

Maryland's \$17.7B share of the gambling jackpot: Who gets the money?

From slots to sportsbooks: Do the economic benefits outweigh the human cost?



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Cecily Brown, 5, gets her backpack as she is about to be picked up by her father from an after-school program at Carroll Park Recreation Center, less than a mile from Horseshoe Casino. Money from Maryland's six casinos has funded renovation and expansion at the center (Kenneth K. Lam/staff)

On a gray afternoon at Baltimore's Carroll Park, puddles soaked the playing fields, but inside a brick recreation center, two teams of elementary students faced off in the gym,

sprinting for sponge balls to hurl at their friends. Older boys gathered for a round of Uno, while younger children tossed an oversized dice on a classroom floor.

Carroll Park Recreation Center sits less than a mile away from Horseshoe Casino Baltimore, where people play cards and dice games of another sort. The two facilities, oddly, share a direct link. Revenue from the casino's slot machines helped fund the center's \$2 million opening a year ago, transforming a former Police Athletic League building that had been vacant and graffiti-covered for more than a decade.

Before it opened, "people had to go out of their community," but now, high schoolers shoot baskets in the evenings, and families take part in bingo and arts and crafts, said Yolanda Betts, the center's director.

The renovated center is one of South Baltimore's numerous projects and initiatives aimed at funneling gaming revenue into neighborhoods near casinos. Billions of dollars have flowed to state programs since slot machines were legalized more than 15 years ago, providing a lifeline for many.

But others argue that the social costs of problem gambling, such as homelessness and increased risk of suicide, outweigh economic benefits as the industry has expanded, [from one casino to six](#), and to opening mobile sports betting two years ago.

While state-sponsored gaming was debated long before voters endorsed slot machines in 2008, concerns are growing over the proliferation of mobile sports wagering. Counselors warn of a new crop of [mainly teenage and young-adult men at risk of developing gaming disorders](#).

"The risk for the youth is it's so accessible by any personal device," said Heather Eshleman, director of operations for The Maryland Center of Excellence on Problem Gambling. "And then, with all the free bets, it's pretty inexpensive to get started."

Billions of dollars are flowing to state programs.

Since Maryland's [first casino opened with slot machines in Perryville](#) in 2010, the gaming industry has contributed \$17.7 billion to schools, public health and safety and community grants, according to annual reports from Maryland Lottery and Gaming. That figure includes revenue from the Maryland Lottery, casino and sports gaming and fantasy sports.

The bulk of the proceeds — more than \$6.4 billion over 15 years — has funded education, through the Maryland Education Trust Fund and the state's [landmark Blueprint for Maryland's Future education reform policy, which took effect in 2021](#).



A long line forms to ask questions during a March town hall meeting about the Blueprint for Maryland's Future. (Thomas Walker/Freelance)

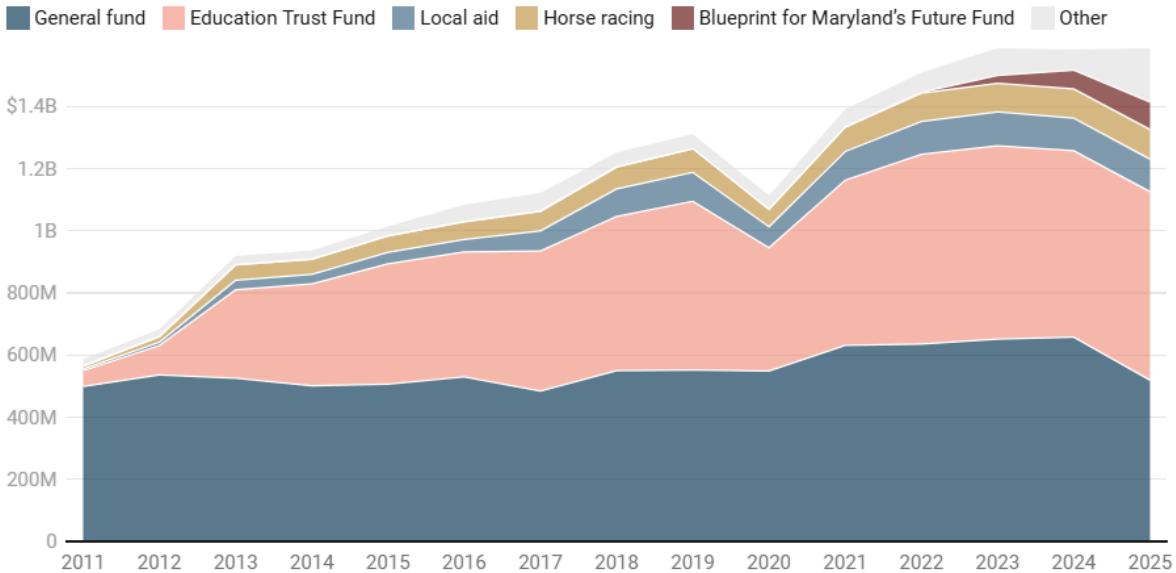
In fiscal year 2025, casino gaming funneled \$606 million into the education trust fund. Another \$90 million of gaming operators' taxable sports wagering wins, including fantasy competitions, went to the Blueprint. All of that is a small share of the state's \$7 billion K-12 operating budget.

