

Maryland Lottery and Gaming Control Agency

MISSION

The mission of the Maryland Lottery and Gaming Control Agency (MLGCA) is to provide revenue through the sale of entertaining lottery and gaming products to support programs and services benefiting the citizens of Maryland. We administer and promote the sale of lottery and gaming products in a secure and responsible manner. This is achieved in partnership with a network of licensed lottery retailers and casino operators.

VISION

We envision ourselves as an innovative, adaptive, and responsible business that will continue to provide a reliable source of revenue for State government operations well into the future. We will utilize the latest technological tools and resources to provide a range of entertaining products and access opportunities that appeal to a broad player base.

KEY GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

Goal 1. Support State government operations and good causes by maximizing traditional lottery sales and revenues (profits).

Obj. 1.1 Maximize lottery revenues (profits) through sales growth in all game categories.

Obj. 1.2 Maximize lottery revenues (profits) through effective marketing and advertising spending.

Obj. 1.3 Ensure MLGCA operations are efficient, cost-effective, and adequate to grow lottery sales.

Performance Measures	2016 Act.	2017 Act.	2018 Act.	2019 Act.	2020 Act.	2021 Est.	2022 Est.
Instant games sales (in thousands)	\$611,286	\$676,753	\$750,889	\$812,426	\$852,739	\$967,485	\$977,588
Monitor games sales (in thousands)	\$478,648	\$483,643	\$483,994	\$498,058	\$489,483	\$524,893	\$526,323
Draw games sales (in thousands)	\$815,610	\$771,149	\$807,911	\$886,423	\$847,546	\$943,874	\$906,749
Total sales (in thousands)	\$1,905,544	\$1,931,545	\$2,042,794	\$2,196,907	\$2,189,768	\$2,436,252	\$2,410,660
Ratio of administrative costs to sales	3.2%	3.5%	3.4%	3.5%	3.6%	3.5%	3.5%

Goal 2. Ensure the long-term sustainability of the Maryland Lottery.

Obj. 2.1 Maintain a fresh and relevant portfolio of lottery games to increase lottery playership.

Performance Measures	2016 Act.	2017 Act.	2018 Act.	2019 Act.	2020 Act.	2021 Est.	2022 Est.
Player Satisfaction Index	59.3%	71.3%	71.5%	70.4%	69.8%	71.0%	71.5%
Retailer Satisfaction Index	86.5%	86.2%	83.8%	87.7%	83.3%	84.5%	86.0%
Percent of surveyed adults who are aware of the Maryland Lottery	N/A	82.0%	81.0%	84.0%	81.0%	81.0%	82.0%
Percent of surveyed adults who rate their overall opinion of the Maryland Lottery as a four or five out of five	N/A	57.0%	57.0%	59.0%	58.0%	59.0%	59.5%
Percent of adult Marylanders who indicated they have purchased any Lottery game in the past twelve months	66.0%	73.0%	71.0%	74.0%	70.0%	72.0%	74.0%

Maryland Lottery and Gaming Control Agency

Obj. 2.2 Support Maryland businesses and the lottery retail network.

Performance Measures	2016 Act.	2017 Act.	2018 Act.	2019 Act.	2020 Act.	2021 Est.	2022 Est.
Number of lottery retailers	4,539	4,440	4,446	4,385	4,349	4,400	4,500
Population/retailer ratio	1,323	1,355	1,350	1,368	1,383	1,367	1,337
Total commissions paid	\$141,157	\$145,883	\$153,725	\$165,508	\$163,733	\$175,410	\$173,568

Goal 3. Support State government and good causes by maximizing casino profit contributions.

Obj. 3.1 Assist casinos in maximizing profit contributions.

Obj. 3.2 Ensure the integrity of gaming through effective and efficient regulatory oversight, while encouraging a strong and viable employment base.

