additional Requirements
- 36.10.13.29; Sports Wagering Licensee Minimum Internal Control Standards - Bettor Tracking System, and
- 36.10.13.39; Sports Wagering Licensee Minimum Internal Control Standards - Promotional Play.

The Agency took no action on the following regulations:

- 36.03.06.01; Enforcement and Voluntary Exclusion Program - Enforcement, or
- 36.10.10.01; Enforcement and Voluntary Exclusion Program - Enforcement.

The July 24, 2026 issue of the *Maryland Register* (Volume 53, Issue 15) listed these aforementioned regulatory actions as pending; however, after consulting with staff at the Division of State Documents, the Agency learned that the Notice of Final Action was published in May. The Agency expects to submit Notice of Withdrawals for 36.03.06.01 and 36.10.10.01, as additional action needs to be taken on these proposed regulations, and which also may necessitate amending other existing regulatory provisions.

III. HUMAN RESOURCES MATTERS

The Agency's Human Resource Department (HR) is pleased to report that 100% of the Agency's required June Performance Evaluation Program (PEPs) forms, covering the rating period from January 1, 2026, through June 30, 2026, were completed and submitted by the stated deadline. The State's Paid Family Medical Leave (PFML) Program went live on July 1, and the HR Department has implemented a procedure for submitting and monitoring these medical leave requests for PFML usage.

The HR Department welcomes its new Employee Relations Specialist who will be starting with the Agency on August 19th. In addition, the HR Department is excited to announce that the entire office will be relocating to its new office space within the next 45 days. The HR Department expects to have its Labor Management Council meetings with the Maryland Professional Employees Council (MPEC) within the next 60 days once the official ground rules have been agreed upon by the parties..

The Agency is still recruiting for various vacant positions across units and continues to submit Individual Hiring Freeze Exception Requests (HFERs) to the Department of Budget and Management so that the Agency will be able to recruit for other positions in which we receive notices of retirement, termination or resignation.