



Maryland Budget and Taxation Committee

Testimony in Support of Senate Bill 0708

March 11, 2026

Chair Guzzone, Vice Chair Rosapepe, and distinguished Members of the Budget and Taxation Committee,

Thank you for the opportunity to submit written testimony in support of Senate Bill 708. My name is Julin Shaw, and I have spent more than seventeen years working in the lottery industry. Early in my career, I worked here in Maryland where I served as the account manager for the Maryland Lottery's scratch off ticket vendor. Throughout my career, I have partnered with lotteries across North America on a range of modernization initiatives, including digital second chance programs, loyalty platforms, and iLottery solutions.

In my current role as Senior Director of Business Development at DraftKings, my focus remains on helping lotteries responsibly expand participation and generate incremental revenue by engaging new and evolving consumer segments. Lottery courier services represent one such modernization strategy—one that has proven effective in supporting incremental revenue for the good causes lotteries across the country are designed to fund.

DraftKings is a leading U.S.-based digital sports entertainment and gaming company with extensive experience operating in highly regulated environments. In 2024, DraftKings acquired Jackpocket, the nation's leading lottery courier service, which operates in seventeen U.S. states and territories including New York, New Jersey and DC, in full compliance with all applicable laws and regulations. With more than a decade of operational experience, Jackpocket adheres to rigorous standards governing age and identity verification, geolocation, data security, responsible gaming, and secure ticket handling. Our experience in markets where lottery couriers are regulated, such as New York and New Jersey, demonstrates that clear statutory authority and strong oversight allow lottery courier services to operate transparently and responsibly while supporting the lottery's core mission of generating revenue for public benefit.

Senate Bill 708 responds to an undeniable reality facing state lotteries nationwide: consumer purchasing behavior has fundamentally changed, and it is not going back. Remote work has reduced daily commuting and routine stops at convenience stores; electric vehicles mean fewer visits to gas stations; and grocery and meal delivery services have significantly reduced in-person retail trips. As a result, consumers are encountering lottery products less frequently in their day-to-day lives—especially as same-day and next-day access to nearly every product increases the consumer expectation for convenience, speed, and security of digital transactions.

The Maryland Lottery must be able to meet consumers where they are. SB 708 does exactly that by establishing a transparent, state-regulated framework for lottery courier services. The bill empowers the Lottery to set clear rules, enforce strong consumer protections, and maintain full oversight of courier activity.

A central strength of SB 708 is that it modernizes access while preserving Maryland's existing lottery structure and traditional retail ecosystem. All lottery tickets continue to be physically purchased from licensed retail agents. The bill does not authorize digital ticket issuance, direct online lottery sales, or any changes to how lottery games are offered by the State. Licensed couriers act solely as agents of the consumer, executing purchase instructions while keeping the point of sale firmly within the established retail framework.

Experience from other states demonstrates that integrating regulated courier services strengthens retail lottery performance. In states such as New York and New Jersey, licensed courier services account for approximately 15 percent of daily draw game ticket sales. From FY2020 through FY2024, this added capacity contributed to a 29.3% increase in traditional draw game sales in New Jersey and an 11% increase in New York. SB 708 provides Maryland with the same opportunity to both protect consumers and drive meaningful incremental revenue for the lottery.

From a fiscal perspective, Senate Bill 708 creates an opportunity to generate incremental lottery revenue by capturing demand that is currently unmet under existing distribution models. Based on our experience in other markets where couriers operate in partnership with state lotteries, our models anticipate incremental lottery sales of approximately \$450 million by the third year of operations, particularly when leveraging the benefit of the DraftKings mobile platform, existing player database, and cross-marketing capabilities.

Courier services also expand the Lottery's reach to new and incremental players—particularly a digitally native, mobile-first audience that often does not engage through traditional retail channels due to changes in work patterns, transportation habits, or payment preferences. By accommodating these evolving routines, SB 708 helps ensure the Lottery remains relevant, accessible, and competitive for a broader segment of Maryland residents.

Introducing Jackpocket as a regulated lottery courier creates a unique cross-sell opportunity that benefits the Maryland Lottery through DraftKings' existing digital customer base. DraftKings invests significant resources in acquiring and engaging sports betting customers, many of whom are not current lottery players. Through targeted, compliant marketing, these players can be introduced to lottery products via Jackpocket, expanding the Lottery's reach to new and incremental participants. In fact, in markets where DraftKings and Jackpocket both operate, peak engagement moments—such as the August 2025 Powerball jackpot exceeding \$1 billion coinciding with the start of the NFL season—demonstrated the strength of cross-sell from sports betting to lottery, converting approximately 12 times more new lottery players than lottery-to-sports conversion. This cross-sell strategy drives additional lottery ticket purchases without requiring the Lottery to incur customer acquisition costs, allowing Maryland to benefit from DraftKings' marketing investment while increasing overall lottery sales and returns to the state.

In addition, regulated courier services deliver significant value through independent marketing investment. Jackpocket invests millions of dollars annually in marketing efforts that increase

awareness of lottery products across digital channels, reaching audiences that traditional retail marketing does not consistently capture. These efforts amplify the Lottery's visibility, promote jackpots and games, and introduce lottery participation to new communities and demographics, all at no cost to the state. This marketing support enhances the Lottery's brand presence and contributes to long-term growth.

Companies like Jackpocket operate transparently and in close coordination with state lotteries to provide players with a secure and compliant way to participate. SB 708 strengthens this framework by establishing clear, enforceable standards for licensed couriers, including age and identity verification, in-state geolocation controls, secure ticket handling and storage, data privacy protections, and responsible gaming tools.

Consumer protection—and responsible gaming in particular—is central to Jackpocket's operations. Jackpocket is iCAP certified by the National Council on Problem Gambling, a designation that reflects adherence to the industry's highest standards for consumer safeguards, including employee training, player education, data-driven monitoring, and ongoing evaluation of responsible gaming practices. Jackpocket offers a comprehensive suite of responsible gaming tools, including deposit and spending limits, controls that allow players to manage approved payment methods, and multiple options for taking breaks from play—such as cool-off periods, self-exclusion, and “Bet Blocker” functionality. Since becoming part of DraftKings, Jackpocket has also integrated enhanced responsible gaming capabilities, including “My Stat Sheet,” which enables players to track their spending across DraftKings products in one place. These tools are reinforced by DraftKings' industry leadership in responsible gaming, most recently recognized by Eilers & Krejci's January 2026 report, *“Product Analysis: Preliminary Testing of Responsible Gaming on OSB Apps,”* which ranked DraftKings as the most well-liked app for responsible gaming based on user experience, tool quality, and feature depth. Together, these measures ensure that any expansion of lottery access through regulated courier services is accompanied by robust, best-in-class consumer protections.

In closing, Senate Bill 708 provides the Maryland Lottery with the right framework to develop comprehensive, thoughtful regulations and to responsibly introduce lottery courier services. By adding a courier sales channel, the Lottery can modernize and diversify its distribution network in a way that reflects today's consumer realities—where traditional retail purchase opportunities are less frequent and less predictable. Experience across the country is clear: states that have introduced regulated digital distribution, whether through courier services, iLottery, or both, have strengthened and diversified their lottery sales channels to better reflect modern consumer behavior—a trend reflected regionally as the neighboring DC Lottery moves forward with finalizing regulations for its courier program. SB 708 positions Maryland to achieve the same outcome—modernization with oversight, growth with safeguards, and increased value for the state.

For these reasons, we respectfully support a favorable outcome on the bill. Thank you for your thoughtful review of this important opportunity and I am happy to address any questions you may have.

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