



Defined Casino Distributions and Expenditures for Fiscal Year 2023

In compliance with SG §9-1A-27(f)

December 1, 2023

Maryland Lottery and Gaming Control Commission

1800 Washington Boulevard, Suite 330, Baltimore, MD 21230



MARYLAND LOTTERY AND GAMING

Annual Report

Defined Casino Distributions and Expenditures for Fiscal Year 2023

December 1, 2023

In compliance with SG §9-1A-27(f)

The Maryland Lottery and Gaming Control Commission (MLGCC) regulates the operations of the state's six casinos, all of which offer both video lottery terminals (VLTs) and table games under Maryland Code Annotated, State Government Article (SG) §9-1A-01, *et seq.* (the Gaming Law). On behalf of the MLGCC, the Maryland Lottery and Gaming Control Agency (MLGCA) collects the applicable VLT and table game proceeds from the casinos. These proceeds are then distributed in accordance with the state's Gaming Law. Proceeds designated for local aid are sent to the Maryland Racing Commission of the Maryland Department of Labor for distribution to the funds and accounts specified in SG §9-1A-27 through 9-1A-31.

Under SG §9-1A-27(f), the MLGCC is required to report to the General Assembly on or before December 1, 2019, and every year thereafter, on the distribution of casino VLT proceeds for certain defined expense categories for which there are specific references in the Gaming Law. Details of the spending are noted below. The categories of casino expenditures are provided in Appendix A, and include: (1) the procurement of VLTs; (2) marketing, advertising, and promotional costs; and (3) capital improvements. Additionally, SG §9-1A-31 provides for distributions of casino revenue for local aid. These distributions are provided in two additional charts attached: one for VLT distributions for local impact grants and another for table game distributions for local jurisdiction grants. See Appendix B for details of these distributions.

In FY21, pursuant to Chapter 692 of the 2021 Laws, the hold-harmless provision was amended to reflect that any distributions made to Anne Arundel County or Baltimore City in accordance with SG §9-1A-31(a)(7)(ii)(2) shall be paid from the State Lottery Fund under SG §9-120(b). To comply with the hold-harmless statutory requirement in FY23, MLGCA transferred \$1,669,221 to Anne Arundel County from the State Lottery Fund so that the county would not receive less than the amount it received in FY16 for local impact aid. In FY22, MLGCA transferred \$1,930,997 to Anne Arundel County, as part of the hold-harmless statutory requirement.

In FY23 (July 2022 through June 2023), Maryland's casinos generated \$2,060,305,792 in gaming revenue. The total is \$58,525,560 (2.92%) more than the \$2,001,780,232 generated during FY22. Casino contributions to the state for FY23 were \$848,135,256, an increase of \$15,793,435 (1.90%) more than the previous record set in FY22. Casino contributions to the Education Trust Fund for FY23 were \$622,711,482, an increase of \$11,097,661 (1.81%) over FY22.

Appendix A - Maryland Gaming - Casino Spending in Defined Categories

Hollywood	FY 23	FY 22	FY 21	FY 20	FY 19	FY 18	FY 17	FY 16	FY 15	FY 14	Total
(x \$1,000)											
Casino Revenue - Slots	\$ 74,178	\$ 80,065	\$ 74,755	\$ 50,848	\$ 65,167	\$ 64,902	\$ 63,074	\$ 65,670	\$ 66,167	\$ 72,107	\$ 676,934
VLT Expense											
Allowance %	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	1.57%	None	
Allowance \$	\$ 4,451	\$ 4,804	\$ 4,485	\$ 3,051	\$ 3,910	\$ 3,894	\$ 3,784	\$ 3,940	\$ 1,040		\$ 33,359
Actual	\$ 1,589	\$ 2,532	\$ 2,059	\$ 1,534	\$ 1,419	\$ 1,232	\$ 1,259	\$ 5,829	\$ 1,236		\$ 18,688

