



**Senate Budget & Tax Committee
March 8, 2023**

**Senate Bill 595
Gaming – Problem Gambling Fund –
Table Game Fees and Distribution of Sports Wagering Proceeds
Support**

NCADD-Maryland supports Senate Bill 595. Each time the State of Maryland has expanded legalized gaming in the last 15 years, the General Assembly has seen fit to ensure a funding stream to address the problems that accompany gambling. A fee was assessed for slot machines. A fee was also assessed for casino table games. But we neglected to add an *effective* funding stream with the expansion into sports wagering.

When the General Assembly legalized sports wagering in Maryland, it specified that any funds that were not claimed 182 days after the wager is won would go to the Problem Gambling Fund. However, with more than 90% of people placing their sports bets online, there are no unclaimed prizes. Unlike lottery tickets where a winner has to go to retailer to claim their prize, the payout when a person places a bet online goes directly into the account the player established with the sportsbook operator. Again, unlike a small portion of lottery winnings, online prizes never go unclaimed. There are zero dollars in unclaimed funds for the vast majority of sports wagering in Maryland.

This has resulted in an expansion of gambling without the accompanying resources to address the problems. And the problem is growing. The latest gambling prevalence study conducted in Maryland in 2020, showed a substantially higher prevalence than in the surveys conducted in 2017 and 2010. There is little doubt that the incidence of problem gambling will continue to grow as we make it easier for people gamble in many different ways.

In addition to directing 1% of sports wagering revenue to the Problem Gambling Fund, Senate Bill 595 requires each video lottery operation licensee to pay an annual \$500 fee for each table game to support the Problem Gambling Fund. This is important because casinos have removed other table games and slot machines to make room for their sportsbooks. This has resulted in a reduction of funding for the Problem Gambling Fund. The reduction has meant Maryland has been investing less in the resources to help Marylanders suffering the harms of this addiction. This fee increase will allow those programs funded by the Problem Gambling Fund to continue working at their usual capacities.

We urge a favorable report on Senate Bill 595.

The Maryland Affiliate of the National Council on Alcoholism and Drug Dependence (NCADD-Maryland) is a statewide organization that works to influence public and private policies on addiction, treatment, and recovery, reduce the stigma associated with the disease, and improve the understanding of addictions and the recovery process. We advocate for and with individuals and families who are affected by alcoholism and drug addiction.