"It's not a game changer, but it is part of the funding puzzle for our schools," said Sean Johnson, executive director of the Maryland State Education Association, which represents current and retired school employees in 23 of 24 districts.

The union had called for trust fund reforms that passed in a voter-approved constitutional amendment in 2018, guaranteeing that revenue from casino gaming goes to schools, above and beyond funding through the state's general fund. The union said \$1.9 billion previously had been redirected from public schools to plug budget holes.

How has Maryland used gambling proceeds?

From fiscal 2011, when legal slots returned to Maryland, through fiscal 2025, lottery, gaming and sports wagering contributed \$17.7B to state programs including \$8.3B for the state's general fund, \$6.4B for the Education Trust Fund, \$984.9M in local aid and \$954.7M for horse racing.



Years are fiscal years ending June 30 of the year indicated. Figures are not adjusted for inflation. "Other" category includes Maryland Stadium Authority, Baltimore City schools construction, small and women- or minority-owned businesses, bus rapid transit and a responsible gambling fund.

Chart: Staff • Source: [Maryland Lottery and Gaming](#) • [Get the data](#) • Created with [Datawrapper](#)

The reforms have worked, and “we’ve seen a steady increase in education funding over the years,” Johnson said. “Fixing the fund was a major component of allowing the Blueprint to pass.”

But future [funding for the multi-billion-dollar Blueprint is uncertain](#), raising concerns among county officials and others.

Harford County has received \$99 million in state education funding since the Blueprint’s first year, although it’s unclear how much comes directly from gaming.

“That’s real money, almost \$100 million,” said Harford County Executive Robert Cassilly. “Our big concern here is that it’s running out now, and the state has already increased our obligations. If the state is going to maintain this level of funding, how will they do that?”

Where did the rest of the money go?

Besides education, gaming funds the state’s horse racing industry, veterans groups, small and minority and women-owned businesses, other programs and services and “responsible gaming” initiatives. Less than one percent of casino revenues, or \$4.4 million in 2025, goes to Maryland’s problem gambling fund.

The Maryland Center of Excellence on Problem Gambling, a fund grantee, offers help finding resources and treatment, training for counselors, peer support and a 24-hour helpline that connects to a national center. Calls for help have been increasing, Eshleman said. [The Sun reported in February that staff members of the 1-800-GAMBLER helpline noticed a disturbing trend](#) of compulsive gambling among 18 to 24-year-old men.

The center is working with more than a dozen local colleges that applied for grants for on-campus gambling addiction prevention and recovery services, screenings and messaging through social media and events. Morgan State University, Towson University, University of Maryland, College Park, Bowie State University, St. Mary's College and others offer help.

"We're getting some calls from the high schools now, too," Eshleman said. "With high school kids, who are all underage, their parents set up accounts for them, or older siblings. I don't think people are thinking that it's risky."

