

2026 SB 652 Maryland Center of Excellence on Probi

Uploaded by: Blair Inniss

Position: FAV



March 11, 2026

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

RE: SB 652 – Maryland Illegal Online Gambling Enforcement Act – Letter of Support

Dear Chair Guzzone:

This letter is in support of *SB 652 – 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 SB 652. 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

SB 652 SUP.pdf

Uploaded by: Jennifer Beskid

Position: FAV

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 call Maryland Relay
www.mdlottery.com

DATE: March 11, 2026
BILL NO: Senate Bill 652
BILL TITLE: Maryland Online Illegal Gambling Enforcement Act
COMMITTEE: Senate Budget and Taxation Committee
POSITION: SUPPORT

The Maryland Lottery and Gaming Control Agency (Agency) provides the following information regarding Senate Bill 652, *Maryland Online Illegal Gambling Enforcement Act*.

Bill Summary: Senate Bill 652 would add new Subtitle 1F to Title 9 of the State Government Article, to prohibit unauthorized online gambling and authorize the Office of the Attorney General (OAG), acting through the Consumer Protection Division (CPD), to issue cease and desist orders and take enforcement action against violators. Prohibited conduct includes: operating, offering, conducting, engaging in, or promoting illegal online gambling; and in connection with illegal online gambling, accepting or processing a financial transaction, or providing an online platform for gambling. Prohibited conduct also includes other means of supporting illegal online gambling by providing financial transactions, geolocation services, gaming content, or celebrity endorsements.

The OAG may seek relief against violators that includes restraining orders, freezing bank or credit accounts, taking down gambling platforms, as well as misdemeanor convictions that carry substantial fines. Violators are also disqualified from holding a gaming license issued by the Maryland Lottery and Gaming Control Commission (Commission).

Background: When Maryland voters authorized video lottery terminals (slot machines) by referendum in November 2008, table games, a 6th casino in November 2012, and sports wagering in November 2020, the State could not have predicted the future reach of the Internet as a vehicle for illegal online gambling operators diverting revenues generated by Maryland's regulated gaming market, which in turn means lower contributions from gaming revenues to the State's good causes - including the *Education Trust Fund* and the *Blueprint for Maryland's Future Fund*. Research from the American Gaming Association (AGA) estimated in 2022 that the unregulated, illegal, online gaming market generated \$551 billion in revenues nationally on an annual basis. In August 2025, the AGA estimated that since its 2022 report, the illegal gaming market had grown by 22%.

Rationale: For an activity to be “gaming” or “gambling”, there must be three elements: consideration, chance, and prize. In other words, “gaming” or “gambling” is where a player pays to play a game and has the chance to win a real-money prize. Maryland law generally prohibits gaming unless it is specifically authorized. The only authorized online gaming is offered by the 12 mobile sports wagering licensees and 12 registered fantasy competition operators who are licensed and regulated by our Agency. Otherwise, online real-money games of chance are not authorized in Maryland; that includes online poker, slots, and sweepstakes games where players can win a prize of value.

Under Criminal Law Article, §12–113, the Commission is authorized to make the final determination as to whether a “gaming device” is legal. Current law defines “gaming device” as “a game or device at which money or any other thing or consideration of value is bet, wagered, or gambled.” This definition did not contemplate the advent of online gaming. SB 652’s definitions - including “online gambling” - bring the law into the present.

The Agency has been trying to address illegal online gambling by sending operators notices to cease and desist offering their illegal online games in Maryland; about 25% of C&D recipients have voluntarily blocked online access to their games in Maryland. However, the Commission is not authorized to take enforcement against illegal gaming or its operators.

SB 652 establishes a comprehensive enforcement structure implemented by the OAG through its CPD, as discussed above. It also addresses jurisdictional and evidentiary obstacles that have prevented meaningful action against illegal online gaming. Importantly, the bill strengthens enforcement options as it envisions collaboration between CPD’s resources and the Agency’s gaming expertise to prioritize protecting consumers against the hazards of illegal online gaming. Unlike the legal, licensed operators offering online gaming in Maryland, illegal online operators are not required to: verify players’ physical location in Maryland (a federal law requirement); verify players’ age (21 for sports wagering, 18 for fantasy competitions), safeguard players’ personal and financial information, offer mechanisms by which players can self-exclude, or pay taxes.

