

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 195
Ways and Means

(Delegate Queen)

Budget and Taxation

State Lottery and Gaming Control Commission - Authority to Conduct Studies
on the Use of Emerging Technology and the Workgroup on Gambling Prevention
Technology

This bill authorizes the State Lottery and Gaming Control Commission (SLGCC) to conduct studies, in collaboration with Bowie State University (BSU), Morgan State University (MSU), and the Maryland Center of Excellence on Problem Gambling, to identify the latest trends and emerging technology to create a safer, more transparent gambling environment, including cybersecurity technology, the use of artificial intelligence, digital identity verification, and geofencing technology, as specified. Additionally, the bill establishes the Workgroup on Gambling Prevention Technology within SLGCC.

Fiscal Summary

State Effect: The State Lottery and Gaming Control Agency (SLGCA) can staff the workgroup and conduct studies with existing budgeted resources. BSU, MSU, and the Maryland Center of Excellence on Problem Gambling can likely collaborate and participate in the workgroup with existing resources. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The Workgroup on Gambling Prevention Technology must be conducted in partnership with BSU, MSU, the Maryland Center of Excellence on Problem Gambling, and any other foundations or private entities as determined by SLGCC. The workgroup must study best practices in using gambling prevention technology to ascertain the extent

of problem gambling on college campuses in the State and submit a report on the workgroup's findings and recommendations to the Governor and the General Assembly by July 1, 2027.

Current Law: SLGCC must conduct studies of the State lottery and gaming program to:

- identify any defect in lottery and video lottery facility operations statute or regulations of SLGCA that may allow operational or administrative abuses or evasions;
- guard against the use of those statutes and regulations to conduct organized crime;
- ensure that SLGCA's regulations are proper and related statute and regulations are administered to serve their purpose; and
- analyze the gaming industry within and outside the State to determine whether Maryland's gaming program is competitive and maximizing revenues for the State.

SLGCC must conduct studies of:

- the operation and administration of similar laws in other states or countries;
- federal laws that may affect the operation of the State lottery or gaming activities;
- literature on lotteries and gaming activities, including problem gambling programs; and
- the reaction of State citizens to existing and potential features of the State lottery and gaming program.

SLGCC must submit to the Governor and the General Assembly a monthly report and an annual report on State lottery and gaming revenues, total prize disbursements, and other expenses for the preceding month and year, respectively. Additionally, SLGCC must submit a report to the Governor and the General Assembly whenever a matter requires an immediate change in a State law to prevent an abuse or evasion or rectify an undesirable condition in the operation or administration of the State lottery and gaming program.

SLGCC must regulate sports wagering and the conduct of sports wagering to the same extent that SLGCC regulates the operation of video lottery terminals and table games. SLGCC must consider the use of technology, remote surveillance, and other similar measures to carry out specified sports wagering duties.

Problem Gambling

Video lottery operation licensees must pay an annual fee of \$425 per video lottery terminal for a Problem Gambling Fund administered by the Maryland Department of Health (MDH), and SLGCC has established an annual fee of \$500 per table game for the Problem

Gambling Fund. Additionally, any sports wagering winnings on a sports event not claimed within 182 days after the wager is won revert to the Problem Gambling Fund. The Problem Gambling Fund is used to fund programs to treat and prevent gambling addiction. After satisfying specified requirements, any unspent funds in the Problem Gambling Fund may be expended by MDH on drug and other addiction treatment services.

The Maryland Center of Excellence on Problem Gambling is a program of the University of Maryland School of Medicine and funded by MDH's Behavioral Health Administration through the Problem Gambling Fund. The primary goal of the center is to minimize the risks and problems associated with gambling in the State.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): University System of Maryland; Morgan State University; Maryland State Lottery and Gaming Control Agency; Department of Legislative Services

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