

**Testimony in Opposition to Senate Bill 603**  
Internet Gaming – Authorization and Implementation  
*Before the Budget & Taxation Committee: February 28, 2024*

SB 603 authorizes and creates an implementation strategy to institute internet gaming (iGaming) in Maryland. Internet gaming poses a significant public health risk, as it increases the prevalence of problem gambling in the State. Last year, the Committee considered a similar bill, SB 267, which was not voted on in Committee. Opportunities to gamble are extremely common in people’s daily lives, whether via lottery and scratch-off tickets; sports betting, both in-person and online; horse betting; bingo; and raffles.<sup>1</sup> By passing SB 603 to authorize iGaming in Maryland, the General Assembly will be contributing to the omnipresent nature gambling has in everyday life, making it easier and more likely<sup>2</sup> for people to experience problem gambling.

**SB 603 FAILS TO REQUIRE IGAMING LICENSEES TO PROVIDE A DETAILED REPORT ON USER DATA TO CONSUMERS UPON REQUEST**

Currently, Connecticut, Delaware, Michigan, Nevada, New Jersey, Pennsylvania, and West Virginia have legalized iGaming. Of these seven states, six require that iGaming platforms provide consumers with access to a detailed summary of their personal responsible gambling data, including their deposit and withdrawal histories, win versus loss statistics, beginning and ending account balances, and self-imposed limits history, if applicable.<sup>3</sup> The National Council on Problem Gambling released a report on Internet Responsible Gaming Standards.<sup>4</sup> Their standards suggest that to promote responsible gaming behaviors, iGaming licensees not only should inform consumers of how to access their personal data on gambling activities and behaviors, but the

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<sup>1</sup> <https://oasas.ny.gov/gambling>

<sup>2</sup> <https://www.nsoft.com/news/responsible-gaming-and-gambling-disorder>.

<sup>3</sup> <https://www.ncpgambling.org/wp-content/uploads/2023/10/NCPG-iGaming-Regs-IRGS-Comparison-Report-2023.pdf>

<sup>4</sup> <https://www.ncpgambling.org/responsible-gambling/internet-standards/>

licensees should also provide instant access to the consumer's gambling history and account details upon request.

Specifically, the standards state that the personal gambling history data report should include the: amounts won and lost both weekly and monthly; time spent gambling daily, weekly, and monthly; money spend daily, weekly, and monthly; money spent per game; number and types of games played; all details of deposits, withdrawals, and overdrafts; history of user restrictions and limits; frequency where the user met their designated time and money limits; frequency of time- and spending- limit adjustments; and the overall profit and loss margins over a designated period of time.<sup>5</sup> When consumers have access to their gaming history, they are more empowered to regulate their gambling tendencies and seek out help from resources like the Maryland Center of Excellence on Problem Gambling's peer recovery support specialists.

Additionally, according to the National Council on Problem Gambling's Guidelines for Payment Processing, iGaming licensees should also routinely send consumer playing data with identifiers of potentially risky behavior. Sending data to consumers guarantees that consumers will see summaries of their game use, rather than relying on users to look up or request data summaries.<sup>6</sup> Overall, when consumers have readily available access to their personal gambling behaviors, they are more likely to use their personal data to inform creating healthy boundaries surrounding their game play, giving them the tools to play responsibly.<sup>7</sup> If SB 603 were to become law, Maryland would be trailing behind almost every state that has legalized iGaming, as the General Assembly would be failing to include an important consumer protection that would

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<sup>5</sup> <https://www.ncpgambling.org/responsible-gambling/internet-standards/>

<sup>6</sup> [Guidelines for Payment Processing](#)

<sup>7</sup> <https://www.ny.gov/programs/responsible-gaming>

allow users to more easily monitor their gaming habits and determine whether they need to seek help.

**SB 603 DOES NOT AUTHORIZE THE MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY TO IMPROVE UPON THE STATE'S VOLUNTARY EXCLUSION PROGRAM**

West Virginia is the only state with legalized iGaming that does not prevent gaming platforms from sending targeted communications to consumers on the voluntary self-exclusion list.<sup>8</sup> Under current Maryland regulations, a consumer could make the tough decision to join the state's voluntary exclusion list. However, their decision to remove themselves from gaming environments to prevent developing a gambling addiction could prove inefficient. If platforms send self-excluded consumers targeted advertisements, self-excluded individuals will likely be tempted to apply to remove themselves from the state's voluntary exclusion list, contributing to a rise in problem gambling in Maryland.