Performance Measures	2016 Act.	2017 Act.	2018 Act.	2019 Act.	2020 Act.	2021 Est.	2022 Est.
Total casino gaming revenue (in thousands)	\$1,143,972	\$1,420,942	\$1,678,966	\$1,760,409	\$1,279,974	\$1,702,875	\$1,807,223
Total casino contributions to good causes (in thousands)	\$510,038	\$592,243	\$671,651	\$712,170	\$520,812	\$692,456	\$736,171
Total licensed casino employees	6,185	8,807	9,144	9,122	8,952	9,000	9,000
Total licenses issued	4,318	4,887	5,281	4,658	4,411	4,600	4,600
Number of casino audits and reviews	109	103	135	108	48	72	72
Number of bingo hall audits and reviews	72	27	65	65	52	65	65
Number of casino regulatory and statutory findings	52	109	126	71	70	70	70
Number of bingo hall regulatory and statutory findings	6	9	1	0	0	0	0

Maryland Lottery and Gaming Control Agency
Summary of Maryland Lottery and Gaming Control Agency

	2020 Actual	2021 Appropriation	2022 Allowance
Number of Authorized Positions	324.10	324.10	324.10
Number of Contractual Positions	7.75	10.75	10.75
Salaries, Wages and Fringe Benefits	27,956,133	28,171,934	27,973,295
Technical and Special Fees	415,317	552,727	556,219
Operating Expenses	66,800,745	74,707,052	77,234,109
Net General Fund Expenditure	6,461,424	6,574,900	6,380,609
Special Fund Expenditure	88,615,120	96,856,813	99,383,014
Reimbursable Fund Expenditure	95,651	0	0
Total Expenditure	<u>95,172,195</u>	<u>103,431,713</u>	<u>105,763,623</u>

Maryland Lottery and Gaming Control Agency

E75D00.01 Administration and Operations

Program Description

The Administration and Operations program of the Maryland State Lottery and Gaming Control Agency encompasses all of the expenses incurred in the operation of Lottery gaming in Maryland. This program's expenses do not include the cost of prizes, commissions, cashing fees, or agent incentives.

Appropriation Statement	2020 Actual	2021 Appropriation	2022 Allowance
Number of Authorized Positions	163.10	163.10	163.10
Number of Contractual Positions	5.75	7.75	7.75
01 Salaries, Wages and Fringe Benefits	<u>15,183,968</u>	<u>15,319,107</u>	<u>15,312,147</u>
02 Technical and Special Fees	<u>318,197</u>	<u>408,977</u>	<u>412,103</u>
03 Communications	193,796	286,165	287,665
04 Travel	23,121	79,000	79,000
06 Fuel and Utilities	157,444	186,571	186,571
07 Motor Vehicle Operation and Maintenance	127,743	370,761	370,761
08 Contractual Services	60,444,984	66,657,682	69,110,335
09 Supplies and Materials	109,068	196,000	141,000
10 Equipment - Replacement	35,544	131,500	131,500
11 Equipment - Additional	11,459	167,000	272,000
13 Fixed Charges	<u>1,194,068</u>	<u>1,299,564</u>	<u>1,336,197</u>
Total Operating Expenses	<u>62,297,227</u>	<u>69,374,243</u>	<u>71,915,029</u>
Total Expenditure	<u>77,799,392</u>	<u>85,102,327</u>	<u>87,639,279</u>
Special Fund Expenditure	77,772,319	85,102,327	87,639,279
Reimbursable Fund Expenditure	<u>27,073</u>	<u>0</u>	<u>0</u>
Total Expenditure	<u>77,799,392</u>	<u>85,102,327</u>	<u>87,639,279</u>
Special Fund Expenditure			
E75301 Lottery Ticket Sales	75,421,492	81,602,327	83,718,579
E75305 Instant Ticket Lottery Machine Sales	2,350,827	3,500,000	3,920,700
Total	<u>77,772,319</u>	<u>85,102,327</u>	<u>87,639,279</u>
Reimbursable Fund Expenditure			
M00F06 MDH - Office of Preparedness and Response	<u>27,073</u>	<u>0</u>	<u>0</u>
Total	<u>27,073</u>	<u>0</u>	<u>0</u>

Maryland Lottery and Gaming Control Agency

Summary of Revenues - Per Board of Revenue Estimates (\$ Millions)

