

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 633
Ways and Means

(Delegate Atterbeary)

Budget and Taxation

Gaming - Slot Machines - Skills-Based Amusement Devices

This bill alters the definition of “slot machine” to exclude a machine, apparatus, or device that is a skills-based amusement device that awards prizes of merchandise, tickets, tokens, or other objects that per play do not exceed minimal value, as approved by State Lottery and Gaming Control Commission (SLGCC) regulation, and may be accumulated and exchanged for noncash merchandise or prizes of value that is similar to the cumulated value of the objects exchanged and does not exceed a minimal wholesale value of \$599. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: None. Enforcement can be handled with existing resources.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: A skills-based amusement device that awards prizes of a minimal value, as approved by SLGCC regulation, is not a slot machine. Minimal value in regulations is defined as having a wholesale value of \$30 or less.

Chapter 595 of 2016 altered the definition of a slot machine to exclude a machine, apparatus, or device that is a skills-based device that awards noncash merchandise and is located at a licensed family entertainment center in Worcester County. SLGCC may issue

an amusement gaming license to a family entertainment center that meets specified requirements in Worcester County.

A licensed family entertainment center may operate skills-based devices that award noncash prizes of minimal value (\$30 as established in regulations) and up to 10 skills-based devices that award noncash prizes with a minimal wholesale value that does not exceed \$599. A family entertainment center may not exchange merchandise for money. SLGCC may determine that a device at a family entertainment center is an illegal gaming device and order the device to be removed from the premises. An amusement gaming license may not be transferred to another geographic location.

Under COMAR 36.08.04.01, the merchandise, prizes, tickets, tokens or other objects that are awarded by a skills-based amusement device may be accumulated and exchanged for noncash merchandise or prizes of value that is similar to the cumulative value of the items exchanged.

Additional Comments: The State Lottery and Gaming Control Agency published proposed regulations in August 2024 that would amend COMAR 36.08.04.01 so that the merchandise, prizes, tickets, tokens or other objects that are awarded by a skills-based amusement device may be accumulated and exchanged for non-cash merchandise or prizes of value that have a wholesale value of not more than the minimal value. As of February 2025, these regulations have not been submitted to the *Maryland Register* for final action.

Additional Information

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

Designated Cross File: SB 667 (Senator Guzzone) - Budget and Taxation.

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

Fiscal Note History: First Reader - February 3, 2025
rh/jrb Third Reader - March 17, 2025
Revised - Amendment(s) - March 17, 2025

Analysis by: Heather N. MacDonagh

Direct Inquiries to:
(410) 946-5510
(301) 970-5510