Moreso, SB 603 should authorize the Maryland State Lottery and Gaming Control Agency (Agency) to increase the visibility on gaming platforms of advertisements and applications for the voluntary exclusion program. For example, Connecticut requires that every iGaming platform include a pop-up message promoting the self-exclusion program every time a consumer accesses the login screen.<sup>9</sup> In Maryland, current regulations state that consumers can only apply for the voluntary exclusion program at licensed video lottery and instant bingo facilities.<sup>10</sup> If the General Assembly authorizes iGaming in Maryland, the number of people who may potentially develop a gambling addiction could proliferate. Therefore, applications to and advertisements for the voluntary exclusion program should also be available on iGaming

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<sup>8</sup> <https://www.ncpgambling.org/wp-content/uploads/2023/10/NCPG-iGaming-Regs-IRGS-Comparison-Report-2023.pdf>

<sup>9</sup> <https://www.ncpgambling.org/wp-content/uploads/2023/10/NCPG-iGaming-Regs-IRGS-Comparison-Report-2023.pdf>

<sup>10</sup> <https://dsd.maryland.gov/regulations/Pages/36.01.03.02.aspx>.

platforms, as these platforms would be extremely accessible to consumers. In summary, SB 603 does not go far enough to protect Marylanders, as it does not authorize the Agency to improve the voluntary exclusion program by preventing self-excluded individuals from receiving targeted mailers or offering information on- and applications for- the self-exclusion program on iGaming platforms.

### **LEGALIZING iGAMING IN MARYLAND WOULD LEAD TO A DECLINE IN JOBS.**

Authorizing iGaming poses a significant risk of job loss in Maryland. Brick-and-mortar casinos directly employ over 6,700 people, and they support approximately 27,000 Marylanders across different sectors. According to a report conducted by the Sage Policy Group, iGaming could result in the loss of at least 2,700 jobs. Even though iGaming platforms would have to hire employees to run their platforms, whether as IT professionals or online live gaming operators, iGaming jobs tend to be held in other states.<sup>11</sup>

Additionally, Maryland casino employees are unionized, ensuring that they earn living wages and comprehensive benefits. If casinos become outdated due to the rise of iGaming, Marylanders would lose a source of job security. While opponents may argue that the obsolescence of casinos is unlikely, between 2019 and 2022, casinos in states with legalized iGaming experienced a \$200 million decline in revenue. As iGaming popularity will grow, the overall revenue loss from casinos will grow in tandem; and as casinos revenue declines, they will be forced to lay-off employees.<sup>12</sup>

Proponents of iGaming would likely counter that iGaming promotes jobs, as the platforms would not only have to hire IT professionals and support staff, but they would also hire

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<sup>11</sup> <https://annearundelchamber.org/new-report-reveals-devastating-economic-and-social-impacts-of-legalized-online-gaming-in-maryland/>.

<sup>12</sup> [https://dlslibrary.state.md.us/publications/JCR/2023/2023\\_49-50.pdf](https://dlslibrary.state.md.us/publications/JCR/2023/2023_49-50.pdf).

live dealers for online games such as roulette, blackjack, and baccarat.<sup>13</sup> That said, hiring a couple in-state live dealers for online platforms cannot compare to the reality that brick-and-mortar casinos employ many in-person live dealers, as casinos offer multiple games at the same time. To conclude, by authorizing iGaming in the state, SB 603 would hurt the Maryland economy by creating job loss throughout the state.

### **Conclusion**

Passing SB 603 would seriously endanger the public health of Marylanders. Opportunities to gamble are almost unavoidable. If the General Assembly authorized iGaming, people who already struggle with gambling addiction face a serious risk of harm from increased access to gaming on their electronic devices. SB 603 fails to protect Marylanders by not requiring iGaming operators to provide consumers access to their user data, which would empower consumers to remain informed of their player habits and potentially motivate them to seek help if at risk for problem gambling. The bill also fails to provide expanded authority to relevant agencies to support the voluntary exclusion program and may cause job loss. For these reasons, I request an unfavorable report on Senate Bill 603.

*This testimony is submitted on behalf of the Public Health Law Clinic at the University of Maryland Carey School of Law and not by the School of Law, the University of Maryland, Baltimore, or the University of Maryland System.*

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<sup>13</sup> <https://igamingbusiness.com/gaming/live-dealer/live-dealer-on-the-rise/>.