

# SENATE BILL 4

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By: ~~Senator Zucker~~ **Senators Zucker, Guzzone, Miller, King, McCray, Beidle, and West**

Introduced and read first time: January 8, 2020

Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 3, 2020

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Gaming – Sports Betting – Implementation**

3 FOR the purpose of authorizing certain license holders to accept wagers on certain sporting  
4 events from certain individuals and by certain methods at certain locations; altering  
5 the authorized uses of the Problem Gambling Fund; requiring the State Lottery and  
6 Gaming Control Commission to regulate sports wagering in the State; requiring the  
7 State Lottery and Gaming Control Agency to provide certain assistance to the  
8 Commission; requiring certain persons to apply to the Commission for certain  
9 licenses; ~~requiring certain applicants to sign certain memoranda of understanding~~  
10 ~~relating to compliance with the Minority Business Enterprise Program as a condition~~  
11 ~~of the Commission's approval of certain licenses~~ requiring certain fees for the  
12 issuance and renewal of certain licenses; providing for the terms of certain licenses;  
13 providing that certain applicants and licensees are subject to certain minority  
14 business participation goals; authorizing the Commission to provide waivers or  
15 exemptions from certain licensing requirements under certain circumstances;  
16 requiring applicants for certain licenses to pay certain fees set by the Commission;  
17 ~~requiring an applicant for a certain sports wagering license or the renewal of the~~  
18 ~~license to pay a certain fee for the license or renewal; establishing certain license~~  
19 ~~terms for a certain number of years~~; providing for the distribution of certain licensing  
20 fees collected by the Commission; ~~requiring~~ providing that certain applicants and  
21 licensees have a certain responsibility; requiring certain applicants and licensees to  
22 provide certain information, assistance, and cooperation; requiring applicants and  
23 licensees to establish certain qualification criteria, including the existence of a  
24 certain labor peace agreement; establishing certain procedures and requirements for

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 the issuance of certain licenses; authorizing the Commission to grant or deny certain  
2 licenses; authorizing the Commission to deny, suspend, or revoke a license and  
3 reprimand or fine a licensee under certain circumstances; authorizing the  
4 Commission to impose a certain penalty under certain circumstances; ~~establishing~~  
5 ~~certain procedures and requirements for the issuing of certain licenses;~~ authorizing  
6 certain sports wagering licensees to enter into certain agreements for the operation  
7 of online sports wagering; providing that an individual may register for online sports  
8 wagering either in person or online; prohibiting certain individuals from making a  
9 wager and certain sports wagering licensees from accepting a wager from certain  
10 individuals; requiring certain sports wagering licensees to establish certain  
11 procedures, provide certain safeguards, and report certain information to the  
12 Commission relating to sports wagering; providing for the accounting and  
13 distribution of certain sports wagering proceeds and certain unclaimed winning  
14 wagers; requiring the Commission, under certain circumstances, to terminate and  
15 revoke the sports wagering license of the owner of a sports facility; altering the  
16 purposes for which expenditures from a certain fund may be made; requiring the  
17 Commission to adopt certain regulations; requiring the Commission to report  
18 annually to the Governor and the General Assembly on certain matters on or before  
19 a certain date; requiring a certain certification agency, in consultation with the  
20 Office of the Attorney General and the Governor's Office of Small, Minority, and  
21 Women Business Affairs, to initiate certain analyses; requiring a certain certification  
22 agency to submit certain reports to the Legislative Policy Committee on or before  
23 certain dates; declaring the intent of the General Assembly; making conforming  
24 changes; defining certain terms; submitting this Act to a referendum of the qualified  
25 voters of the State; and generally relating to wagering on sporting events.

26 BY repealing and reenacting, without amendments,  
27 Article – State Government  
28 Section 9–1A–01(a) and (k) and 9–1A–30(a)  
29 Annotated Code of Maryland  
30 (2014 Replacement Volume and 2019 Supplement)

31 BY repealing and reenacting, with amendments,  
32 Article – State Government  
33 Section 9–1A–03 ~~and 9–1A–30(b)(1), 9–1A–30(b)(1), and 9–1A–33(b)~~  
34 Annotated Code of Maryland  
35 (2014 Replacement Volume and 2019 Supplement)

36 BY adding to  
37 Article – State Government  
38 Section 9–1E–01 through ~~9–1E–13~~ 9–1E–14 to be under the new subtitle “Subtitle  
39 1E. Sports Wagering”  
40 Annotated Code of Maryland  
41 (2014 Replacement Volume and 2019 Supplement)

42 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
43 That the Laws of Maryland read as follows:

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2. outpatient services;
3. intensive outpatient services;
4. continuing care services;
5. educational services;
6. services for victims of domestic violence; and
7. other preventive or rehabilitative services or treatment.

(2) The Problem Gambling Fund is a special, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(3) Money in the Problem Gambling Fund shall be invested and reinvested by the Treasurer, and interest and earnings shall accrue to the Fund.

(4) Except as provided in paragraph (5) of this subsection, expenditures from the Problem Gambling Fund shall be made only by the Maryland Department of Health to:

(i) establish a 24-hour hotline for compulsive and problem gamblers and to provide counseling and other support services for compulsive and problem gamblers;

(ii) establish an outreach program for compulsive and problem gamblers, including individuals who requested placement on the voluntary exclusion list established by the Commission under § 9-1A-24 of this subtitle, for the purpose of participating in problem gambling treatment and prevention programs; [and]

(iii) develop and implement free or reduced cost problem gambling treatment and prevention programs, including the programs established under Title 19, Subtitle 8 of the Health – General Article; AND

**(IV) DEVELOP AND IMPLEMENT FREE OR REDUCED COST PROBLEM GAMBLING TREATMENT AND PREVENTION PROGRAMS TARGETED AT INDIVIDUALS WITH PROBLEM GAMBLING ISSUES RELATED TO SPORTS WAGERING.**

(5) After satisfying the requirements of paragraph (4) of this subsection, any unspent funds in the Problem Gambling Fund may be expended by the Maryland Department of Health on drug and other addiction treatment services.