Maryland is not the only state taking action against illegal operators, below is a list of other states that have proposed or enacted legislation to ban illegal online operators:

Pending Legislation (2026)

Arkansas
Florida
Illinois
Indiana
Iowa

Enacted Legislation

California
Connecticut
Louisiana
Montana
Nevada

Maine
Massachusetts
Mississippi
Ohio
Virginia

New Jersey
New York

Summary: The Commission has authority to determine whether a gaming activity is legal in Maryland, and can send cease and desist notices to illegal online operators, but has no authority for enforcement action against operators who do not comply with a cease and desist notice. SB 652 would greatly strengthen the State's ability to take meaningful action against illegal operators.

The Agency respectfully requests the committees to vote FAVORABLE regarding SB 652.

SB652 CFG Supporting Testimony.pdf

Uploaded by: Jessica Welman

Position: FAV



Chairman Guy Guzzone
100 State Circle
Annapolis, MD 21401
Cc: Honorable Members, Senate

Budget and Taxation Hearing

March 9, 2026

Chair Guzzone and Honorable Members -

Testimony in **favor** of the Maryland Illegal Online Gambling Enforcement Act

I appreciate this opportunity for the Campaign for Fairer Gambling to lend our support of SB652. My name is Brianne Doura-Schawohl and I am an international problem gambling expert and director of the Campaign for Fairer Gambling. The Campaign aims to advance a politically bipartisan and scientifically evidence-based practice to enhance consumer protections across the gambling sector. We strive to raise awareness of gambling related harm ultimately doing all that we can to prevent and reduce it.

The campaign fully supports SB652, a measure that will take tangible action against the unregulated and illegal gambling markets by clearly codifying the definition of illegal gambling. You will hear quite a bit about the illegal and unregulated gambling market this legislative session, but to date, this is the only piece of legislation that is actually going to do something to limit operations of these sites within the state.

These unregulated sites lack oversight, leaving customers with nowhere to turn if something goes wrong. Operators are also not held to any sort of responsible gambling standard, so these products, which researchers say are ten times more addictive than other forms of gambling, are marketed and peddled completely unchecked.

By passing HB 1226, Maryland would join a list of five states that have already prohibited unregulated sweepstakes gambling, including New York and California. There are also eleven additional states considering similar legislation in 2026.

Maryland Lottery and Gaming Control Agency Director John Martin has already appeared before you to explain why an explicit law such as this one is the single best weapon for a gambling regulator to have in order to work collaboratively and effectively with law enforcement to push these unregulated and unsafe sites out of the market.

A 2024 report from monitoring platform YieldSec determined that illegal operators controlled 74% of the US online gambling marketplace, with nearly 10 unregulated sites running for every regulated site in operation. Each year, those numbers continue to grow. More should and must be done to protect Marylanders.

The latest iGaming report from Penn State University found that, even though online casinos



have been legal in Pennsylvania since 2019, the number of Pennsylvanians playing on unregulated sites is on the rise. In just a year, the rate of black-market play jumped from 6% to 10%.

If you really want to do something to address the number of Maryland residents gambling online, SB652 is precisely the way to do it. The answer is not to create a regulated counterpart; the answer is to give law enforcement the tools necessary to take action and shut these operations down. Stomping out illegal operators protects the people and communities of Maryland.

We appreciate your consideration and I'd be happy to answer all questions that you may have.

Warmest Regards,

Brianne Doura-Schawohl

Maryland Illegal Gaming Testimony_Senate V3.pdf

Uploaded by: Joe Maloney

Position: FAV



Senate Budget and Taxation Committee

Testimony in Support of SB 652

March 11, 2026

Chair Guzzone, Vice Chair Rosapepe, and members of the committee, thank you for the opportunity to testify today. My name is Jeremy Kudon and I am Chairman of the Sports Betting Alliance (the “SBA”), a coalition of five of the nation’s leading licensed and regulated sports wagering and iGaming operators. Our members—Bet365, BetMGM, DraftKings, Fanatics Betting & Gaming, and FanDuel—are all proud to be licensed sportsbook operators in Maryland.

The SBA strongly supports Senate Bill 652’s prohibition on illegal online gambling, including online sweepstakes casinos. We commend the Chair for advancing thoughtful, effective legislation that directly addresses and curtails this conduct.

Sweepstakes platforms allow Maryland customers to pay real money and win real money by playing online casino games. Customers purchase “gold coins” used to play so-called “social games” that offer no real-world prizes. However, with each purchase of gold coins, users also receive a “free” allotment of “sweeps coins” (typically on a 1:1 basis to the number of dollars spent) which can be used to play the exact same casino games for the opportunity to win cash prizes.

