

Department of Legislative Services  
Maryland General Assembly

**FISCAL NOTE**

House Bill 728 (Delegate C. Davis. *et al.*)

Ways and Means

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**Distribution of Lottery Proceeds - Compulsive Gambling Treatment Programs**

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This bill allocates \$450,000 of lottery revenue per month to compulsive gambling treatment programs. Of the \$450,000, \$200,000 shall be used for residential treatment facilities with family treatment and aftercare services; \$100,000 shall be used for outpatient care; \$100,000 shall be used for the establishment of a 24-hour hotline; and \$50,000 shall be used for research and prevention services. The Lottery Agency is required to adopt regulations to determine the eligibility of compulsive gambling organizations to receive funds; set standards for services rendered by these programs; set eligibility requirements for individuals seeking services; and to set fees for these services.

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**Fiscal Summary**

**State Effect:** No net effect on general fund revenues. General fund revenues of \$4.1 million in FY 1999 and \$5.4 million annually thereafter are earmarked by this bill. Expenditures and fee revenues could increase by an indeterminate amount.

**Local Effect:** None.

**Small Business Effect:** Minimal.

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**Fiscal Analysis**

**State Effect:** This bill would dedicate \$4.1 million in fiscal 1999 and \$5.4 million annually thereafter to compulsive gambling treatment programs (total fiscal 1999 general fund revenues are estimated at \$376.6 million). Residential treatment facilities would receive \$1.8 million in fiscal 1999 (\$2.4 million annually); outpatient care services and the 24-hour hotline would each receive \$900,000 in fiscal 1999 (\$1.2 million annually); and research and prevention services would receive \$450,000 in fiscal 1999 (\$600,000 annually).

The Lottery Agency advises that it has no experience or expertise in administering health related programs. The Department of Legislative Services advises that this program could be more efficiently operated by other agencies of State government. If not, the Lottery Agency would require additional personnel to administer the program, the costs of which could be at least partially offset by any fees imposed.

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**Information Source(s):** Maryland State Lottery Agency, Department of Health and Mental Hygiene (Alcohol and Drug Abuse Administration), Department of Legislative Services

**Fiscal Note History:** First Reader - February 22, 1998

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