(6) Expenditures from the Problem Gambling Fund shall be made in accordance with an appropriation approved by the General Assembly in the annual State budget or by the budget amendment procedure provided for in § 7-209 of the State Finance and Procurement Article.

## SUBTITLE 1E. SPORTS WAGERING.

9-1E-01.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "COMMISSION" HAS THE MEANING STATED IN § 9-1A-01 OF THIS TITLE.

(C) (1) "HORSE RACING LICENSEE" MEANS THE HOLDER OF A LICENSE ISSUED BY THE STATE RACING COMMISSION UNDER TITLE 11, SUBTITLE 5 OF THE BUSINESS REGULATION ARTICLE.

(2) "HORSE RACING LICENSEE" DOES NOT INCLUDE THE HOLDER OF A LICENSE ISSUED UNDER § 11-526 OF THE BUSINESS REGULATION ARTICLE.

~~(C)~~ (D) "ONLINE SPORTS WAGERING" MEANS SPORTS WAGERING THROUGH AN ONLINE GAMING SYSTEM:

(1) ON A COMPUTER, A MOBILE DEVICE, OR ANY OTHER INTERACTIVE DEVICE; AND

(2) THAT IS ACCEPTED BY A SPORTS WAGERING LICENSEE OR AN ONLINE SPORTS WAGERING OPERATOR.

~~(D)~~ (E) "ONLINE SPORTS WAGERING OPERATOR" MEANS AN ENTITY THAT HOLDS A LICENSE ISSUED BY THE COMMISSION UNDER THIS SUBTITLE TO OPERATE ONLINE SPORTS WAGERING ON BEHALF OF A SPORTS WAGERING LICENSEE.

~~(E)~~ (F) "PROCEEDS" MEANS THE PART OF THE AMOUNT OF MONEY WAGERED ON SPORTING EVENTS UNDER THIS SUBTITLE THAT IS NOT RETURNED TO SUCCESSFUL BETTORS BUT IS OTHERWISE ALLOCATED UNDER THIS SUBTITLE.

~~(F)~~ (G) (1) "SPORTING EVENT" MEANS:

(I) A PROFESSIONAL SPORTS OR ATHLETIC EVENT;

(II) A COLLEGIATE SPORTS OR ATHLETIC EVENT;

(III) AN OLYMPIC OR INTERNATIONAL SPORTS OR ATHLETIC EVENT ~~IN WHICH THE MAJORITY OF THE PARTICIPANTS ARE AT LEAST 18 YEARS OLD;~~

(IV) AN ELECTRONIC SPORTS OR VIDEO GAME COMPETITION;

~~1. SANCTIONED BY AN ESports GOVERNING ENTITY;~~

~~AND~~

~~2. IN WHICH EACH PARTICIPANT IS AT LEAST 18 YEARS~~

~~OLD;~~

(V) A MOTOR RACE EVENT SANCTIONED BY A MOTOR RACING GOVERNING ENTITY; OR

(VI) ANY PORTION OF A SPORTING EVENT, INCLUDING THE INDIVIDUAL PERFORMANCE STATISTICS OF ATHLETES OR COMPETITORS IN A SPORTING EVENT.

(2) "SPORTING EVENT" DOES NOT INCLUDE:

(I) A HIGH SCHOOL SPORTS OR ATHLETIC EVENT; ~~OR~~

(II) A FANTASY COMPETITION REGULATED UNDER SUBTITLE 1D OF THIS TITLE; OR

(III) A HORSE RACE AUTHORIZED UNDER TITLE 11 OF THE BUSINESS REGULATION ARTICLE.

(H) (1) "SPORTS FACILITY" MEANS:

(I) A STADIUM LOCATED IN PRINCE GEORGE'S COUNTY THAT IS USED PRIMARILY FOR PROFESSIONAL FOOTBALL; AND

(II) PRACTICE FIELDS OR OTHER AREAS WHERE A PROFESSIONAL FOOTBALL TEAM PRACTICES OR PERFORMS.

(2) "SPORTS FACILITY" INCLUDES PARKING LOTS, GARAGES, AND ANY OTHER PROPERTY ADJACENT AND DIRECTLY RELATED TO A STADIUM OR PRACTICE FIELDS.

~~(G)~~ (I) "SPORTS WAGERING" MEANS THE BUSINESS OF ACCEPTING WAGERS ON ANY SPORTING EVENT BY ANY SYSTEM OR METHOD OF WAGERING, INCLUDING SINGLE-GAME BETS, TEASER BETS, PARLAYS, OVER-UNDER, MONEYLINE, POOLS, EXCHANGE WAGERING, IN-GAME WAGERING, IN-PLAY BETS, PROPOSITION BETS, AND STRAIGHT BETS.

~~(H)~~ (J) "SPORTS WAGERING LICENSE" MEANS A LICENSE ISSUED BY THE COMMISSION UNDER THIS SUBTITLE THAT AUTHORIZES THE HOLDER TO ACCEPT WAGERS ON SPORTING EVENTS.

~~(H)~~ (K) "SPORTS WAGERING LICENSEE" MEANS THE HOLDER OF A SPORTS WAGERING LICENSE.

~~(J) "SPORTS WAGERING LOUNGE" MEANS A NONSMOKING AREA LOCATED IN A VIDEO LOTTERY FACILITY WHERE SPORTS WAGERING IS CONDUCTED.~~

~~(K)~~ (L) ~~(I)~~ "VIDEO LOTTERY FACILITY" HAS THE MEANING STATED IN § 9-1A-01 OF THIS TITLE.