The “sweepstakes” subterfuge is merely a thin attempt to bypass Maryland’s gambling prohibitions. In short, these casino games offer a prize, awarded by chance, obtained through paid consideration—the hallmark of gambling under Maryland law. This business model is casino gambling in everything but name, and it presents serious risks to Maryland consumers.

Maryland has demonstrated that gambling can and should be offered with appropriate safeguards and subject to rigorous state oversight. Maryland’s land-based casinos and online sports wagering operators must comply with detailed rules and regulations regarding responsible gaming, integrity, accounting and taxation. In contrast, these



unlicensed illegal gambling entities operate real money online casinos without any regulatory oversight. They are not required to implement standard safeguards typically mandated in legal gaming operations, such as responsible gaming measures, protections against underage gambling, or compliance with anti-money laundering laws.

Despite these risks, Maryland residents are estimated to wager \$8.62 billion annually on unregulated online sweepstakes and internet games, up nearly 30% from 2022, losing approximately \$74.4 million each year.¹

SB 652 would modernize Maryland law to make clear that unlicensed, unregulated, untaxed online gambling is illegal. It would also provide accountability, prohibiting any person from knowingly supporting illegal online gambling, directly or indirectly, and requiring the Commission to revoke the gaming license of any person found in violation, rendering that person permanently ineligible to hold a gaming license.

It is a common-sense step to protect consumers and ensure a fair, regulated marketplace. We respectfully urge your support in banning illegal online gambling in Maryland.

Sincerely,

A handwritten signature in blue ink, appearing to read "JK", is positioned above the typed name.

Jeremy Kudon, Chairman

Sports Betting Alliance

¹ American Gaming Association. (2025, August; 2023, August). *Sizing the illegal and unregulated gaming markets in the United States*.

Cordish Live! SB 652 Testimony - Maryland Illegal

Uploaded by: Mark Stewart

Position: FAV

Testimony of The Cordish Companies and Live! Casino Hotel Maryland

Presented by Mark Stewart, General Counsel

In SUPPORT of SB 652

Budget and Taxation Committee Hearing

March 9, 2026

On behalf of The Cordish Companies and Live! Casino Hotel Maryland, I respectfully submit this written testimony **in support** of SB 652, which would enact the Maryland Illegal Online Gambling Enforcement Act and bolster the State's enforcement efforts against illegal online gambling. We appreciate the Budget and Taxation Committee's attention to the growing issue of illegal online gambling and the need to ensure that Maryland's laws are effectively enforced.

Background on the Illegal Online Gambling Market

Illegal and unregulated online gambling is a significant and ongoing reality across the United States. The American Gaming Association's August 2025 report estimates that, nationally, gambling on illegal online slots and table games is substantial, and accounts for billions of dollars annually in state gaming tax revenue loss. This activity is occurring through websites and mobile platforms that accept wagers from U.S. residents without holding a U.S. state issued gaming license.

Concerns about the scope and impact of offshore operators have also been raised by a bipartisan coalition of state attorneys general. In an August 5, 2025, letter to the U.S. Department of Justice—signed by Maryland Attorney General Anthony Brown and attorneys general from across the country—the group requested coordinated enforcement efforts to address illegal offshore gaming operations. The letter describes operators that function without proper licensure, evade taxation, fail to verify age, and undercut regulated markets. A copy of the letter is enclosed with this testimony.

Importantly, the attorneys general urged use of enforcement tools such as website seizures, injunctions, asset forfeiture, and cooperation with financial institutions to block unlawful transactions. While their letter focused on federal enforcement authority, the underlying enforcement strategies it endorses—disrupting illegal operators' access to payment systems, digital infrastructure, and U.S. consumers—are directly relevant at the state level.

The Maryland Illegal Online Gambling Enforcement Act seizes on those same core strategies and implements them within Maryland's own enforcement framework. Rather than relying solely on federal action, the bill equips Maryland authorities with state-level civil tools designed to disrupt illegal operators' ability to market, host, and monetize their activities in this State.

Legislative Approaches in Other States

Maryland is not alone in examining legislative tools to address illegal online gambling. In 2025, several states enacted or advanced legislation aimed at banning and more effectively enforcing against illegal online sweepstakes and similar gaming models.

