

# **2026 SB 456 Maryland Center of Excellence on Probi**

Uploaded by: Blair Inniss

Position: FWA



February 18, 2026

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

RE: SB 456 – Fantasy Competitions - Alterations and Voluntary Exclusion  
Requirements

Dear Chair Guzzone:

The Maryland Center of Excellence on Problem Gambling supports *SB 456 – Fantasy Competitions - Alterations and Voluntary Exclusion Requirements* with two amendments.

Gambling can be defined as any betting or wagering, for self or others, whether for money or not, no matter how slight or insignificant, where the outcome is uncertain or depends upon chance or “skill.”<sup>1</sup> The Center supports this bill’s requirement that each fantasy competition operator must include a statement on obtaining assistance with real-money gaming problems on the operator’s portal, website, or application, and all marketing material. Maryland does not define fantasy competitions as betting, wagering, or gambling and yet recognizes that it is a form of “real money gaming” that is addictive. The Center suggests the following amendment in recognition that participating in a fantasy competition is a gambling activity and deserves the same level of awareness as all other forms of gambling.

On page 3, in line 22, strike “**DOES NOT CONSTITUTE**” and substitute “**CONSTITUTES**”.

On page 6, in line 25, strike “(1)”.

On page 7, strike in their entirety lines 1 through 2, inclusive.

According to the most recent Maryland Gambling Prevalence Study, 32.1% of Marylanders who gambled in daily fantasy sports and 16.1% of Marylanders who gambled in yearly fantasy sports met the criteria for disordered gambling.<sup>2</sup> This bill requires any prize or award won by an individual on the self-exclusion list to be transferred to the Problem Gambling Fund (PGF). While the Center supports requiring fantasy competition operators to contribute to the PGF, it

<sup>1</sup> Gamblers Anonymous, <https://gamblersanonymous.org/wp-content/uploads/2025/03/March-2025-2.pdf>.

<sup>2</sup> Statewide Gambling Prevalence in Maryland: 2024, <https://www.mdproblemgambling.com/wp-content/uploads/2025/09/2024-MD-Gambling-Report.pdf>.



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has long been the Center's position that all licensees should be required to contribute a percentage of their proceeds to the Problem Gambling Fund and we would request the same in this bill.

If you would like more information, please contact Heather Eshleman at [heshleman@som.umaryland.edu](mailto:heshleman@som.umaryland.edu).

Sincerely,

*Heather Eshleman*

Heather Eshleman, MPH

Director of Operations  
Maryland Center of Excellence on Problem Gambling  
Office Direct: 667-214-2120  
Email: [heshleman@som.umaryland.edu](mailto:heshleman@som.umaryland.edu)

# **NCADD-MD - 2026 SB 456 FWA - Fantasy Competitions**

Uploaded by: Nancy Rosen-Cohen

Position: FWA



**Senate Budget & Tax Committee  
February 18, 2026**

**Senate Bill 456 - Fantasy Competitions - Alterations and Voluntary Exclusion  
Requirements**

**Support with Amendment**

The Maryland Chapter of the National Council on Alcoholism and Drug Dependence supports Senate Bill 456 with amendments. NCADD-Maryland supports this bill's requirement that each fantasy competition operator must include a statement on obtaining assistance with real-money gaming problems on the operator's portal, website, or application, and all marketing material.

However, we oppose the language in the bill that excludes fantasy competitions from the definition of "sports wagering." Gambling can be defined as any betting or wagering no matter how slight or insignificant. With the most recent Maryland Gambling Prevalence Study reports that 32.1% of Marylanders who gambled in daily fantasy sports and 16.1% of Marylanders who gambled in yearly fantasy sports met the criteria for disordered gambling, it is poor public health policy to include this provision.

We therefore suggest the following amendments:

- On page 3, in line 22, strike "DOES NOT CONSTITUTE" and substitute "CONSTITUTES".
- On page 7, delete lines 1 and 2 in their entirety.

