

Maryland Lottery and Gaming Control Agency

Wes Moore, Governor • John Martin, Director



Montgomery Park Business Center
1800 Washington Blvd., Ste. 330
Baltimore, Maryland 21230

Tel: 410-230-8800
TTY users call Maryland Relay
www.mdlottery.com

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: February 26, 2025

SUBJECT: Report for the February 2025 Commission Meeting

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

I. GOVERNMENT RELATIONS MATTERS

A. Sports Wagering Application Review Commission (SWARC)

The next SWARC meeting is scheduled for March 19, 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. On February 14, SWARC Commissioners were saddened to learn of the passing of fellow SWARC Commissioner, Delegate Frank Turner. In 2021, House Speaker Adrienne Jones appointed former Delegate Turner to serve on the SWARC as its representative.

B. Legislative Update

March 3 will mark the 55th Day of the legislative session and the final date for the introduction of bills without suspension of Rules. Below are fourteen (14) bills of interest, from the thirty-seven (37) bills that we are currently tracking during the 2025 session. 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)***. 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 on January 29, but the Committee has not yet taken a vote. The House Ways and Means Committee held a bill hearing 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 Appropriations and Ways and Means Committees has scheduled a bill hearing for February 27, at 1:00 p.m. The Senate Budget and Taxation Committee has scheduled a bill hearing for February 28, at 12:00 p.m.
- 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 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 has scheduled a bill hearing for March 6, at 1:00 p.m. The Senate Budget and Taxation Committee has scheduled a bill hearing for March 5, at 1:00 p.m.
- 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 has scheduled a bill hearing for March 6, at 1:00 p.m. The Senate Budget and Taxation Committee has scheduled a bill hearing for March 5, at 1:00 p.m.

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 on February 20, but the Committee has not yet taken a vote. The Senate Judicial Proceedings Committee held a bill hearing 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 Senate Budget and Taxation Committee issued a favorable report with amendments and the full Senate passed the bill on third reader (46-0). The bill has been referred to the House Ways and Means Committee for its review.
- 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 on February 6, but the Committee has not yet taken a vote. The Senate Budget and Taxation Committee held a bill hearing on February 12, but the Committee has not yet taken a vote.
- d. [SB1000](#) - ***Gaming - Sports Wagering Facilities - Request for Relocation (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, subject to certain limitations. This bill has been referred to the Senate Budget and Taxation 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 House Ways & Means Committee held a bill hearing on January 30, but the Committee has not yet taken a vote. The Senate Budget and Taxation Committee has scheduled a bill hearing for March 5, at 1:00 p.m.
- 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 \$500,000 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. The House Ways & Means Committee held a bill hearing on January 30, but the Committee has not yet taken a vote. The Senate Budget and Taxation Committee has scheduled a bill hearing for March 6, at 1:00 p.m.

- 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 on February 6, but the Committee has not yet taken a vote. The Senate Budget and Taxation Committee has scheduled a bill hearing for March 5, at 1:00 p.m.
- 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. The House Ways & Means Committee held a bill hearing on February 6, but the Committee has not yet taken a vote.

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 is waiting on the subcommittees to issue their budget decisions, which should occur in a few weeks.

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. Their names will be sent to the Senate Executive Nominations Committee for consideration and possible appearance before the committee.

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.

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 eleven (11) active recruitments for February and thirty (30) vacant positions to be filled, mainly in our Regulatory Oversight Division, and our Accounting, Finance and Operations Division. The HR Department welcomes Regina Savage to the office as our new HR Manager. She will start on March 5.