For example:

- New York (Senate Bill 5935) adopted legislation that not only prohibits operating or promoting illegal online sweepstakes games, but also extends potential liability to those who “support” such operations, including financial institutions, payment processors, geolocation providers, gaming content suppliers, platform providers, media affiliates, investors, and board members.
- California (Assembly Bill 831) similarly included geolocation providers, gaming content suppliers, platform providers, and media affiliates within the scope of potential liability for supporting illegal online gaming.
- Other states, including Nevada, Montana, and New Jersey, have adopted enhanced penalty structures, forfeiture provisions, and jurisdictional clarifications to strengthen enforcement tools.

A common theme across these measures is recognition that illegal online operators often rely on a network of third-party service providers—payment processors, hosting companies, content suppliers, and advertisers—to reach consumers and process transactions. By addressing not only the operator but also those who knowingly facilitate the operation, states have sought to create more effective enforcement mechanisms.

These examples demonstrate that states are experimenting with a range of civil and criminal tools to respond to illegal online gambling activity, and that SB 652 fits within a broader national policy conversation.

Maryland Law and the Purpose of This Bill

Online gambling that is not expressly authorized under Maryland law is already illegal. However, many illegal online gambling operators are located offshore or otherwise beyond the easy reach of traditional criminal enforcement.

As the multistate attorneys general letter underscores, offshore operators are often structured to evade direct enforcement and operate across jurisdictions. That reality presents practical challenges for state-level prosecution.

SB 652 is designed to strengthen Maryland’s ability to respond using tools that are familiar in the consumer protection context. Rather than relying solely on criminal prosecution of distant operators, the bill focuses on disrupting the ecosystem that allows illegal online gambling to function.

Specifically, the bill empowers the Attorney General to take action to impact illegal operators' ability to:

1. Market to and attract Maryland consumers – by authorizing cease and desist notices and enforcement against those who promote illegal online gambling.
2. Prop up websites and digital platforms – by enabling action directed at platform providers and others who host, transmit, or otherwise facilitate access to illegal gambling websites.
3. Receive payment from consumers – by prohibiting financial transaction providers from knowingly processing payments in connection with illegal online gambling and by authorizing enforcement measures against those who continue to facilitate such transactions.

These approaches mirror the enforcement strategies endorsed by the coalition of attorneys general—targeting websites, financial flows, and supporting infrastructure—but apply them through Maryland's own statutory authority.

Importantly, the bill does not alter or affect gaming activities that are expressly authorized and regulated under Maryland law. Instead, it is designed to ensure that the State has practical, enforceable mechanisms to address activity that is already unlawful.

Key Provisions of the Maryland Illegal Online Gambling Enforcement Act

The Maryland Illegal Online Gambling Enforcement Act applies to (1) operators that offer illegal online gambling to individuals located in Maryland and (2) individuals and entities that promote or provide support to operators of illegal online gambling (for example, financial institutions, platform providers, gaming content providers, promoters, media affiliates, and endorsers).

- The Attorney General or other prosecuting attorney is empowered to:
 - Issue cease-and-desist notices to violators.
 - Seek temporary or permanent injunctions to restrain illegal conduct.
 - Maintain a public list of offending websites.
- Operators offering illegal online gambling can be fined \$50,000 for the first violation and \$100,000 for each subsequent violation.
 - Each illegal wager or promotion is treated as a separate violation.
 - Penalties include possible imprisonment up to three years and forfeiture of profits.
- Supporters of illegal online gambling (e.g., banks, advertisers, platforms) can be fined \$25,000 fine for the first violation and \$50,000 for each subsequent violation. Each act of support constitutes a separate violation.

- Financial institutions are prohibited from processing payments related to illegal online gambling.
- Platform providers are prohibited from hosting or transmitting illegal gambling content and must verify operator licensure before hosting advertisements.
- Financial institutions and platform providers may block or refuse transactions or transmissions without liability.
- Courts may issue injunctions to:
 - Remove or disable access to illegal gambling websites.
 - Freeze associated bank or credit accounts.
 - Stop payment processing or advertising support.
- Violation of an order against a supporter of illegal online gambling results in a fine of \$50,000 for the first offense and \$100,000 for each subsequent violation.
- Out-of-state violators targeting Maryland residents are subject to Maryland jurisdiction.
- The Maryland Attorney General is authorized to adopt rules, regulations, and standards for enforcement.

Conclusion

SB 652 is a needed and important measure to enhance enforcement against illegal online operators, and those who would enable them, and to protect Marylanders. Contrary to the claims of some, legalizing more online gambling does not shrink or stop the illegal market.¹ Indeed, just the opposite is the case – the illegal market thrives and grows.² Enforcement against illegal activities, not sanctioning them, is sound policy. We respectfully urge a favorable report on SB 652.