~~(2) "VIDEO LOTTERY FACILITY" DOES NOT INCLUDE A LOCATION IN THE FACILITY WHERE SATELLITE SIMULCAST BETTING IS CONDUCTED.~~

~~(I)~~ (M) "VIDEO LOTTERY OPERATION LICENSE" HAS THE MEANING STATED IN § 9-1A-01 OF THIS TITLE.

~~(M)~~ (N) "VIDEO LOTTERY OPERATOR" HAS THE MEANING STATED IN § 9-1A-01 OF THIS TITLE.

9-1E-02.

~~(A) (1) THE COMMISSION SHALL REGULATE THE OPERATION OF SPORTS WAGERING IN ACCORDANCE WITH THIS SUBTITLE.~~

~~(2) THE STATE LOTTERY AND GAMING CONTROL AGENCY SHALL PROVIDE ASSISTANCE TO THE COMMISSION IN THE PERFORMANCE OF THE COMMISSION'S DUTIES UNDER THIS SUBTITLE.~~

(A) UNLESS THE CONTEXT REQUIRES OTHERWISE, THE REQUIREMENTS UNDER §§ 9-1A-04, 9-1A-06, 9-1A-07, 9-1A-08, 9-1A-12, 9-1A-14, 9-1A-18, 9-1A-19, 9-1A-20, AND 9-1A-25 OF THIS TITLE APPLY TO THE AUTHORITY, DUTIES, AND RESPONSIBILITIES OF THE COMMISSION, A SPORTS WAGERING LICENSEE, AND AN EMPLOYEE OR A CONTRACTOR OF A SPORTS WAGERING LICENSEE UNDER THIS SUBTITLE.

(B) THIS SUBTITLE AUTHORIZES A SPORTS WAGERING LICENSEE TO CONDUCT AND OPERATE SPORTS WAGERING IN THE STATE AS PROVIDED IN THIS SUBTITLE.

9-1E-03.

(A) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE, THE COMMISSION SHALL REGULATE SPORTS WAGERING AND THE CONDUCT OF SPORTS WAGERING TO

THE SAME EXTENT THAT THE COMMISSION REGULATES THE OPERATION OF VIDEO LOTTERY TERMINALS AND TABLE GAMES UNDER SUBTITLE 1A OF THIS TITLE.

(B) IN ACCORDANCE WITH THIS SUBTITLE, THE COMMISSION SHALL ADOPT REGULATIONS THAT ESTABLISH:

(1) THE FORM AND CONTENT OF ~~AND THE DEADLINE TO SUBMIT~~ AN APPLICATION FOR ANY LICENSE REQUIRED UNDER THIS SUBTITLE;

(2) THE METHODS, PROCEDURES, AND FORM FOR DELIVERY OF INFORMATION FROM AN APPLICANT OR A LICENSEE CONCERNING ANY PERSON'S FAMILY, HABITS, CHARACTER, ASSOCIATES, CRIMINAL RECORD, BUSINESS ACTIVITIES, AND FINANCIAL AFFAIRS;

(3) THE PROCEDURES FOR THE FINGERPRINTING OF AN APPLICANT FOR ANY LICENSE REQUIRED UNDER THIS SUBTITLE OR OTHER METHODS OF IDENTIFICATION THAT MAY BE NECESSARY IN THE JUDGMENT OF THE COMMISSION TO ACCOMPLISH EFFECTIVE ENFORCEMENT OF THE PROVISIONS OF THIS SUBTITLE;

~~(4) APPLICATION AND RENEWAL FEES AS REQUIRED UNDER § 9-1E-06(C) OF THIS SUBTITLE;~~

~~(5)~~ (4) THE GROUNDS AND PROCEDURES FOR REPRIMANDS OF LICENSEES OR THE REVOCATION OR SUSPENSION OF LICENSES ISSUED UNDER THIS SUBTITLE;

~~(6)~~ (5) THE MANNER AND METHOD OF COLLECTION OF TAXES, FEES, AND CIVIL PENALTIES;

~~(7)~~ (6) STANDARDS, PROCEDURES, AND RULES THAT GOVERN THE CONDUCT OF SPORTS WAGERING, INCLUDING:

~~(1) DEFINING AND LIMITING THE AREAS OF OPERATION FOR SPORTS WAGERING AND SPECIFYING THE SQUARE FOOTAGE, DESIGN, TYPE OF EQUIPMENT, SECURITY MEASURES, AND ANY OTHER MATTER RELATING TO A SPORTS WAGERING LOUNGE NECESSARY TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE;~~

~~(H)~~ (1) THE APPROVAL PROCESS FOR SELF-SERVICE KIOSKS OR MACHINES, SECURITY MEASURES FOR THE KIOSKS OR MACHINES, THE AMOUNT OF WAGERS AUTHORIZED ON THE KIOSKS OR MACHINES, AND ANY OTHER MATTER RELATING TO A SELF-SERVICE KIOSK OR MACHINE NECESSARY TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE;



~~(II)~~ (II) THE TYPES OF WAGERS ON SPORTING EVENTS THAT  
MAY BE ACCEPTED BY A SPORTS WAGERING LICENSEE;

~~(III)~~ (III) THE TYPES AND VALUES OF PROMOTIONAL ITEMS  
THAT MAY BE GIVEN AWAY TO ENCOURAGE SPORTS WAGERING;

~~(IV)~~ (IV) THE MANNER IN WHICH WAGERS ARE RECEIVED,  
PAYOUTS ARE REMITTED, AND POINT SPREADS, LINES, AND ODDS ARE DETERMINED;