Ocean Downs	FY 23	FY 22	FY 21	FY 20	FY 19	FY 18	FY 17	FY 16	FY 15	FY 14	Total
(x \$1,000)											
Casino Revenue - Slots	\$ 89,150	\$ 84,998	\$ 74,970	\$ 52,552	\$ 69,845	\$ 64,149	\$ 59,569	\$ 57,570	\$ 53,185	\$ 52,043	\$ 658,030
VLT Expense											
Allowance %	10.0%	10.0%	10.0%	10.0%	10.0%	8.97%	None	None	None	None	
Allowance \$	\$ 8,915	\$ 8,500	\$ 7,497	\$ 5,255	\$ 6,985	\$ 5,755					\$ 42,907
Actual	\$ 2,621	\$ 2,372	\$ 1,917	\$ 1,952	\$ 1,616	\$ 13,335					\$ 23,814
Capital Improvements											
Minimum %	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
Minimum \$	\$ 2,229	\$ 2,125	\$ 1,874	\$ 1,314	\$ 1,746	\$ 1,604	\$ 1,489	\$ 1,439	\$ 1,330	\$ 1,301	\$ 16,451
Actual	\$ 2,337	\$ 2,192	\$ 1,916	\$ 2,291	\$ 1,639	\$ 29,496	\$ 1,655	\$ 1,597	\$ 1,377	\$ 1,471	\$ 45,972

Live!	FY 23	FY 22	FY 21	FY 20	FY 19	FY 18	FY 17	FY 16	FY 15	FY 14	Total
(x \$1,000)											
Casino Revenue - Slots	\$ 499,434	\$ 498,442	\$ 432,066	\$ 314,940	\$ 411,804	\$ 369,484	\$ 371,936	\$ 408,815	\$ 392,459	\$ 419,606	\$ 4,118,986
VLT Expense											
Allowance %	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	2.07%	None	
Allowance \$	\$ 39,955	\$ 39,875	\$ 34,565	\$ 25,195	\$ 32,944	\$ 29,559	\$ 29,755	\$ 32,705	\$ 8,131		\$ 272,684
Actual	\$ 14,827	\$ 14,097	\$ 11,730	\$ 14,096	\$ 12,429	\$ 13,444	\$ 16,550	\$ 10,369	\$ 30,853		\$ 138,394
Capital & Marketing											
Minimum %	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	4.25%	None	None	None	
Minimum \$	\$ 39,955	\$ 39,875	\$ 34,565	\$ 25,195	\$ 32,944	\$ 29,559	\$ 15,815				\$ 217,908
Actual	\$ 160,186	\$ 105,709	\$ 84,597	\$ 147,804	\$ 153,681	\$ 213,984	\$ 178,312				\$ 1,044,273

Maryland Gaming - Casino Spending in Defined Categories

Rocky Gap	FY 23	FY 22	FY 21	FY 20	FY 19	FY 18	FY 17	FY 16	FY 15	FY 14	Total
(x \$1,000)											
Casino Revenue - Slots	\$ 55,286	\$ 58,526	\$ 55,008	\$ 34,566	\$ 48,930	\$ 46,533	\$ 45,138	\$ 41,335	\$ 38,072	\$ 35,377	\$ 458,772
VLT Expense											
Allowance %	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	None	None	None	None	
Allowance \$	\$ 5,529	\$ 5,853	\$ 5,501	\$ 3,457	\$ 4,893	\$ 4,653					\$ 29,885
Actual	\$ 2,649	\$ 2,391	\$ 2,103	\$ 2,422	\$ 635	\$ 6,201					\$ 16,402

