



To: House Ways and Means Committee

Date: February 12, 2026

Re: Testimony in Opposition to and Request for Amendment re: House Bill 371 (State Lottery – Courier Services – Licensure)

Maryland’s six casinos oppose HB 371 as currently drafted, and request consideration of an amendment to ensure that the bill does not inadvertently authorize the availability of "slot machine-like" lottery games offered for play online in Maryland.

HB 371 would allow third-party entities to purchase State Lottery tickets on behalf of individuals in Maryland and to deliver those tickets to the individuals. However, the bill does not place any restrictions or parameters on the method of ticket delivery. Specifically, HB 371 does not preclude, and specifically permits, the delivery of Lottery tickets over the Internet. See Section 9-111.1(e)(6).

A Lottery “ticket,” as defined in law, includes an instant ticket game, commonly known as a “scratch-off” ticket. Accordingly, as drafted, the bill could result in the *unintended* consequence of allowing the play of digital instant ticket games online.

There is virtually no distinction between a digital, online instant ticket game and the video lottery terminal games on our casino floors.

- To the player, digital scratch-offs look, feel and play just like a slot machine, frequently with slot-like bonus games within the game.
- The math and mechanics behind digital scratch-off Lottery games are the same as a slot machine.
- The prize structure for digital scratch-off games is the same as a slot machine.

Increasing the availability of slot-like games through the Lottery will negatively impact State gaming revenues to fund public K-12 education and other important programs.

- Maryland has greatly benefitted from its casino gaming program. Since the inception of the program, the Education Trust Fund has received over \$6.6 billion in casino revenues, \$606 million in FY25 alone.
- In FY2025, casino revenue also contributed:
 - \$105m in local aid
 - \$95m to Maryland's horse racing industry
 - \$20m to the Maryland's Small, Minority and Women-owned Business Fund
 - \$4.5m to the Responsible Gaming Fund

The partnership between Maryland and its VLT licensees is one of the most successful partnerships to fund public education in the nation. It is critical that the Maryland General Assembly protect the funding streams so important to these State programs.

An amendment to HB 371 could ensure that the bill is not misapplied so as to open the door to digital scratch-offs offered and/or played online in Maryland. We respectfully request that the sponsor and Committee consider accepting such an amendment and propose the following be added as 9-111.1(D)(3) to HB 371:

“(3) The Director shall preclude a licensed courier from delivering a State Lottery ticket purchased by an individual in the State to the individual electronically or over the Internet. Notwithstanding any other provision of law, a State Lottery ticket may not be played by an individual online or over the Internet.”