~~(V)~~ (V) THE MAXIMUM WAGERS THAT MAY BE ACCEPTED BY A  
SPORTS WAGERING LICENSEE OR ONLINE SPORTS WAGERING OPERATOR FROM A  
SINGLE BETTOR ON A SINGLE SPORTING EVENT;

~~(VI)~~ (VI) THE AMOUNT OF CASH RESERVES TO BE MAINTAINED  
BY SPORTS WAGERING LICENSEES TO COVER WINNING WAGERS;

~~(VII)~~ (VII) ACCEPTABLE FORMS OF PAYMENT AND ADVANCE  
DEPOSIT METHODS BY BETTORS;

~~(VIII)~~ (VIII) MINIMUM UNIFORM STANDARDS OF ACCOUNTANCY  
METHODS, PROCEDURES, AND FORMS AS ARE NECESSARY TO ENSURE  
CONSISTENCY, COMPARABILITY, AND EFFECTIVE DISCLOSURE OF ALL FINANCIAL  
INFORMATION, INCLUDING PERCENTAGES OF PROFIT;

~~(IX)~~ (IX) PERIODIC FINANCIAL REPORTS AND THE FORM OF  
THE REPORTS, INCLUDING AN ANNUAL AUDIT PREPARED BY A CERTIFIED PUBLIC  
ACCOUNTANT LICENSED TO DO BUSINESS IN THE STATE, ~~DISCLOSING WHETHER THE~~  
~~ACCOUNTS, RECORDS, AND CONTROL PROCEDURES EXAMINED ARE MAINTAINED BY~~  
~~THE SPORTS WAGERING LICENSEE AS REQUIRED BY THIS SUBTITLE AND THE~~  
~~REGULATIONS THAT SHALL BE ISSUED UNDER THIS SUBTITLE~~ IN ACCORDANCE WITH  
THE STATEMENT ON STANDARDS FOR ATTESTATION ENGAGEMENTS AND  
GENERALLY ACCEPTED ACCOUNTING PRINCIPLES;

~~(X)~~ (X) REQUIRING LICENSEES UNDER THIS SUBTITLE TO  
DEMONSTRATE AND MAINTAIN FINANCIAL VIABILITY; AND

~~(XI)~~ (XI) ENSURING THAT SPORTS WAGERING IS CONDUCTED  
LEGALLY; AND

~~(8)~~ (7) ANY OTHER REGULATION NECESSARY TO CARRY OUT THE  
PROVISIONS OF THIS SUBTITLE.

9-1E-04.

(A) THE FOLLOWING PERSONS SHALL BE LICENSED UNDER THIS SUBTITLE:

(1) A VIDEO LOTTERY OPERATOR, A HORSE RACING LICENSEE, OR THE OWNER OF A SPORTS FACILITY THAT OPERATES SPORTS WAGERING;

(2) A PERSON THAT OPERATES SPORTS WAGERING ON BEHALF OF A SPORTS WAGERING LICENSEE, INCLUDING AN ONLINE SPORTS WAGERING OPERATOR;

(3) A PERSON NOT LICENSED UNDER ITEM (1) OR (2) OF THIS SUBSECTION THAT MANAGES, OPERATES, SUPPLIES, PROVIDES SECURITY FOR, OR PROVIDES SERVICE, MAINTENANCE, OR REPAIRS FOR SPORTS WAGERING EQUIPMENT AND DEVICES; AND

(4) AN INDIVIDUAL EMPLOYED IN THE OPERATION OF SPORTS WAGERING BY A SPORTS WAGERING LICENSEE IF THE INDIVIDUAL DOES NOT OTHERWISE HOLD A VALID LICENSE UNDER SUBTITLE 1A OF THIS TITLE.

(B) SUBJECT TO THE REQUIREMENTS OF THIS SUBTITLE, THE COMMISSION MAY ISSUE A SPORTS WAGERING LICENSE TO:

(1) A VIDEO LOTTERY OPERATOR;

(2) A HORSE RACING LICENSEE; AND

(3) THE OWNER OF A SPORTS FACILITY.

~~(B)~~ (C) THE COMMISSION MAY BY REGULATION REQUIRE A PERSON THAT CONTRACTS WITH A LICENSEE AND THE PERSON'S EMPLOYEES TO OBTAIN A LICENSE UNDER THIS SUBTITLE IF THE COMMISSION DETERMINES THAT THE LICENSING REQUIREMENTS ARE NECESSARY IN ORDER TO PROTECT THE PUBLIC INTEREST AND ACCOMPLISH THE POLICIES ESTABLISHED BY THIS SUBTITLE.

~~(C)~~ (D) FOR ALL LICENSES REQUIRED UNDER THIS SUBTITLE, IF AN APPLICANT HOLDS A VALID LICENSE IN ANOTHER STATE AND THE COMMISSION DETERMINES THAT THE LICENSING STANDARDS OF THE OTHER STATE ARE COMPREHENSIVE AND THOROUGH AND PROVIDE SIMILAR AND ADEQUATE SAFEGUARDS TO THOSE PROVIDED IN THIS SUBTITLE, THE COMMISSION MAY:

(1) WAIVE SOME OR ALL OF THE REQUIREMENTS OF THIS SUBTITLE;  
AND

(2) ISSUE A LICENSE TO THAT APPLICANT.

1        ~~(D)~~ (E)        (1)    ON THE REQUEST OF AN APPLICANT, THE COMMISSION MAY  
2 GRANT AN EXEMPTION OR A WAIVER OF A LICENSING REQUIREMENT OR GROUNDS  
3 FOR DENIAL OF A LICENSE IF THE COMMISSION DETERMINES THAT THE  
4 REQUIREMENT OR GROUNDS FOR DENIAL OF A LICENSE AS APPLIED TO THE  
5 APPLICANT ARE NOT NECESSARY TO PROTECT THE PUBLIC INTEREST OR  
6 ACCOMPLISH THE POLICIES ESTABLISHED BY THIS SUBTITLE.