¹ *The Washington Post*, “Legal sports betting was supposed to end the black market. It didn’t,” (Sept. 12, 2024); see <https://cdn.sanity.io/files/42ezp3kj/production/3c51bcc5f56e9f4e49be0d36910c0db943805877.pdf>; *Sportsbookreview.com*, “Latest Report Says 74% of Online Gambling Revenue in the US Comes from Illegal Sites” (June 17, 2025); https://www.fairergambling.com/wp-content/uploads/2025/04/GYS_YS_CFG-REPORT_USA-NATIONAL-2024_04.08.2025_FINAL_NO-EM.pdf.

² In Pennsylvania, which has both online sports betting and iGaming, participation in the illegal market nearly doubled year over year, according to a new study by Penn State University. <https://www.pa.gov/content/dam/copapwp-pagov/en/ddap/documents/documents/agency-reports/interactive-gaming-reports/psu-2025-online-gambling-report.pdf>



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Executive Director

1850 M Street NW
12th Floor
Washington, DC 20036
(202) 326-6000
www.naag.org

August 5, 2025

The Honorable Pamela Bondi
United States Attorney General
United States Department of Justice
950 Pennsylvania Avenue NW
Washington, D.C. 20530

Submitted via email

Dear Attorney General Bondi:

We, the undersigned State Attorneys General, write to request assistance from the United States Department of Justice (“USDOJ”) to address the rampant spread of illegal offshore gaming operations across the United States. Our States have heard reports concerning growth in the illicit offshore gambling markets that could be harming our citizens. While we as States do all we can to protect our citizens, such unlawful enterprises undermine the rule of law, threaten consumer protection, and deprive our States of significant tax revenues and economic benefits. We seek the USDOJ’s cooperation in ensuring these companies are brought to justice to the fullest extent available under state and federal law, both criminal and civil, for any potential violations.

Background of Illegal Offshore Gaming

Illegal online sports betting and gaming operations—largely run by massive, foreign-based companies— reportedly pervade our jurisdictions. These offshore entities routinely operate without proper licensure, offer limited or non-existent consumer protections, fail to verify user age, ignore state boundaries, and evade taxation obligations potentially to both the Internal Revenue Service and our States.

These unlawful platforms expose residents—particularly young people and vulnerable adults—to fraudulent schemes and highly addictive gambling without any oversight or accountability. Moreover, these

operations undercut state-regulated markets and have been linked to money laundering, human trafficking, and other nefarious conduct.

Recent estimates show that the volume of illegal online gaming exceeds more than \$400 billion annually, leading to more than \$4 billion in lost tax revenue for state governments.¹ Despite these staggering figures, enforcement has been scarce, only emboldening these illegal operators.

A Path Forward: Joint USDOJ and AG Enforcement of Federal Law

Since 2013, USDOJ enforcement actions against illegal offshore gambling sites have been extremely limited. We seek USDOJ's cooperation and coordination to deploy robust legal tools to curb these unlawful enterprises. For instance, under the Unlawful Internet Gambling Enforcement Act, USDOJ can pursue injunctive relief to block access to illegal websites and payment processing mechanisms. See 31 U.S.C. § 5365(b). Additionally, under 18 U.S.C. § 1955(d), USDOJ has the authority to seize assets—including servers, domains, and proceeds—that illegal gambling operations use. Because the websites owned by unlawful offshore operations violate federal law, USDOJ can and should seize the websites and domain names of operators and retain any proceeds recovered as part of the seizure.

USDOJ has used its authority to seize online assets in analogous cases. On "Black Friday" in 2011, it seized websites, servers, and domain names of companies that sold counterfeit products.² In April 2024, the USDOJ successfully seized domains connected to a Russian cybercrime network engaged in large-scale identity theft and fraud.³ Those same mechanisms can and should be applied to illegal offshore gaming platforms.

Furthermore, the USDOJ and our offices should work in partnership with major payment processors to implement a national enforcement and compliance strategy to cut off access to the U.S. financial system. Both Visa and Mastercard have already signaled their willingness to investigate and address unlawful use of their networks for gambling transactions.⁴ We should capitalize on this willingness to shut down illegal offshore gaming operations.

¹ *Sizing the Illegal and Unregulated Gaming Markets in the United States*, Am. Gaming Ass'n (Nov. 2022), <https://perma.cc/FPA8-7ADB>.