With these amendments, we urge a favorable report on Senate Bill 456.

**DraftKings Testimony - SB 456 - 02-18-2026.pdf**

Uploaded by: Kevin Cochran

Position: UNF



Senate Budget and Taxation Committee  
Testimony in Opposition to SB 456  
February 18, 2026

Chair Guzzone, Vice Chair Rosapepe, and Members of the Committee,

DraftKings Inc. (“DraftKings”) wants to thank the Senate Budget and Taxation Committee for the opportunity to provide testimony on Senate Bill 456. It is our position that Senate Bill 456 would create an opportunity to muddy the permissible contest types in the state, when currently the Maryland Lottery and Gaming Control Agency (“MLGCA”) has set forth clear guidance. In fact, in March 2022, the MLGCA sent a letter to all registered fantasy sports operators in the state explaining that fantasy competitions in which players compete against the fantasy competition operator instead of other players are not compliant with Maryland law and also clarified the types of contests that are in scope for the state.

DraftKings generally supports the fantasy contest language as drafted in the Unlawful Internet Gambling Enforcement Act (“UIGEA”) as the appropriate and well-established foundation for defining fantasy competitions in state law. The UIGEA framework provides clear, workable criteria that distinguish fantasy contests from gambling by focusing on skill-based outcomes, predetermined prizes, and results that reflect the relative knowledge and judgment of participants rather than chance or the performance of a single athlete or team. Using this federally recognized language promotes consistency across jurisdictions, offers regulatory clarity for operators and consumers, and reduces unnecessary litigation or ambiguity. Grounding state legislation in the UIGEA standard ensures that lawful, skill-based fantasy competitions can continue to operate responsibly while preserving strong consumer protections and regulatory oversight provided by each state.

Senate Bill 456 amends the definition of “fantasy competition” into something not recognizable compared to most definitions of fantasy contests/competitions around the country in the other states with a regulatory framework where DraftKings operates. It deviates significantly from UIGEA. Particularly, the new subsection (2)(II) related to “bonus payouts” could create a scenario that moves further and further away from the traditional spirit of fantasy competitions.

Further, the new subsection (3) in the definition of “fantasy competition” does not clarify that an operator may not be a participant, and that creates concern that this could be an opportunity for bets already being placed in Maryland under the state’s sports wagering statute to instead be offered under the state’s fantasy competition statute. If that were to be the case, those contests would be indistinguishable from a proposition bet, a very common wager in sports betting, where



a sports wagering operator sets a line, oftentimes a statistical measurement on individual player performance, and a bettor places a wager where they are essentially competing against the operator, with either the bettor or operator winning the wager.

Thank you for the opportunity to provide written testimony and we would be happy to follow up in writing to provide additional information on what other states have done in relation to clarifying their fantasy sports operations over the past few years if the committee would like more information.

Respectfully,

DraftKings Inc.

# **SB 456 - Fantasy Competitions - Alterations and Vo**

Uploaded by: Jennifer Beskid

Position: INFO

# Maryland Lottery and Gaming Control Agency



Wes Moore, Governor • John Martin, Director

Montgomery Park Business Center  
1800 Washington Blvd., Ste. 330  
Baltimore, Maryland 21230

Tel: 410-230-8800  
TTY users use Maryland Relay  
www.mdlottery.com

TO: Chair Guy Guzzone  
Senate Budget & Taxation Committee

FROM: Jennifer Beskid, Director Legislation and Policy

DATE: February 16, 2026

SUBJECT: Letter of Information - Senate Bill 456, Fantasy Competitions - Alterations and Voluntary Exclusion Requirements

House Bill 456, *Fantasy Competitions - Alterations and Voluntary Exclusion Requirements*, seeks to create a hybrid form of fantasy competitions with sports wagering. As proposed, HB 456 would change the current structure of State Government Article (SG) § 9-1D-01, requiring the 14 current online fantasy sports operators pay a \$50,000 licensing fee annually in return for expanding fantasy competitions into the realm of sports wagering.