7                    (2)    ON GRANTING TO AN APPLICANT AN EXEMPTION OR A WAIVER  
8 UNDER THIS SUBSECTION, OR AT ANY TIME AFTER A WAIVER OR AN EXEMPTION HAS  
9 BEEN GRANTED, THE COMMISSION MAY:

10                    (I)    LIMIT OR PLACE RESTRICTIONS ON THE EXEMPTION OR  
11 WAIVER AS THE COMMISSION CONSIDERS NECESSARY IN THE PUBLIC INTEREST;  
12 AND

13                    (II)   REQUIRE THE PERSON THAT IS GRANTED THE EXEMPTION  
14 OR WAIVER TO COOPERATE WITH THE COMMISSION AND TO PROVIDE THE  
15 COMMISSION WITH ANY ADDITIONAL INFORMATION REQUIRED BY THE  
16 COMMISSION AS A CONDITION OF THE WAIVER OR EXEMPTION.

17    9-1E-05.

18            (A)    A VIDEO LOTTERY OPERATOR, HORSE RACING LICENSEE, OR THE  
19 OWNER OF A SPORTS FACILITY MAY APPLY TO THE COMMISSION FOR A SPORTS  
20 WAGERING LICENSE.

21            (B)    AN APPLICATION SUBMITTED BY AN APPLICANT FOR A SPORTS  
22 WAGERING LICENSE UNDER THIS SECTION SHALL INCLUDE ~~AN APPLICATION FEE OF~~  
23 ~~\$2,500,000;~~

24                    (1)    AN INITIAL LICENSE FEE OF \$2,500,000 IF THE APPLICANT IS A  
25 VIDEO LOTTERY FACILITY WITH AT LEAST 1,000 VIDEO LOTTERY TERMINALS, A  
26 HORSE RACING LICENSEE WITH A LICENSE ISSUED UNDER § 11-510 OF THE  
27 BUSINESS REGULATION ARTICLE, OR THE OWNER OF A SPORTS FACILITY; OR

28                    (2)    AN INITIAL LICENSE FEE OF \$1,500,000 IF THE APPLICANT IS A  
29 VIDEO LOTTERY FACILITY WITH FEWER THAN 1,000 VIDEO LOTTERY TERMINALS OR  
30 A HORSE RACING LICENSEE WITH A LICENSE ISSUED UNDER § 11-524 OF THE  
31 BUSINESS REGULATION ARTICLE.

32            (C)    A SPORTS WAGERING LICENSEE MAY NOT BEGIN ACCEPTING WAGERS  
33 ON SPORTING EVENTS UNTIL THE FEE UNDER SUBSECTION (B) OF THIS SECTION IS  
34 PAID IN FULL.

(D) THE TERM OF A SPORTS WAGERING LICENSE UNDER THIS SECTION IS ~~1~~  
~~YEAR~~ 5 YEARS.

(E) (1) ON APPLICATION BY THE SPORTS WAGERING LICENSEE AND  
SUBMISSION OF A ~~\$250,000~~ LICENSE RENEWAL FEE, THE COMMISSION MAY RENEW  
FOR ~~1 YEAR~~ 5 YEARS A SPORTS WAGERING LICENSE.

(2) THE LICENSE RENEWAL FEE IS 25% OF THE INITIAL LICENSE FEE  
PAID BY THE SPORTS WAGERING LICENSEE.

~~9-1E-06.~~

(A) AN APPLICANT FOR A LICENSE UNDER THIS SUBTITLE SHALL SUBMIT TO  
THE COMMISSION AN APPLICATION;

~~(1) IN THE FORM THAT THE COMMISSION REQUIRES; AND~~

~~(2) ON OR BEFORE THE DATE SET BY THE COMMISSION.~~

~~(B) AS A CONDITION TO THE COMMISSION'S APPROVAL OF A LICENSE  
UNDER THIS SUBTITLE, THE APPLICANT SHALL SIGN A MEMORANDUM OF  
UNDERSTANDING WITH THE COMMISSION THAT REQUIRES THE APPLICANT TO USE  
BEST EFFORTS AND EFFECTIVE OUTREACH TO COMPLY, TO THE EXTENT  
PRACTICABLE AND AUTHORIZED BY THE UNITED STATES CONSTITUTION, WITH THE  
STATE'S MINORITY BUSINESS ENTERPRISE PROGRAM.~~

(B) (1) AN APPLICANT OR A LICENSEE IS SUBJECT TO:

(I) THE MINORITY BUSINESS PARTICIPATION GOAL  
ESTABLISHED FOR A UNIT BY THE SPECIAL SECRETARY FOR THE OFFICE OF SMALL,  
MINORITY, AND WOMEN BUSINESS AFFAIRS UNDER § 14-302(A)(1)(II) OF THE  
STATE FINANCE AND PROCUREMENT ARTICLE; AND

(II) ANY OTHER CORRESPONDING PROVISIONS OF LAW UNDER  
TITLE 14, SUBTITLE 3 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE MINORITY BUSINESS PARTICIPATION GOAL APPLIES TO:

(I) CONSTRUCTION RELATED TO SPORTS WAGERING; AND

(II) PROCUREMENT RELATED TO THE OPERATION OF SPORTS  
WAGERING, INCLUDING PROCUREMENT OF EQUIPMENT AND ONGOING SERVICES.