Horseshoe	FY 23	FY 22	FY 21	FY 20	FY 19	FY 18	FY 17	FY 16	FY 15	FY 14	Total
(x \$1,000)											
Casino Revenue - Slots	\$ 135,322	\$ 137,111	\$ 138,435	\$ 96,981	\$ 144,634	\$ 156,309	\$ 168,687	\$ 168,305	\$ 131,939	N/A	\$ 1,277,721
VLT Expense											
Allowance %	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%		
Allowance \$	\$ 8,119	\$ 8,227	\$ 8,306	\$ 5,819	\$ 8,678	\$ 9,379	\$ 10,121	\$ 10,098	\$ 7,916		\$ 76,663
Actual	\$ 309	\$ 419	\$ 186	\$ 531	\$ 506	\$ 1,874	\$ 1,755	\$ 56	\$ 35,799		\$ 41,434
Capital & Marketing											
Minimum %	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	3.77%	None	None		
Minimum \$	\$ 9,473	\$ 9,598	\$ 9,690	\$ 6,789	\$ 10,124	\$ 10,942	\$ 6,366				\$ 62,982
Actual	\$ 18,316	\$ 6,151	\$ 7,421	\$ 6,498	\$ 16,338	\$ 15,276	\$ 5,723				\$ 75,723

MGM	FY 23	FY 22	FY 21	FY 20	FY 19	FY 18	FY 17	FY 16	FY 15	FY 14	Total
(x \$1,000)											
Casino Revenue - Slots	\$ 494,051	\$ 472,670	\$ 389,809	\$ 268,417	\$ 384,835	\$ 345,301	\$ 177,463	N/A	N/A	N/A	\$ 2,532,546
VLT Expense											
Allowance %	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%				
Allowance \$	\$ 29,643	\$ 28,360	\$ 23,389	\$ 16,105	\$ 23,090	\$ 20,718	\$ 10,648				\$ 151,953
Actual	\$ 956	\$ 410	\$ 985	\$ 1,536	\$ 5,103	\$ 4,849	\$ 56,889				\$ 70,728