Under the existing regulations, fantasy competition operators must register with the Maryland Lottery and Gaming Control Commission (Commission). Upon meeting the criteria in COMAR 36.09.02, Registration, the operator is certified for 365 days from the date of the certification. The operator is required to submit the rules of fantasy competitions that they offer to the Commission for approval. Minor variations of fantasy competitions may be made without resubmitting information to the Commission.

Currently, players can engage in fantasy competitions on one of 14 registered operator platforms in the State. Operators register and pay a \$1,000 registration fee annually. Fantasy competition operators keep 85% of their proceeds and the remaining 15% is submitted to the Commission where it is dispersed to the Blueprint for Maryland's Future Fund ("Blueprint").

The proposed changes in HB 456 alter the existing structure of fantasy competitions, and current operators would have the ability to expand fantasy competition offerings but would be required to pay a \$50k licensing fee instead of a \$1k registration fee. The proceeds would be directed to the Blueprint.

The proposed amendments would significantly alter the structure of fantasy competitions into becoming 'sports wagering competitions.' Currently, SG 9-1E-01(j) defines "sports wagering" as "the business of accepting wagers on any sporting event by any system or method of wagering, including single-game bets, teaser bets, parlays, over-under, moneyline, pools, exchange wagering, in-game wagering, in-play bets, proposition bets, and straight bets." The Commission's sports wagering regulations define an "exchange wager" as "a wager in which a bettor wagers with or against another bettor through a sports wagering licensee." COMAR 36.10.01.02.B(24). The bill would authorize bettors betting against each other in fantasy competitions.

HB 456 also would change the structure of the prize, and allow players to select outcomes of the contest by selecting between the higher or lower of the projected or actual performance statistics of teams consisting of two or more, individual, real-life athletes. These are commonly known as “over-under wagers”, which the Commission’s sports wagering regulations define as “a wager in which a sports wagering licensee sets a number for a statistic in a sporting event, and a bettor wagers that the actual result in the sporting event will be higher or lower than the number set by the sports wagering licensee.” COMAR 36.10.01.02.B(48). The Agency submits that these changes are strikingly similar, if not identical, to sports wagering.

Fantasy competitions are where participants assemble, own, and manage an imaginary team composed of athletes they acquire in a draft. Participants win a prize, or not, based on how their team performs during the season. Participants’ teams earn points based on the performance of each of their players, and the participant with the highest number of points wins for that contest, which can last for a week, season, or year. The bill’s structure fundamentally changes the landscape of fantasy competition by focusing away from the performance of the fantasy team. For example, a current fantasy football league sets the number of players on each participant’s roster. The roster may be limited to 5 players and the participants draft players from the entire league until they have a 5-man roster from a minimum of 2 different (real-life) teams. The language in the bill would allow participants to compete against other participants where the rosters are assembled on real-life athletes, who may not even participate in the same sport, and then participants select the higher or lower of projected or actual performance for each athlete. The Agency contends that this is sports wagering.

Additionally HB 456 seeks to change language in SG § 9-1D-02 by removing references to Title 12 of the Criminal Law Article and specifying that, “A fantasy competition conducted in compliance with the provisions of SG § 9-1D-02 does not constitute betting, wagering, or gambling for any purpose.” This declaration is contradicted by the proposed amendments to the definition of “fantasy competition.” This is also a declaration that the new, expanded definitions and features of fantasy competition are exempt from Article XIX of the State constitution, which provides that any expansion of commercial gaming is subject to referendum. The Agency does not believe this can be done simply by this bill amending the language in SG § 9-1D-02.

The Agency has been in contact with the bill sponsor and understands amendments are being considered. In the meantime, we offer this information for your consideration as you discuss HB 456.