1           **(3) ON OR AFTER JULY 1, 2023, THE PROVISIONS OF THIS**  
2 **SUBSECTION AND ANY REGULATIONS ADOPTED UNDER THIS SUBSECTION SHALL BE**  
3 **OF NO EFFECT AND MAY NOT BE ENFORCED.**

4           **(C) (1) THIS SUBSECTION DOES NOT APPLY TO THE APPLICATION OR**  
5 **LICENSE RENEWAL FEES FOR A SPORTS WAGERING LICENSE REQUIRED UNDER §**  
6 **9-1E-05 OF THIS SUBTITLE.**

7           **(2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE**  
8 **COMMISSION SHALL ADOPT REGULATIONS THAT ESTABLISH AN APPLICATION FEE**  
9 **AND LICENSE RENEWAL FEE FOR A LICENSE UNDER THIS SUBTITLE.**

10           **(II) THE APPLICATION FEE FOR AN ONLINE SPORTS WAGERING**  
11 **OPERATOR LICENSE MAY NOT BE LESS THAN \$5,000.**

12           **(3) AN APPLICANT SHALL SUBMIT THE APPLICATION FEE WITH THE**  
13 **APPLICATION.**

14           **(4) THE TERM OF THE LICENSE IS ~~1 YEAR~~ 5 YEARS.**

15           **(D) ON A PROPERLY APPROVED TRANSMITTAL PREPARED BY THE**  
16 **COMMISSION, THE COMPTROLLER SHALL PAY THE ~~APPLICATION FEES AND LICENSE~~**  
17 **~~RENEWAL FEES~~ INITIAL LICENSE FEES AND LICENSE RENEWAL FEES COLLECTED BY**  
18 **THE COMMISSION UNDER ~~THIS SECTION AND~~ § 9-1E-05 OF THIS SUBTITLE TO THE**  
19 **EDUCATION TRUST FUND ESTABLISHED UNDER § 9-1A-30 OF THIS TITLE.**

20           **(E) (1) APPLICANTS AND LICENSEES SHALL HAVE THE AFFIRMATIVE**  
21 **RESPONSIBILITY TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THE**  
22 **APPLICANT'S OR LICENSEE'S QUALIFICATIONS.**

23           **(2) APPLICANTS AND LICENSEES SHALL PROVIDE INFORMATION**  
24 **REQUIRED BY THIS SUBTITLE AND SATISFY REQUESTS FOR INFORMATION RELATING**  
25 **TO QUALIFICATIONS IN THE FORM SPECIFIED BY THE COMMISSION, IF APPLICABLE.**

26           **(3) (I) APPLICANTS AND LICENSEES SHALL:**

27                           **1. PROVIDE ASSISTANCE OR INFORMATION REQUIRED**  
28 **BY THE COMMISSION; AND**

29                           **2. COOPERATE IN AN INQUIRY, AN INVESTIGATION, OR A**  
30 **HEARING CONDUCTED BY THE COMMISSION.**

31           **(II) ON ISSUANCE OF A FORMAL REQUEST TO ANSWER OR**  
32 **PRODUCE INFORMATION, EVIDENCE, OR TESTIMONY, IF AN APPLICANT OR A**

LICENSEE REFUSES TO COMPLY, THE APPLICATION OR LICENSE MAY BE DENIED, SUSPENDED, OR REVOKED BY THE COMMISSION.

(4) (I) IF THE APPLICANT IS AN INDIVIDUAL, THE APPLICANT SHALL BE PHOTOGRAPHED AND FINGERPRINTED FOR IDENTIFICATION AND INVESTIGATION PURPOSES.

(II) IF THE APPLICANT IS NOT AN INDIVIDUAL, THE COMMISSION BY REGULATION MAY ESTABLISH THE CATEGORIES OF INDIVIDUALS WHO SHALL BE PHOTOGRAPHED AND FINGERPRINTED FOR IDENTIFICATION AND INVESTIGATION PURPOSES.

(5) (I) APPLICANTS AND LICENSEES SHALL INFORM THE COMMISSION OF AN ACT OR OMISSION THAT THE PERSON KNOWS OR SHOULD KNOW CONSTITUTES A VIOLATION OF THIS SUBTITLE OR THE REGULATIONS ADOPTED UNDER THIS SUBTITLE.

(II) APPLICANTS AND LICENSEES MAY NOT DISCRIMINATE AGAINST A PERSON WHO IN GOOD FAITH INFORMS THE COMMISSION OF AN ACT OR OMISSION THAT THE PERSON BELIEVES CONSTITUTES A VIOLATION OF THIS SUBTITLE OR THE REGULATIONS ADOPTED UNDER THIS SUBTITLE.

(6) APPLICANTS AND LICENSEES SHALL PRODUCE INFORMATION, DOCUMENTATION, AND ASSURANCES TO ESTABLISH THE FOLLOWING QUALIFICATION CRITERIA BY CLEAR AND CONVINCING EVIDENCE:

(I) THE FINANCIAL STABILITY, INTEGRITY, AND RESPONSIBILITY OF THE APPLICANT OR LICENSEE;

(II) THE INTEGRITY OF ANY FINANCIAL BACKERS, INVESTORS, MORTGAGEES, BONDHOLDERS, AND HOLDERS OF OTHER EVIDENCES OF INDEBTEDNESS THAT BEAR A RELATION TO THE APPLICATION;

(III) THE APPLICANT'S OR LICENSEE'S GOOD CHARACTER, HONESTY, AND INTEGRITY; ~~AND~~

(IV) SUFFICIENT BUSINESS ABILITY AND EXPERIENCE OF THE APPLICANT OR LICENSEE; AND

(V) THAT:

1. THE APPLICANT OR LICENSEE HAS ENTERED INTO A LABOR PEACE AGREEMENT WITH EACH LABOR ORGANIZATION THAT IS ACTIVELY

ENGAGED IN REPRESENTING OR ATTEMPTING TO REPRESENT SPORTS WAGERING  
INDUSTRY WORKERS IN THE STATE;