² Press Release, U.S. Dep't of Just., Federal Courts Order Seizure of 150 Website Domains Involved in Selling Counterfeit Goods as Part of DOJ, ICE HSI and FBI Cyber Monday Crackdown (Nov. 28, 2011), <https://perma.cc/UR9S-Z2YR>.

³ Press Release, U.S. Secret Service, Justice Department Seizes Four Web Domains Used to Create Over 40,000 Spoofed Websites and Store the Personal Information of More Than a Million Victims (Apr. 4, 2018), <https://perma.cc/NCD8-5B8N>.

⁴ *Mastercard and Visa Pledge Vigilance Following Gambling Investigation*, PYMNTS (Mar. 10, 2025), <https://perma.cc/AS3X-ATJH>.

Request for Cooperation

We strongly encourage USDOJ to prioritize enforcement against illegal offshore gaming operations. In its FY24 appropriations directive, Congress emphasized the importance of this issue.⁵ Under your leadership, we urge the USDOJ to coordinate with our offices to:


- Pursue injunctive relief and website seizures under federal law;
- Seize assets and domain names of illegal offshore gaming operators; and
- Coordinate with financial institutions to block unlawful transactions and dismantle the financial infrastructure supporting these enterprises.

We stand ready to collaborate with the USDOJ to protect our residents and uphold the laws of our country and of our States.

Sincerely,



Mike Hilgers
Nebraska Attorney General



William Tong
Connecticut Attorney General



Andrea Joy Campbell
Massachusetts Attorney General



Derek Brown
Utah Attorney General



Steve Marshall
Alabama Attorney General



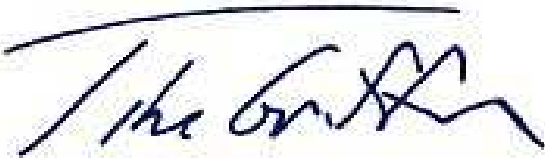
Treg R. Taylor
Alaska Attorney General



Gwen Tauiliili-Langkilde
American Samoa Attorney General



Kris Mayes
Arizona Attorney General



Tim Griffin
Arkansas Attorney General



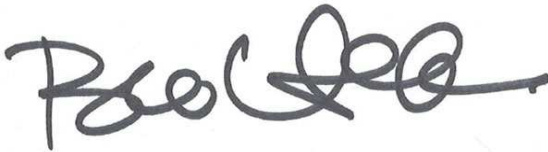
Rob Bonta
California Attorney General



Phil Weiser
Colorado Attorney General



Kathleen Jennings
Delaware Attorney General



Brian Schwalb
District of Columbia Attorney General



James Uthmeier
Florida Attorney General



Christopher M. Carr
Georgia Attorney General



Anne E. Lopez
Hawaii Attorney General



Raúl Labrador
Idaho Attorney General



Kwame Raoul
Illinois Attorney General

Todd Rokita
Indiana Attorney General

Brenna Bird
Iowa Attorney General

Kris Kobach
Kansas Attorney General

Liz Murrill
Louisiana Attorney General

Aaron M. Frey
Maine Attorney General

Anthony G. Brown
Maryland Attorney General

Dana Nessel
Michigan Attorney General

Keith Ellison
Minnesota Attorney General

Lynn Fitch
Mississippi Attorney General

Andrew Bailey
Missouri Attorney General

Aaron D. Ford
Nevada Attorney General

John M. Formella
New Hampshire Attorney General

Matthew J. Platkin
New Jersey Attorney General

Raúl Torrez
New Mexico Attorney General

Letitia James
New York Attorney General

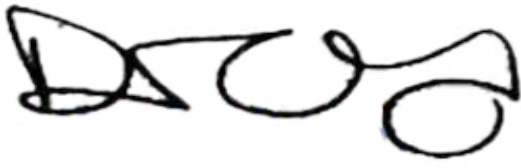
Jeff Jackson
North Carolina Attorney General

