

HB0618 B&T Patterson testimony.doc.pdf

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Position: FAV



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

Testimony in Support of HB0618
State Lottery - Internet Sales of Subscription Plans - Authorization

Good afternoon, Chair Guzzone, Vice-Chair Rosapepe, and Members of the Senate Budget and Taxation Committee. For the record, I am Delegate Edith Patterson, sponsor of HB0618 – State Lottery – Internet Sales of Subscription Plans – Authorization. This legislation authorizes the State Lottery and Gaming Control Agency to establish a system or program that allows consumers to purchase a State Lottery subscription plan through the Internet using personal or mobile devices. This is a modernization bill for the current antiquated system of selling subscriptions.

Subscriptions are currently offered for Cash4Life, Multi-Match, Mega Millions, and Powerball through a mail-only program. Requiring players to fill out the paperwork online, then print it out and mail in a check or money order to lottery headquarters. The process to obtain a subscription and begin playing takes 1-2 weeks depending on when the application is received and processed. I cannot begin to think of any successful modern business operating this way.

This bill begins to address changes in consumer behavior. Consumers expect convenience, flexibility, and accessibility in their interactions with businesses and services, including government, departments, and agencies. The widespread adoption of mobile technology and online payment systems has fueled this shift. Unfortunately, the State Lottery's current subscription process has not kept pace with these changes.

The current outdated and cumbersome process discourages participation, especially among younger, tech-savvy audiences who expect seamless digital options. As a result, we are missing an opportunity to attract new players and grow revenue for important state programs funded by lottery proceeds.

An online system would enhance consumer satisfaction, improve operational efficiency for the State Lottery, and potentially increase subscription participation rates, leading to higher revenue for Maryland. This legislation will not impact lottery sales at physical locations, nor does it change the existing prohibition on Lottery ticket sales through the Internet.

Maryland is not alone in recognizing the need for modernization. Many other states have already implemented similar programs. These states have reported positive outcomes, including increased participation and revenue growth while providing security measures to ensure consumer protection

and compliance with gaming regulations. By passing HB0618, Maryland can modernize its lottery system, meet the expectations of today's consumers, and strengthen the State Lottery's ability to fund critical programs and initiatives that benefit all Marylanders.

I respectfully urge you to vote favorably for HB0618.

Thank you for your consideration,
Edith Patterson
Charles County

HB 618 - State Lottery - Internet Sales of Subscri

Uploaded by: Jennifer Beskid

Position: INFO

Maryland Lottery and Gaming Control Agency

Wes Moore, Governor • John Martin, Director



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DATE: March 25, 2025
BILL NO: House Bill 618
BILL TITLE: State Lottery - Internet Sales of Subscription Plans - Authorization
COMMITTEE: Ways and Means
POSITION: Information

The Maryland Lottery and Gaming Control Agency (“MLGCA” or “Agency”) provides the following Letter of Information regarding House Bill 618, State Lottery - Internet Sales of Subscription Plans - Authorization.

Bill Summary:

The Maryland Lottery currently offers subscription packages for four games: Multi-Match®, Mega Millions®, Powerball® and Cash4Life®. Drawings for these games occur from once a day to three times per week.

This proposed legislation would amend State Government Article §9-111(e) by authorizing Lottery players to purchase a Lottery subscription through an electronic device that connects to the Internet, such as a personal computer or mobile device. The existing prohibition on Lottery ticket sales through the internet will remain unchanged.

Background:

This legislation is a customer service measure. Currently, a subscription player must complete a State Lottery subscription application from the Lottery’s website, print the completed application and mail it to the Agency, along with a check, for processing the player’s subscription plan. Once the Agency receives the application, it conducts its review. If deemed complete, the Agency then activates the player’s subscription, and the player receives an email that the subscription plan has been activated for the requested number of drawings. The entire process can take 7-10 business days depending on postal service delivery.

Rationale:

Modernizing the subscription service to allow for on-line payment would reduce wait times for customers and remove a significant purchasing barrier, while still protecting the integrity of the application and review process. The rest of the subscription process, including filling in an application, notification of acceptance, and monitoring draws would remain unchanged from how it operates today.

This proposal has no economic impact on small businesses that sell lottery tickets at physical locations, as this bill merely makes it easier for an established group of subscription players to purchase their subscription plan, through a streamlined subscription process.

The Agency offers this information to you as you debate HB 618.