Sports gamblers often believe they are knowledgeable and skilled enough to make good bets and can't lose, Eshleman said.

"You can't count on the odds," she said. "Some do very well, but then over time, the odds are in favor of the house."

A proposal failed during the last legislative session that would have earmarked a percentage of growing sports betting money for prevention and treatment, which would have added to the treatment money from casinos.

Local impact funds in neighborhoods

Neighborhoods and organizations around casinos share in and apply for local impact funds from a tax on slot machine revenues, which go to local government agencies and communities. In August, revenue from the state's casinos decreased 2.1%, but both Live! Casino in Hanover and Horseshoe recorded gains.

In South Baltimore, two entities direct money to neighborhoods within a 1-mile radius of Horseshoe. The Baltimore Casino Local Development Council, appointed by the mayor, advises the city on spending. The South Baltimore Gateway Partnership, a governmental body overseen by area residents and business owners, directs the other half of the funds toward completing a [strategic plan](#). That includes grants, services such as trash collection and youth sports and big projects such as the creation of parks, trails and community access along 11 miles of the Patapsco River's Middle Branch shoreline.

A centerpiece of that effort, the 10-acre Hanover Street Wetlands project near MedStar Harbor Hospital broke ground in 2024, with native plantings this spring and more coming this fall.



Hanover Street Wetlands project near MedStar Harbor Hospital that broke ground in 2024, part of an effort to transform the Middle Branch into a living shoreline with native plantings, trails and community access that's partly funded by casino gaming revenue. (Courtesy of GreenVest)

Such transformational projects “are large, multi-year efforts that we believe are going to change the trajectory of the district, if not the whole city,” said Brad Rogers, the partnership’s executive director.

Proceeds from Horseshoe, Live! Casino and MGM National Harbor Casino in Prince George’s County are combined and doled out among those casino jurisdictions under a special formula. The partnership has been able to use \$8 million a year — about \$70 million over nine years — from slots as leverage to bring in tens of millions more in supplemental outside funds, including the city’s casino and general funds, state and federal programs and other sources.

Often, neighborhood volunteers lack resources, and “What we’ve been able to do with the casino revenues is provide sustained, reliable funding for so many of these critical programs,” Rogers said.

In Anne Arundel County, about \$18.4 million a year from gaming goes to county agencies, with the rest to community grants and projects within three miles of Maryland Live. Gambling funded the Severn Center in 2023, an inter-generational center with a Boys and Girls Club, also a slots fund grantee, a senior activity center and space for events and job training programs.

“It’s a great resource for the county,” said Erin Karpewicz, CEO of Arundel Community Development Services, a county agency that administers grants approved by the county executive. “I wish every county had \$18 million to invest in people and communities.”

Some say costs are too high.

Others see the social costs of compulsive gambling as too high. During 32 years as a senior pastor at Bethany Community Church in Laurel, Rev. Kevin McGhee said he saw people struggling with gambling disorders end up homeless. When the state first considered slot machine sites, McGhee [lobbied against a casino](#) at Laurel Park racetrack.

A friend he helped through his church struggled with both substance and gambling abuse. The friend spent his days in casinos. He eventually became sober.

“But he never shut down the gambling addiction. He was always going to hit the big one, but that never happened,” said McGhee, whose friend lived in a room over an auto body shop with no money and severe medical issues when he died.

“Many of the things that we predicted would happen did happen, and not in a positive way,” said McGhee, who now works in Florida. Gambling was hailed as an answer to education woes, “but if you look at the levels of city of Baltimore schools, of Prince George’s schools, we didn’t really see the lift that was promised.”

One Maryland mother of a compulsive gambler son believes policymakers and elected officials have overlooked the harm to families.

“All they see is revenue,” said the mom, who spoke on condition of anonymity. “They don’t see devastation. I have a problem with putting gambling games all over the Internet, all over cell phones and the problems that’s creating in our younger generations.”

Eshleman said it’s too late now to stop it. “Gambling is not going to go anywhere,” she said. “It’s going to be here in our culture. We have to protect people from harm.”

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