

THE BALTIMORE SUN

Maryland should look to online gaming to address financial crisis | GUEST COMMENTARY

By [Jeff Ifrah](#)

PUBLISHED: April 3, 2025

Maryland is facing a financial crisis. With a crushing \$3 billion budget deficit threatening essential state programs, and federal uncertainty that could push that number even higher, Maryland needs a game-changing strategy.

The answer?

A modernized gaming industry that includes a fully regulated online gaming market — one that not only brings Maryland's gaming industry into the 21st century but also delivers a massive, sustainable revenue stream while prioritizing consumer protection.

A [comprehensive study by the Analysis Group](#) reveals the potential: Online gaming could generate up to \$1.65 billion in new state tax revenue over five years if taxed at 30%. And this isn't just shifting dollars around — it's additive, creating an entirely new revenue source. States that have introduced online gaming have seen an overall increase in gaming-related tax revenue, proving that legal online casino games and internet poker drive meaningful economic impact without harming existing gaming revenues.

State lawmakers are going in circles during budget negotiations, which is already past due. While they debate about things like sales taxes on services and sugary drinks, they are leaving out discussion about online gaming tax revenue. That is a serious oversight.

State taxes on online gaming provide a more stable and sustainable revenue stream for governments than other consumption-based taxes, which fluctuate with consumer spending. Because online gaming operates in the digital space, it generates consistent tax revenue from a rapidly growing industry. With demand continuing to rise, further expansion of online gaming offers a scalable, long-term funding source for critical state programs.

Pennsylvania's success proves the point. Since lawmakers expanded retail and online betting in 2018, the state's total gaming tax revenues have surged by over 87%, with online gaming and sports betting driving the majority of those gains. In fact, [2024 set a new record for overall gaming revenue in Pennsylvania](#). Meanwhile, in our state, mobile sports betting has exceeded revenue projections, yet land-based gaming revenues have remained flat — a clear sign that digital gaming is the future of industry growth.

In Maryland, legalizing online gaming would unlock a dedicated funding source for the Blueprint for Maryland's Future education fund, ensuring stable investment in schools without forcing lawmakers into politically fraught budget decisions.

Right now, Marylanders are already playing online, but they're doing it on offshore, unregulated sites that offer no consumer protection, generate zero state tax revenue, and expose players to significant risk of fraud. A legal, state-regulated online gaming market would put these bad actors out of business and provide Marylanders with safe and trusted gaming platforms.

One of the biggest advantages of regulated online gaming is its transparency. Every bet, win and loss is tracked in real-time, providing full visibility for operators, state regulators and responsible gaming advocates. This creates an unprecedented opportunity to understand player behaviors, identify any signs of problem gambling and intervene before harm occurs.

Regulated online gaming platforms strengthen player protection with dedicated responsible gaming teams that combine human expertise and advanced technology. They verify players' age and identity while also monitoring for signs of risky behavior. By analyzing gameplay data and financial and time-based indicators, these teams can identify potential harm and take proactive steps to support players. Smart regulations also give players control over their gaming habits, offering tools like self-exclusion options, cooling-off periods, betting limits and automated alerts to help maintain a healthy balance.

Maryland can take this even further, using online gaming revenues to fund problem gambling education and treatment programs — something that offshore, unregulated sites will never do.

Online gaming is about modernizing Maryland's entire gaming industry. Consumers expect seamless digital experiences across all entertainment sectors, and gaming is no exception. With our neighbors, Delaware, Pennsylvania and West Virginia already capitalizing on the digital gaming economy, Maryland cannot afford to fall further behind. Legal online gaming will keep the state competitive, ensuring revenue stays local instead of leaking across state lines or into the unregulated black market.

The evidence is clear: when online gaming is introduced, total gaming tax revenue increases, responsible gaming tools become more effective and local economies benefit. Maryland lawmakers have a rare opportunity to protect consumers, close the budget gap and modernize our gaming industry in one strategic move.

Jeff Ifrac is the cofounder and general counsel of the [iDevelopment and Economic Association](#), a nonprofit association of online gaming industry organizations that promotes responsible online gaming. He lives in Pikesville.