



March 31, 2026

Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, Maryland 21401

RE: HB 1226 – Maryland Illegal Online Gambling Enforcement Act – Letter of Support

Dear Chair Guzzone:

This letter is in support of *HB 1226 – Maryland Illegal Online Gambling Enforcement Act*. This bill brings important and timely updates to the criminal and gaming laws, which did not previously contemplate online gaming. It makes online sweepstakes games illegal in Maryland and creates an enforcement scheme against illegal online gaming by authorizing substantial civil and criminal penalties against violators.

Online sweepstakes companies claim that sweepstakes are not gambling because players are not making a purchase for the chance to win real money and prizes. However, they effectively function like all other forms of gambling and have the same addictive potential. States are catching onto the damage of online sweepstakes and are increasingly filing lawsuits against these operators; for example, an online sweepstakes operator, VGW, faces multiple lawsuits alleging it is operating an illegal gambling website. Maryland has not filed any lawsuits, but the Lottery has sent cease-and-desist letters to multiple operators informing them their websites were illegal and demanding they block Marylanders from accessing their sites. Operators have been slow to respond, if at all.

This bill will give the state more recourse against these illegal operations. We urge a favorable report on HB 1226. If you would like more information, please contact Heather Eshleman at heshleman@som.umaryland.edu or (667) 214-2120.

Sincerely,

Heather Eshleman, MPH
Director of Operations
Maryland Center of Excellence on Problem Gambling