	FY 2019 Actual	FY 2020 Actual	FY 2021 Estimated	FY 2022 Estimated
Traditional Lottery Summary				
Pick 3	246	252	276	257
Pick 4	312	334	376	376
Lotto/Multimatch	29	29	30	29
Instant Game	812	853	967	978
Keno/Race Trax	498	489	525	526
5 Card Cash	6	6	6	6
Match 5	20	19	20	19
Jackpot Games	264	170	164	168
Instant Ticket Lottery Machines	14	10	13	13
Fast Play	-	31	61	62
 Total Lottery Sales	 2,201	 2,192	 2,436	 2,410
 Less:				
Agent Earnings	166	164	183	181
Operating Budget	80	78	85	88
Prizes	1,362	1,367	1,526	1,512
 Net Lottery Revenue	 593	 589	 642	 630
 Less:				
Stadium Authority Revenue	20	20	15	15
Veterans' Organizations Revenue	<0.1	0.2	0.1	0.1
Baltimore City School Construction Revenue	20	20	20	20
Racing Fund	1	-	-	-
Race Track Improvements	-	-	-	17
 Total General Fund Revenue	 552	 549	 607	 578
Video Lottery Summary				
Total Revenue Generated by Video Lottery	1,125	829	1,104	1,174
 Revenue Distribution:				
Education Trust Fund	447	329	422	449
Casino Operators	529	390	520	553
Local Impact Grants	61	45	60	64
Small/Minority/Women-Owned Business Account	-	-	16	17
Racing Purse Dedication	66	49	64	69
Racetrack Renewal	11	8	11	11
VLT Operations	10	11	12	12
General Fund	-	-	-	-
Table Games Summary				
Total Revenue Generated by Table Games	635	451	599	633
 Revenue Distribution:				
Education Trust Fund	95	68	90	95
Casino Operators	508	361	479	506
Local Impact Grants	32	23	30	32

Numbers may not add due to rounding

Maryland Lottery and Gaming Control Agency

E75D00.02 Video Lottery Terminal and Gaming Operations

Program Description

The State Lottery and Gaming Control Commission is responsible for regulating the operations of the VLTs and table games, including the licensing of operators and the operation of a Central System. The Commission also regulates electronic bingo, pull tab machines at certain veterans' organizations, and illegal gaming devices.

Appropriation Statement	2020 Actual	2021 Appropriation	2022 Allowance
Number of Authorized Positions	161.00	161.00	161.00
Number of Contractual Positions	2.00	3.00	3.00
01 Salaries, Wages and Fringe Benefits	12,772,165	12,852,827	12,661,148
02 Technical and Special Fees	97,120	143,750	144,116
03 Communications	42,011	60,060	60,060
04 Travel	28,161	19,257	19,257
07 Motor Vehicle Operation and Maintenance	7,703	4,725	4,725
08 Contractual Services	4,064,646	4,759,048	4,755,319
09 Supplies and Materials	24,679	76,138	66,138
10 Equipment - Replacement	0	41,000	41,000
11 Equipment - Additional	6,084	0	0
13 Fixed Charges	330,234	362,581	362,581
14 Land and Structures	0	10,000	10,000
Total Operating Expenses	4,503,518	5,332,809	5,319,080
Total Expenditure	17,372,803	18,329,386	18,124,344
Net General Fund Expenditure	6,461,424	6,574,900	6,380,609
Special Fund Expenditure	10,842,801	11,754,486	11,743,735
Reimbursable Fund Expenditure	68,578	0	0
Total Expenditure	17,372,803	18,329,386	18,124,344
Special Fund Expenditure			
SWF321 Video Lottery Terminal Proceeds	10,842,801	11,754,486	11,743,735
Total	10,842,801	11,754,486	11,743,735
Reimbursable Fund Expenditure			
M00F06 MDH - Office of Preparedness and Response	68,578	0	0
Total	68,578	0	0

