



**2024 SESSION  
POSITION PAPER**

**BILL:** HB 1218 – State Lottery – Internet Sales Authorization and Distribution of Proceeds  
**COMMITTEE:** House – Ways and Means  
**POSITION:** Letter of Opposition  
**BILL ANALYSIS:** HB 1218 removes from existing law the prohibition on online State lottery ticket sales, thereby authorizing the State Lottery and Gaming Control Agency to create an online lottery ticket sales program. The bill also requires 1% of the money remaining in the State Lottery Fund each year to be allocated to the Problem Gambling Fund, with certain exemptions.

**POSITION RATIONALE:** The Maryland Association of County Health Officers (MACHO) opposes HB 1218 for the threat it poses to behavioral health and financial security which are closely linked to health outcomes.

It is well-documented that lower-income individuals purchase lottery tickets at far greater rates than their high-income peers.<sup>1</sup> An analysis by the University of Maryland found that lottery retailers are disproportionately clustered in neighborhoods with greater poverty rates and more Black and Hispanic residents.<sup>1</sup> Expanding access to the lottery via online ticket sales will worsen existing disparities by making it possible for residents to purchase tickets using credit cards instead of cash as required by licensed brick-and-mortar retailers. As a result, community retailers who receive commissions and fees to sell the games to the public,<sup>2</sup> may see their revenue decrease as online sales replace in-person purchasing.

Allowing online lottery ticket sales will also make it easier for those under the age of 18 to purchase lottery tickets, as parents or other family members who consider the activity harmless could willingly allow or inadvertently permit youth to gamble on their accounts.<sup>3</sup> Seeing parents, siblings, or other members of the household gamble online normalizes gambling for children, making them more likely to engage in gambling and other risky behaviors, including alcohol and drug use.<sup>3</sup> This is critical to consider given the advent of legalized sports wagering, which is particularly attractive to a younger demographic and difficult to police online.<sup>3</sup>

Passing HB 1218 will transfer wealth out of poor communities, exacerbate racial inequities, and ultimately, harm behavioral health and financial security in Maryland. While increasing funding for gambling assistance is warranted, it should not be at the detriment to members of our communities.

For these reasons, MACHO submits this Letter of Opposition for the Committee’s consideration on HB 1218. For more information, please contact Ruth Maiorana, Executive Director, MACHO, at [rmajoral@jhu.edu](mailto:rmajoral@jhu.edu) or 410-937-1433. *This communication reflects the position of MACHO.*

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<sup>1</sup> Tambe, A., Neukam, S., Seltzer, K., Logan, R., Kuczynski, H., Gartner, E., Ahmed, T., Zimmardi, A., Purdie, M., Vuttaluru, S., & Pinzon, J. L. (2022, July 12). *State lotteries transfer wealth out of needy communities*. The Howard Center for Investigative Journalism. <https://cnsmaryland.org/2022/07/01/state-lotteries-transfer-wealth/>

<sup>2</sup> Maryland State Archives. (2024, February 6). *State Lottery & Gaming Control Agency*. Maryland State Lottery & Gaming Control Agency - Origin & Functions. <https://msa.maryland.gov/msa/mdmanual/25ind/html/50lotf.html>

<sup>3</sup> Nower, L., Anthony, W. L., Stanmyre, J. F. (2022). The intergenerational transmission of gambling and other addictive behaviors: Implications of the mediating effects of cross-addiction frequency and problems. *Addictive Behaviors*, 135, 107460. <https://doi.org/10.1016/j.addbeh.2022.107460>.