Chapter 340

(House Bill 618)

AN ACT concerning

State Lottery – Internet Sales of Subscription Plans – Authorization

FOR the purpose of authorizing the State Lottery and Gaming Control Agency to allow the establishment of a system or program that allows for the an individual to purchase of a State lottery subscription plan in a certain manner; requiring the Agency to report to certain committees of the General Assembly regarding State lottery subscription sales on or before a certain date; and generally relating to the sale of State lottery subscription plans.

BY repealing and reenacting, with amendments, Article – State Government Section <u>9–101 and</u> 9–111(e) Annotated Code of Maryland (2021 Replacement Volume and 2024 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – State Government

<u>9–101.</u>

- (a) In this subtitle the following words have the meanings indicated.
- (b) "Agency" means the State Lottery and Gaming Control Agency.
- (c) <u>"Commission" means the State Lottery and Gaming Control Commission.</u>
- (d) "Director" means the Director of the Agency.
- (e) <u>"Governmental unit" means:</u>
 - (1) <u>an instrumentality of the State;</u>
 - (2) <u>a county or municipal corporation of the State; or</u>
 - (3) an instrumentality of a county or municipal corporation of the State.

(f) "JACKPOT GAME" MEANS A LOTTERY GAME FOR WHICH THE TOP PRIZE AMOUNT VARIES:

(1) BASED ON SALES; AND

(2) IF THE PRIZE WAS WON IN THE PRECEDING DRAWING.

(G) "License" means a license issued by the Director to act as a licensed agent.

[(g)] (H) <u>"Licensed agent" means a person or governmental unit licensed by the</u> Director to act as a State lottery sales agent.

(I) <u>"MULTIJURISDICTIONAL GAME" MEANS A LOTTERY GAME OFFERED BY</u> THE AGENCY AND:

(1) ANY OTHER POLITICAL ENTITY OUTSIDE THE STATE OR OUTSIDE THE UNITED STATES; OR

(2) ANY PRIVATE LICENSEE OF A STATE OR FOREIGN NATION.

[(h)] (J) (1) "State lottery" means the lottery established and operated under this subtitle.

(2) <u>"State lottery" includes a raffle conducted by the Agency.</u>

(K) "SUBSCRIPTION" MEANS A METHOD OF PLAYING A MULTIJURISDICTIONAL OR JACKPOT LOTTERY GAME BY WHICH AN INDIVIDUAL SUBMITS TO THE AGENCY:

(1) AN APPLICATION TO PLAY A GAME USING THE SAME GAME DATA FOR A SPECIFIED NUMBER OF CONSECUTIVE DRAWINGS; AND

(2) PAYMENT FOR THE DRAWINGS.

9–111.

(e) (1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) PARAGRAPHS (2) AND (3) OF THIS SUBSECTION, THE Agency 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.

(2) THE AGENCY MAY ALLOW THE ESTABLISHMENT OF A SYSTEM OR PROGRAM THAT ALLOWS FOR THE PURCHASE OF A STATE LOTTERY SUBSCRIPTION PLAN AN INDIVIDUAL TO PURCHASE A SUBSCRIPTION THROUGH AN ELECTRONIC DEVICE THAT CONNECTS TO THE INTERNET, SUCH AS A PERSONAL COMPUTER OR MOBILE DEVICE.

(3) (1) THE AGENCY MAY ALLOW A LICENSED AGENT TO SELL A VOUCHER THAT AN INDIVIDUAL MAY USE TO FUND THE PURCHASE OF A SUBSCRIPTION.

(II) <u>THE AGENCY SHALL PAY A LICENSED AGENT THAT SELLS A</u> <u>VOUCHER DESCRIBED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH THE</u> <u>COMMISSION RATE STATED IN § 9–117 OF THIS SUBTITLE.</u>

(III) THE AGENCY SHALL PAY A LICENSED AGENT THE COMMISSION RATE STATED IN § 9–117 OF THIS SUBTITLE FOR THE RENEWAL OF A SUBSCRIPTION THAT WAS ORIGINALLY FUNDED BY A VOUCHER SOLD BY THE LICENSED AGENT AND IS RENEWED BEFORE THE SUBSCRIPTION'S EXPIRATION FOR A PERIOD OF 24 MONTHS FROM THE DATE OF THE FIRST RENEWAL.

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1, 2026, the State Lottery and Gaming Control Agency shall report to the Senate Budget and Taxation Committee, the House Appropriations Committee, and the House Ways and Means Committee, in accordance with § 2–1257 of the State Government Article, on State lottery subscription sales, including:

(1) the number and amount of subscriptions sold directly by the Agency;

(2) the number and amount of vouchers sold by licensed agents; and

(3) the number of subscription renewals processed directly by the Agency that were originally funded by vouchers.

SECTION $\stackrel{2}{=}$ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2025.

Approved by the Governor, May 6, 2025.