3 Year Position Summary

Classification Title	FY 2020 Positions	FY 2020 Expenditures	FY 2021 Positions	FY 2021 Appropriation	FY 2022 Positions	FY 2022 Allowance
E75 - Maryland Lottery and Gaming Control Agency						
E75D0001 - Administration and Operations						
Accountant Advanced	1.00	57,490	1.00	60,785	1.00	60,785
Accountant Lead	1.00	63,380	1.00	66,840	1.00	66,840
Accountant Manager II	1.00	72,079	1.00	88,409	1.00	88,409
Accountant Manager III	1.00	95,500	1.00	89,105	1.00	89,105
Admin Aide	3.00	50,451	3.00	121,026	2.00	102,525
Admin Officer I	1.00	53,846	2.00	85,393	2.00	85,393
Admin Officer II	5.00	224,090	5.00	245,974	6.00	273,425
Admin Officer III	5.00	217,637	5.00	283,213	5.00	283,213
Admin Prog Mgr I	1.00	84,752	1.00	89,379	1.00	89,379
Admin Spec II	6.00	253,089	6.00	266,219	8.00	335,251
Admin Spec III	4.00	156,282	4.00	195,735	3.00	133,538
Administrator I	2.00	191,545	4.00	244,998	3.00	198,056
Administrator II	8.00	453,776	7.00	475,219	9.00	555,212
Administrator III	7.00	504,903	7.00	476,685	7.00	476,685
Administrator V	3.00	222,362	3.00	235,248	3.00	235,248
Agency Buyer II	1.00	47,740	1.00	50,346	1.00	50,346
Agency Procurement Spec Supv	1.00	63,881	1.00	67,369	0.00	0
Asst Attorney General VI	1.60	167,913	1.60	177,016	1.60	177,016
Asst Attorney General VII	0.00	0	1.00	73,541	1.00	118,085
Computer Network Spec II	3.00	168,966	3.00	198,632	3.00	198,632
Computer Operator II	3.00	115,029	3.00	113,021	3.00	122,544
Computer Operator Lead	1.00	55,233	1.00	57,671	1.00	57,671
Database Specialist II	1.00	69,495	1.00	73,289	1.00	73,289
Designated Admin Mgr I	1.00	84,752	1.00	89,379	1.00	89,379
Designated Admin Mgr Senior I	1.00	109,855	1.00	115,852	1.00	115,852
Designated Admin Mgr Senior II	1.00	115,041	1.00	121,321	1.00	121,321
Dir State Lottery	1.00	179,975	1.00	189,806	1.00	189,806
Div Dir Ofc Atty General	1.00	136,262	1.00	143,699	1.00	89,406
Exec VII	1.00	130,681	1.00	137,820	1.00	137,820
Exec VIII	1.00	144,247	1.00	152,127	1.00	152,127
Fiscal Accounts Clerk II	3.50	108,011	3.50	118,266	3.50	118,266
Fiscal Accounts Clerk Manager	1.00	50,678	1.00	53,451	1.00	53,451
Fiscal Accounts Clerk Supervisor	1.00	48,998	1.00	51,674	1.00	36,676
Fiscal Accounts Technician II	2.00	81,712	1.00	52,678	1.00	52,678
Fiscal Accounts Technician Supv	3.00	140,611	3.00	145,270	3.00	150,121
Fiscal Services Admin VI	1.00	21,147	1.00	118,085	1.00	118,085
HR Administrator III	1.00	73,361	1.00	77,365	1.00	60,514
HR Officer I	1.00	65,313	1.00	68,879	1.00	68,879
Internal Auditor Prog Super	1.00	68,140	1.00	75,299	1.00	75,299
IT Asst Director III	1.00	97,224	1.00	102,531	1.00	102,531
IT Programmer Analyst II	2.00	95,657	2.00	117,340	1.00	67,369
IT Programmer Analyst Supervisor	1.00	86,360	1.00	56,727	0.00	0
IT Staff Specialist	1.00	9,314	1.00	61,269	1.00	61,269
IT Systems Technical Spec	1.00	65,277	1.00	73,876	1.00	73,876
Lottery Regional Manager	4.00	269,771	4.00	284,498	4.00	284,498
Lottery Representative I	2.00	25,332	1.00	49,694	1.00	49,694
Lottery Representative II	34.00	1,661,470	35.00	1,765,495	35.00	1,756,883
Lottery Representative III	7.00	383,160	6.00	388,828	6.00	388,828

