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Budget and Taxation Committee
Chair, Capital Budget Subcommittee

Chair, Senate Democratic Caucus

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony of Senator Craig J. Zucker
Senate Bill 708- State Lottery - Courier Services - Licensure
March 11th, 2026
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 708- State Lottery - Courier Services - Licensure**.

Senate Bill 708 would authorize the Director of the State Lottery and Gaming Control Agency to issue a license to certain persons to conduct lottery courier services in Maryland. This legislation would allow Maryland to join 17 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. The customer will have the option to obtain the original ticket if they wish. Customers should be notified within 24 hours of drawing of a winning ticket and its prize value. 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.

This bill was introduced in 2025 as SB850. Last session we worked closely with the Maryland Lottery to develop amendments for SB850 ensuring the Lottery maintains regulatory oversight over a courier program. Senate bill 708 includes those amendments to ensure transparency and fairness for consumers. First, this bill clarifies that a licensed courier can only charge a service

fee that is a percentage of the amount deposited by the customer into their account and no additional fees. Any fees charged by couriers for a transaction must be clearly displayed on both the mobile app and their website. The customer must accept and consent to the charge before completing the transaction ensuring that they are informed on the fees they will be paying. This bill requires that licensed couriers maintain an internet website that identifies itself as a licensed courier and the website must prominently display a Problem Gambling Assistance Message. They must also maintain a database of all stored lottery tickets and their purchaser. Couriers will be required to safeguard the personal information of their customers including bank account information, debit card numbers, and other similar information. Couriers will verify the identity, age, and physical location of their customers to ensure that sales are occurring in Maryland. Finally, this bill permits the Director to adopt certain regulations in the implementation of this bill including: Establishing standards and qualifications for licensed couriers and their employees and limiting the number of terminals couriers may use at a single location.

I respectfully request a **favorable report on Senate Bill 708**. Thank you for your consideration.