CRAIG J. ZUCKER

Legislative District 14

Montgomery County

Budget and Taxation Committee Chair, Capital Budget Subcommittee

Chair, Senate Democratic Caucus



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THE SENATE OF MARYLAND Annapolis, Maryland 21401

Testimony of Senator Craig J. Zucker
Senate Bill 850- State Lottery - Ticket Purchase and Delivery by Third-Party Entity Authorization
March 5th, 2025
1:00pm
Position: Favorable

Good afternoon, Chair Guzzone, Vice Chair Rosapepe, and distinguished members of the Budget and Taxation Committee. It is my pleasure to testify today in support of **Senate Bill 850-State Lottery - Ticket Purchase and Delivery by Third-Party Entity - Authorization.**

Senate Bill 850 would authorize lottery courier services in Maryland. This legislation would allow Maryland to join 18 other jurisdictions, including DC, where consumers can order lottery tickets through websites or mobile apps.

Customers place the order through a courier app. The actual purchase, however, happens at a standard, licensed lottery terminal where a paper ticket is generated. The customer then receives an image of the ticket to confirm the purchase was validity fulfilled, while the physical paper ticket is stored securely by the courier. Should the winnings be less than \$600, the courier claims the prize and credits the customer's account. For a jackpot over \$600, the customer claims the prize in person using the ticket, consistent with standard lottery rules. Couriers generate revenue when customers fund their accounts. There is no markup on ticket prices, and couriers take no portion of winnings.

States with courier services consistently see a 15%-20% increase in lottery sales. For Maryland, this could generate approximately \$100 million in additional annual revenue without any state expenditure. Data from other states confirms these are new sales, not simply shifting purchases away from traditional brick-and-mortar vendors. This revenue can be realized quickly - within about three months - unlike iLottery programs that require years to implement due to procurement processes. Additionally, authorizing lottery couriers does not preclude Maryland from pursuing iGaming or iLottery programs later, if desired. Our platforms include responsible gaming features like play amount limits to prevent problem gambling, and these protections can be incorporated into regulations. We have been working closely with the Maryland Lottery to develop amendments ensuring the Lottery maintains regulatory oversight over a courier program.

I respectfully request a **favorable report on Senate Bill 850.** Thank you for your consideration.