3 Year Position Summary

Classification Title	FY 2020 Positions	FY 2020 Expenditures	FY 2021 Positions	FY 2021 Appropriation	FY 2022 Positions	FY 2022 Allowance
OBS-Executive Associate III	1.00	68,941	1.00	72,704	1.00	72,704
Office Secy I	1.00	31,411	1.00	32,798	1.00	32,798
Office Secy II	1.00	35,186	1.00	36,740	1.00	36,740
Prgm Mgr I	5.00	338,300	5.00	356,770	5.00	356,770
Prgm Mgr II	6.00	443,958	6.00	492,387	6.00	492,387
Prgm Mgr III	2.00	120,819	2.00	184,691	2.00	184,691
Prgm Mgr Senior I	1.00	111,972	1.00	118,085	1.00	118,085
Prgm Mgr Senior II	0.00	0	1.00	78,503	1.00	78,503
Prgm Mgr Senior III	2.00	206,135	2.00	217,386	2.00	217,386
Prgm Mgr Senior IV	1.00	132,783	1.00	140,967	1.00	140,967
Pub Affairs Officer I	1.00	36,968	1.00	38,988	2.00	83,748
Pub Affairs Officer II	6.00	259,951	4.00	239,825	4.00	239,825
Services Specialist	1.00	25,486	1.00	30,307	1.00	30,307
Total E75D0001	163.10	9,453,698	163.10	10,486,493	163.10	10,370,186
E75D0002 - Video Lottery Terminal and Gaming Operations						
Accountant Advanced	2.00	111,354	2.00	117,434	2.00	110,078
Accountant Lead Specialized	1.00	59,206	1.00	62,438	1.00	62,438
Accountant Supervisor II	1.00	62,557	1.00	53,214	1.00	53,214
Admin Officer I	2.00	101,792	2.00	107,350	1.00	57,159
Admin Officer II	3.00	136,217	3.00	143,655	3.00	143,655
Admin Spec II	0.00	0	0.00	0	1.00	34,516
Administrator II	32.00	1,699,177	32.00	1,803,374	32.00	1,787,515
Administrator III	6.00	345,539	6.00	364,404	6.00	377,636
Administrator IV	6.00	387,601	6.00	408,762	6.00	408,762
Administrator V	1.00	64,235	1.00	67,742	1.00	67,742
Administrator VI	1.00	84,492	1.00	89,105	1.00	89,105
Asst Attorney General VI	1.00	88,438	1.00	93,266	1.00	93,266
Asst Attorney General VIII	1.00	115,041	1.00	121,321	1.00	121,321
Casino Compliance Lead	12.00	573,350	12.00	610,254	12.00	595,217
Casino Compliance Representative	55.00	2,156,242	54.00	2,406,335	54.00	2,368,495
Casino Compliance Supervisor	6.00	317,733	6.00	342,163	6.00	342,163
Exec VII	3.00	386,086	3.00	407,175	3.00	407,170
HR Officer III	1.00	63,881	1.00	67,369	1.00	67,369
Internal Auditor II	8.00	393,650	8.00	486,326	8.00	488,581
Internal Auditor Super	4.00	182,259	4.00	247,041	4.00	272,754
IT Staff Specialist	2.00	106,148	2.00	111,944	2.00	111,944
IT Staff Specialist Supervisor	1.00	60,196	1.00	63,482	1.00	63,482
IT Systems Technical Spec	0.00	0	1.00	72,479	1.00	72,479
IT Technical Support Spec II	1.00	56,423	1.00	59,503	1.00	53,214
Lottery & Gaming Commissioner	7.00	108,001	7.00	126,000	7.00	126,000
Office Secy I	1.00	38,199	1.00	39,885	1.00	39,885
Prgm Mgr II	1.00	80,732	1.00	85,139	1.00	85,139
Prgm Mgr III	1.00	81,367	1.00	85,809	1.00	64,565
Prgm Mgr Senior III	1.00	103,418	1.00	109,064	1.00	109,064
Total E75D0002	161.00	7,963,334	161.00	8,752,033	161.00	8,673,928
Total E75 Maryland Lottery and Gaming Control Agency	324.10	17,417,032	324.10	19,238,526	324.10	19,044,114