2. THE LABOR PEACE AGREEMENT IS VALID AND  
ENFORCEABLE UNDER 29 U.S.C. § 158;

3. THE LABOR PEACE AGREEMENT PROTECTS THE  
STATE'S REVENUES BY PROHIBITING THE LABOR ORGANIZATION AND ITS MEMBERS  
FROM ENGAGING IN PICKETING, WORK STOPPAGES, BOYCOTTS, AND ANY OTHER  
ECONOMIC INTERFERENCE WITH THE OPERATION OF SPORTS WAGERING WITHIN  
THE FIRST 5 YEARS OF THE EFFECTIVE DATE OF A SPORTS WAGERING LICENSE; AND

4. THE LABOR PEACE AGREEMENT APPLIES TO ALL  
OPERATIONS AT A FACILITY OR LOCATION WHERE SPORTS WAGERING IS  
CONDUCTED.

(F) (1) ON THE FILING OF AN APPLICATION FOR ANY LICENSE REQUIRED  
UNDER THIS SUBTITLE AND ANY SUPPLEMENTAL INFORMATION REQUIRED BY THE  
COMMISSION, THE COMMISSION SHALL CONDUCT A BACKGROUND INVESTIGATION  
ON THE QUALIFICATIONS OF THE APPLICANT AND ANY PERSON WHO IS REQUIRED  
TO BE QUALIFIED UNDER THIS SUBTITLE AS A CONDITION OF A LICENSE.

(2) THE COMMISSION MAY REFER AN APPLICATION FOR A LICENSE  
TO AN APPROVED VENDOR UNDER § 9-1A-20 OF THIS TITLE TO CONDUCT THE  
BACKGROUND INVESTIGATION FOR THE COMMISSION.

(G) (1) AFTER RECEIVING THE RESULTS OF THE BACKGROUND  
INVESTIGATION, THE COMMISSION MAY EITHER GRANT A LICENSE TO AN  
APPLICANT WHOM THE COMMISSION DETERMINES TO BE QUALIFIED OR DENY THE  
LICENSE TO AN APPLICANT WHOM THE COMMISSION DETERMINES TO BE NOT  
QUALIFIED OR DISQUALIFIED.

(2) IF AN APPLICATION FOR A LICENSE IS DENIED, THE COMMISSION  
SHALL PREPARE AND FILE AN ORDER DENYING THE LICENSE WITH A STATEMENT OF  
THE REASONS FOR THE DENIAL, INCLUDING THE SPECIFIC FINDINGS OF FACT.

(H) (1) AN INDIVIDUAL MAY NOT KNOWINGLY GIVE FALSE INFORMATION  
OR MAKE A MATERIAL MISSTATEMENT IN AN APPLICATION REQUIRED FOR ANY  
LICENSE UNDER THIS SUBTITLE OR IN ANY SUPPLEMENTAL INFORMATION  
REQUIRED BY THE COMMISSION.

(2) AN INDIVIDUAL WHO VIOLATES THIS SECTION IS GUILTY OF A  
MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT  
EXCEEDING 3 YEARS OR A FINE NOT EXCEEDING \$5,000 OR BOTH.

**9-1E-07.**

(A) THE COMMISSION MAY DENY A LICENSE TO AN APPLICANT FOR A LICENSE UNDER § 9-1E-04 OF THIS SUBTITLE, REPRIMAND OR FINE A LICENSEE, OR SUSPEND OR REVOKE A LICENSE FOR A VIOLATION OF:

(1) THIS SUBTITLE;

(2) A REGULATION ADOPTED UNDER THIS SUBTITLE; OR

(3) A CONDITION THAT THE COMMISSION SETS.

(B) FOR EACH VIOLATION SPECIFIED IN SUBSECTION (A) OF THIS SECTION, THE COMMISSION MAY IMPOSE A PENALTY NOT EXCEEDING \$5,000.

(C) EACH DAY THAT A PERSON IS IN VIOLATION UNDER THIS SECTION SHALL BE CONSIDERED A SEPARATE VIOLATION.

(D) TO DETERMINE THE AMOUNT OF THE PENALTY IMPOSED UNDER SUBSECTION (B) OF THIS SECTION, THE COMMISSION SHALL CONSIDER:

(1) THE SERIOUSNESS OF THE VIOLATION;

(2) THE HARM CAUSED BY THE VIOLATION; AND

(3) THE GOOD FAITH OR LACK OF GOOD FAITH OF THE PERSON WHO COMMITTED THE VIOLATION.

(E) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE, NOTHING CONTAINED IN THIS SUBTITLE ABROGATES OR LIMITS THE CRIMINAL LAWS OF THE STATE OR LIMITS THE AUTHORITY OF THE GENERAL ASSEMBLY TO ENACT STATUTES ESTABLISHING CRIMINAL OFFENSES AND PENALTIES RELATING TO SPORTS WAGERING OPERATIONS.

**9-1E-08.**

~~(A) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A SPORTS WAGERING LICENSEE MAY NOT ACCEPT WAGERS ON SPORTING EVENTS UNLESS A SPORTS WAGERING LOUNGE, APPROVED BY THE COMMISSION, IS ESTABLISHED AND HAS COMMENCED OPERATION IN THE LICENSEE'S VIDEO LOTTERY FACILITY.~~



~~(2) A SPORTS WAGERING LICENSEE MAY PETITION THE COMMISSION TO CONDUCT SPORTS WAGERING DURING THE CONSTRUCTION OF A SPORTS WAGERING LOUNGE IN THE LICENSEE'S VIDEO LOTTERY FACILITY FOR A PERIOD NOT TO EXCEED 18 MONTHS;~~

~~(I) AT A TEMPORARY FACILITY THAT IS PHYSICALLY CONNECTED TO, ATTACHED TO, OR ADJACENT TO THE APPLICANT'S VIDEO LOTTERY FACILITY; OR~~