Drew H. Wrigley
North Dakota Attorney General

Edward Manibusan
Northern Mariana Islands Attorney
General

Dave Yost
Ohio Attorney General

Gentner Drummond
Oklahoma Attorney General



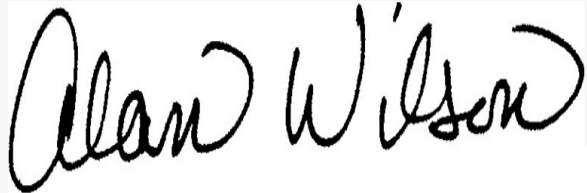
Dan Rayfield
Oregon Attorney General



Dave Sunday
Pennsylvania Attorney General



Peter F. Neronha
Rhode Island Attorney General



Alan Wilson
South Carolina Attorney General



Marty Jackley
South Dakota Attorney General



Jonathan Skrmetti
Tennessee Attorney General



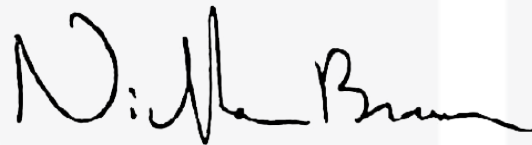
Gordon C. Rhea
U.S. Virgin Islands Attorney General



Charity Clark
Vermont Attorney General



Jason S. Miyares
Virginia Attorney General



Nick Brown
Washington Attorney General



John "JB" McCuskey
West Virginia Attorney General



Keith Kautz
Wyoming Attorney General



SB0652 - MBA - FWA - GR26.pdf

Uploaded by: Evan Richards

Position: FWA



SB 652 – Maryland Illegal Online Gambling Enforcement Act

Committee: Senate Judicial Proceedings Committee

Date: March 11, 2026

Position: Favorable with Amendments

The Maryland Bankers Association (MBA) **SUPPORTS SB 652 WITH AMENDMENTS**. This legislation establishes a new enforcement framework in Maryland to address illegal online gambling by expanding state authority and imposing significant new obligations on platform providers and financial transaction providers. MBA is concerned that these requirements are unduly burdensome and would expose financial institutions to penalties for inadvertently processing transactions linked to illegal online gambling, despite having no practical ability to detect such activity.

Maryland banks already comply with the federal Unlawful Internet Gambling Enforcement Act (UIGEA), which mandates the implementation of risk-based policies and procedures reasonably designed to identify and block unlawful internet gambling transactions. This includes screening commercial accounts for illegal gambling activity and coordinating with payment networks under Regulation GG, which provides a clear and uniform federal compliance framework without imposing criminal liability on institutions acting in good faith.

SB 652 introduces several problematic provisions from a compliance standpoint. For instance, the bill would require banks to continuously monitor the Attorney General’s website for updated cease-and-desist orders and imposes penalties if a bank unknowingly processes a related transaction. Additionally, banks that issue credit cards could face liability even though they have no direct visibility into the underlying activity and must rely solely on merchant category codes when processing card transactions.

For these reasons, MBA believes 9-1F-07(B) should be stricken, 9–1F–10 (D)(2) should be stricken, and that language involving financial transaction providers should be thoroughly reviewed for additional amendments that eliminate banks being penalized for unknowingly processing transactions related to illegal online gambling. Accordingly, MBA urges issuance of a **FAVORABLE** report **WITH AMENDMENTS** on SB 652.

The Maryland Bankers Association (MBA) represents FDIC-insured community, regional, and national banks, employing thousands of Marylanders and holding \$194.8 billion in deposits in over 1,100 branches across our State. The Maryland banking industry serves customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking, and more.

SB0652-BT-SWA.pdf

Uploaded by: Nina Themelis

Position: FWA



BRANDON M. SCOTT
MAYOR

*Office of Government Relations
88 State Circle
Annapolis, Maryland 21401*

SB0652

March 11, 2026

TO: Members of the Senate Budget & Taxation Committee

FROM: Nina Themelis, Director, Mayor's Office of Government Relations

RE: Senate Bill 652 – Maryland Illegal Online Gambling Enforcement Act

POSITION: **Support with Amendments**

Chair Bartlett, Vice Chair Davis, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 652 with a suggested amendment.

As the Baltimore Sun recently noted, “Maryland has a gambling problem.” (<https://www.baltimoresun.com/2026/02/26/maryland-gambling-problem/>). The piece notes that gambling addiction is on the rise, particularly among unmarried Black and Hispanic men. The increase in those reporting addiction has tracked with the rise of the availability of online gambling.

Baltimore City, through its Affirmative Litigation Division, has been investigating problematic conduct by online gambling platforms, and has brought actions against some actors alleging violations of its local unfair, deceptive, and abusive trade practices ordinance (which mirrors the Maryland Consumer Protection Act).