Appendix B - Maryland Lottery and Gaming

Distribution of Video Lottery Terminal Local Impact Grants

	FY 23	FY 22	FY 21	FY 20	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	Total
Baltimore City - Pimlico (PCDA) ^	\$3,391,873	\$4,260,857	\$5,441,160	\$6,197,457	\$7,718,033	\$7,022,208	\$5,500,455	\$4,213,259	\$3,943,514	\$4,558,307	\$4,536,858	\$931,421		\$54,323,528
Park Heights Renaissance	\$2,650,065	\$2,608,692	\$2,400,000											\$5,008,692
Baltimore City							\$10,348,234	\$7,590,460	\$5,949,787					\$23,888,481
Baltimore City 50%	\$8,383,694	\$8,252,806	\$7,092,362	\$5,107,255	\$6,998,877	\$6,470,565								\$33,921,865
Baltimore City Gateway 50%	\$8,383,694	\$8,252,806	\$7,092,362	\$5,107,255	\$6,998,877	\$6,470,565								\$33,921,865
Anne Arundel ***	\$16,767,388	\$16,505,611	\$18,436,609	\$18,436,609	\$18,436,609	\$18,436,609	\$18,436,609	\$18,436,609	\$17,697,783	\$18,924,230	\$19,456,875	\$1,307,252		\$184,511,406
Pooled Funds - Anne Arundel *	\$357,143	\$357,143	\$357,143	\$357,143	\$357,143	\$357,143	\$357,143	\$357,143	\$357,143					\$2,857,144
Pooled Funds - Howard *	\$89,286	\$89,286	\$89,286	\$89,286	\$89,286	\$89,286	\$89,286	\$89,286	\$89,286					\$714,288
Pooled Funds- City of Laurel *	\$53,571	\$53,571	\$53,571	\$53,571	\$53,571	\$53,571	\$53,571	\$53,571	\$53,571					\$428,568
Prince George's	\$16,767,388	\$16,505,611	\$4,977,387	\$6,947,864	\$9,558,898	\$7,445,652	\$3,106,116							\$48,541,528
Employ Prince Georges **	\$200,000	\$200,000	\$200,000											\$400,000
Prince George's Rosecroft	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000		\$11,000,000
Town of Forest Heights	\$120,000	\$120,000	\$120,000	\$120,000										\$360,000
Cecil	\$4,082,233	\$4,409,294	\$4,148,766	\$2,652,129	\$3,586,156	\$3,570,095	\$3,469,080	\$3,611,856	\$3,526,358	\$3,252,039	\$3,428,684	\$5,326,144	\$4,548,350	\$45,528,951
Pooled - Cecil ^	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000							\$780,000
Pooled - Town of Perryville ^	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000							\$420,000
Allegany	\$2,149,661	\$2,202,320	\$2,000,693	\$1,383,723	\$1,838,814	\$1,747,590	\$1,241,273	\$1,136,702	\$1,014,469	\$797,754	\$63,161			\$13,426,500
Pooled Allegany ^	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000							\$1,200,000
Worcester	\$2,949,847	\$2,809,037	\$2,437,887	\$1,737,344	\$2,306,912	\$2,118,324	\$1,965,762	\$1,899,802	\$1,690,550	\$1,408,291	\$1,364,846	\$1,299,181	\$674,372	\$21,712,308
Pooled Worcester ^	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000							\$1,200,000
Ocean City	\$983,282	\$936,346	\$824,629	\$579,115	\$768,971	\$706,108	\$655,254	\$633,267	\$563,517	\$469,430	\$454,949	\$433,060	\$224,791	\$7,249,436
Ocean Pines	\$491,641	\$468,173	\$412,314	\$289,557	\$384,485	\$353,054	\$327,627	\$316,634	\$281,758	\$234,715	\$227,474	\$216,530	\$112,395	\$3,624,717
Town of Berlin	\$468,173	\$468,173	\$412,314	\$289,557	\$384,485	\$353,054	\$327,627	\$316,634	\$281,758	\$234,715	\$227,474	\$216,530	\$112,395	\$3,624,717
Total	\$69,888,939	\$70,099,726	\$58,096,483	\$50,947,865	\$61,081,116	\$56,793,825	\$47,478,037	\$39,655,222	\$36,449,495	\$30,879,481	\$30,760,321	\$10,730,119	\$5,672,304	\$498,643,993

* Funds are pooled from the local impact grant money received from Live!, Horsehoe and MGM and are to be used to help pay for facilities and services in communities within three miles of Laurel Race Course.

^ Pooled from the local impact grant money received from Live!, Horseshoe and MGM.
PCDA - Pimlico Community Development Association.

** Employ Prince Georges funding comes from Rosecroft's share of the RFRA.

*** In FY22, MLGCA began using Lottery General Funds to distribute a certain amount of proceeds to Anne Arundel County to maintain funding at FY 2016 levels.

Maryland Lottery and Gaming

Distribution of Table Game Local Jurisdiction Grants

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	Total
Allegany County	\$318,333	\$352,932	\$359,568	\$278,880	\$359,226	\$381,813	\$209,539	\$2,260,291
Anne Arundel County	\$10,507,575	\$10,779,241	\$9,492,404	\$6,686,423	\$8,879,924	\$9,505,905	\$5,368,631	\$61,220,103
Baltimore City	\$3,499,029	\$3,703,018	\$3,111,500	\$3,289,816	\$5,281,759	\$5,539,356	\$3,607,342	\$28,031,820
Cecil County	\$683,554	\$642,445	\$552,924	\$380,915	\$479,438	\$519,173	\$323,816	\$3,582,264
Prince George's County	\$20,130,990	\$17,521,211	\$15,281,993	\$11,573,728	\$16,330,793	\$15,500,748	\$8,047,467	\$104,386,931
Worcester County	\$483,168	\$499,588	\$468,070	\$324,907	\$428,542	\$167,486		\$2,371,761
Total	\$35,622,649	\$33,498,434	\$29,266,459	\$22,534,669	\$31,759,682	\$31,614,481	\$17,556,796	\$201,853,170