

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 850

(Senator Zucker)

Budget and Taxation

**State Lottery - Ticket Purchase and Delivery by Third-Party Entity -
Authorization**

This bill authorizes the State Lottery and Gaming Control Agency (SLGCA) to allow a licensed agent to enter into an agreement with a third-party entity to allow the entity to purchase a State lottery ticket on behalf of an individual in the State and deliver it to the individual in the State. A third-party entity may charge a service fee for providing this service. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: The bill does not materially affect State finances as discussed below.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: A person or governmental unit generally may not:

- hold itself out to the public as a State lottery sales agent without being licensed by SLGCA to act as a licensed agent;
- sell a State lottery ticket or share unless the person is a licensed agent or employee of a licensed agent;
- sell or purchase a State lottery ticket or share at any price other than the price set by SLGCA;

- sell or purchase the prize validated for payment by SLGCA;
- sell a State lottery ticket or share as a gift to a minor;
- knowingly present, or transfer to another person to present, a counterfeit or altered State lottery ticket or share for payment; or
- knowingly purchase a State lottery ticket or share from another person with the intent to avoid specified payments to the State.

SLGCA may not allow the establishment of any system or program that allows a person to purchase a State lottery ticket through an electronic device that connects to the Internet, such as a personal computer or mobile device.

State Fiscal Effect: The bill authorizes, but does not require, SLGCA to allow a licensed agent to enter into an agreement with a third-party entity. To the extent that SLGCA opts to allow a licensed agent to enter into an agreement with a third-party entity, current law prohibits the sale of a State lottery ticket through an electronic device that connects to the Internet. The Department of Legislative Services assumes a third-party entity would therefore not be able to sell lottery tickets online, and as such, the bill does not have a material impact on State lottery revenues.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 539 (Delegate Ebersole) - Ways and Means.

Information Source(s): Comptroller's Office; Maryland State Lottery and Gaming Control Agency; Department of Legislative Services

Fiscal Note History: First Reader - February 25, 2025
js/jrb

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