Of particular concern to Baltimore City are the “sweepstakes games” referenced in this bill, wherein a dual-currency system is used to essentially skirt gambling regulations by using one currency for betting that can be traded in for money. They effectively operate as a gambling site—a payment in exchange to play a chance game to win money—but misnomer themselves as a “sweepstakes” to evade not only government restrictions but consumer protections. Some of the protections that are absent are robust age verification systems to prevent minors from participating and participation in Maryland’s Voluntary Exclusion Program (which allows problem gamblers to cut themselves off).

Baltimore City’s position is that these sites are already engaging in unfair, deceptive, and abusive trade practices in their operations, but this bill will make it easier to prove those violations by

making the mere unauthorized operation of such a site in Maryland a violation of the Consumer Protection Act.

There is no apparent downside to providing the Attorney General with the ability to pursue these violators more easily under the Consumer Protection Act. Not only do they take financial advantage of Maryland residents, but they contribute nothing in return. They pay no gaming taxes, nor do they contribute financially to gambling treatment or addiction services as licensed casinos do.

Baltimore City does suggest an amendment to the bill. Because social casinos are creating new games beyond traditional casino games on which to gamble, we recommend adding the following bolded and underlined language to this section of the bill:

9-1f-01(I)(2)(I)-(III). CASINO-STYLE GAMES, INCLUDING SLOT MACHINES, VIDEO 30 POKER, AND TABLE GAMES SUCH AS, **BUT NOT LIMITED TO**, BLACKJACK, ROULETTE, CRAPS, AND POKER; 4 HOUSE BILL 1226 1 (II) LOTTERY GAMES INCLUDING, **BUT NOT LIMITED TO**, DRAW GAMES, INSTANT WIN 2 GAMES, KENO, AND BINGO; AND 3 (III) SPORTS WAGERING.

As such, the BCA respectfully requests a **favorable** report, **with the above amendment**, on SB 652.

sb652.pdf

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Position: UNF

HON. STACY A. MAYER
CIRCUIT COURT
JUDGE
BALTIMORE COUNTY
CHAIR

HON. RICHARD SANDY
CIRCUIT COURT
JUDGE
FREDERICK COUNTY
VICE-CHAIR



KELLEY O'CONNOR
ASSISTANT STATE COURT
ADMINISTRATOR
GOVERNMENT RELATIONS
AND PUBLIC AFFAIRS
P: (410) 260-1560

SUZANNE PELZ, ESQ.
SNR. GOVT. RELATIONS AND
PUBLIC AFFAIRS OFFICER
P: (410)260-1523

MARYLAND JUDICIAL COUNCIL LEGISLATIVE COMMITTEE

MEMORANDUM

TO: Senate Budget and Taxation Committee
FROM: Legislative Committee
Suzanne D. Pelz, Esq.
410-260-1523
RE: Senate Bill 652
Maryland Illegal Online Gambling Enforcement Act
DATE: February 25, 2026
(3/11)
POSITION: Oppose, as drafted, only the specific provisions below

The Judiciary has no position on the policy aims of this legislation nor opposition to the bill's general provisions. The opposition is only as to the specific provisions below.

First, the bill would require a court to order the forfeiture of any profits, gain, gross receipts, or other benefits earned by a person in connection with a violation of the bill's prohibitions (p. 7, lines 5–7). The Judiciary traditionally opposes legislation that includes mandatory provisions and would request that discretion be afforded.

Further, on page 11, line 30 through 32, the bill mandates that the court hold a hearing on an ex parte injunction within 30 days after it is filed. It is not clear whether this ex parte injunction is in addition to a temporary restraining order, which is provided for in Title 15, Chapter 500 of the Maryland Rules. The Judiciary would request that the reference to ex parte injunction be removed and, rather, the parties be allowed to proceed under the rules already in place. Those rules authorize the relief the statute seeks to afford, in a thorough and cognizable way. The Judiciary also objects to the legislative mandate as to the timing of the hearing. The separation of powers doctrine requires that the Court retain authority to manage its own dockets and, allowing the process to proceed pursuant to Title 15, Chapter 500 of the Maryland Rules, would alleviate that concern.

In addition, the bill permits a court to issue relief, including a temporary restraining order, a preliminary injunction, or a permanent injunction “against any person . . .” (p. 11, lines 10–11). The Court lacks the authority to take judicial action against third parties, who have not come under the Court’s jurisdiction or had the opportunity to be heard. Equitable relief of the sort can be issued only against parties to the proceeding; the court would be without jurisdiction to issue equitable relief against any person who is not a party.

cc. Hon. Jeff Waldstreicher
Judicial Council
Legislative Committee
Kelley O’Connor