~~(II) THROUGH ONLINE SPORTS WAGERING.~~

~~(B) A SPORTS WAGERING LICENSEE THAT HAS MET THE REQUIREMENTS OF SUBSECTION (A) OF THIS SECTION MAY ACCEPT WAGERS ON SPORTING EVENTS THAT ARE MADE:~~

~~(1) BY AN INDIVIDUAL PHYSICALLY PRESENT IN A SPORTS WAGERING LOUNGE LOCATED AT THE LICENSEE'S VIDEO LOTTERY FACILITY OR A TEMPORARY FACILITY AUTHORIZED UNDER SUBSECTION (A) OF THIS SECTION;~~

(I) IN A VIDEO LOTTERY FACILITY, IF THE SPORTS WAGERING LICENSEE IS A VIDEO LOTTERY OPERATOR;

(II) AT PIMLICO RACE COURSE OR A RACE TRACK LOCATED AT LAUREL PARK OR IN TIMONIUM, IF THE SPORTS WAGERING LICENSEE IS A HORSE RACING LICENSEE;

(III) IN A SPORTS FACILITY, IF THE SPORTS WAGERING LICENSEE IS THE OWNER OF A SPORTS FACILITY; OR

(IV) SUBJECT TO SUBSECTION (C) OF THIS SECTION, AT A LOCATION IDENTIFIED IN A SATELLITE SIMULCAST FACILITY PERMIT GRANTED UNDER § 11-820 OF THE BUSINESS REGULATION ARTICLE;

~~(2) ON A SELF-SERVICE KIOSK OR MACHINE, APPROVED BY THE COMMISSION, BY AN INDIVIDUAL PHYSICALLY PRESENT IN THE LICENSEE'S VIDEO LOTTERY FACILITY LOCATED IN A FACILITY OR AT A LOCATION IDENTIFIED UNDER PARAGRAPH (1) OF THIS SUBSECTION; OR~~

~~(3) THROUGH ONLINE SPORTS WAGERING BY AN INDIVIDUAL PHYSICALLY LOCATED IN THE STATE.~~

~~(C) (B) TO PARTICIPATE IN ONLINE SPORTS WAGERING UNDER THIS SECTION, A BETTOR SHALL REGISTER:~~

(1) IN PERSON AT ~~THE SPORTS WAGERING LICENSEE'S VIDEO~~  
~~LOTTERY FACILITY~~ A FACILITY OR LOCATION IDENTIFIED UNDER SUBSECTION  
(A)(1) OF THIS SECTION; OR

(2) ONLINE USING A WEBSITE OR MOBILE APPLICATION APPROVED  
BY THE COMMISSION.

(C) A SPORTS WAGERING LICENSEE THAT ACCEPTS WAGERS AT A LOCATION  
IDENTIFIED IN A SATELLITE SIMULCAST FACILITY PERMIT GRANTED UNDER §  
11-820 OF THE BUSINESS REGULATION ARTICLE SHALL OWN OR LEASE THE  
SPORTS WAGERING EQUIPMENT AT A SATELLITE SIMULCAST FACILITY AND SHALL,  
WITH ITS EMPLOYEES, OPERATE THE EQUIPMENT.

9-1E-09.

(A) (1) A SPORTS WAGERING LICENSEE:

(I) MAY CONDUCT AND OPERATE ONLINE SPORTS WAGERING;  
OR

(II) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION AND  
SUBSECTION (B) OF THIS SECTION, MAY ENTER INTO A CONTRACT WITH AN ONLINE  
SPORTS WAGERING OPERATOR TO CONDUCT ONLINE SPORTS WAGERING ON ITS  
BEHALF.

(2) A PERSON OTHER THAN THE SPORTS WAGERING LICENSEE MAY  
NOT CONDUCT ONLINE SPORTS WAGERING, EXCEPT FOR TESTING PURPOSES, UNTIL  
THE PERSON RECEIVES FROM THE COMMISSION AN ONLINE SPORTS WAGERING  
LICENSE.

(3) (I) A SPORTS WAGERING LICENSEE MAY NOT CONTRACT WITH  
MORE THAN ONE ONLINE SPORTS WAGERING OPERATOR TO CONDUCT ONLINE  
SPORTS WAGERING ON THE LICENSEE'S BEHALF.

(II) ALL SPORTS WAGERING LICENSEES THAT ARE RELATED  
ENTITIES ARE TREATED AS A SINGLE SPORTS WAGERING LICENSEE FOR PURPOSES  
OF THE LIMITATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH.

~~(B) (1) A SPORTS WAGERING LICENSEE MAY NOT ENTER INTO A~~  
~~CONTRACT WITH AN ONLINE SPORTS WAGERING OPERATOR UNLESS THE CONTRACT~~  
~~IS IN WRITING AND HAS BEEN APPROVED BY THE COMMISSION.~~

~~(2) A SPORTS WAGERING LICENSEE SHALL SUBMIT ANY MATERIAL~~  
~~CHANGE IN AN ONLINE SPORTS WAGERING CONTRACT PREVIOUSLY APPROVED BY~~

~~THE COMMISSION TO THE COMMISSION FOR ITS APPROVAL OR REJECTION BEFORE  
THE MATERIAL CHANGE MAY TAKE EFFECT.~~

~~(3)~~ (B) ~~(1)~~ THE DUTIES AND RESPONSIBILITIES OF AN ONLINE  
SPORTS WAGERING OPERATOR MAY NOT BE ASSIGNED, DELEGATED,  
SUBCONTRACTED, OR TRANSFERRED TO A THIRD PARTY WITHOUT THE PRIOR  
APPROVAL OF THE COMMISSION.

~~(H)~~ (2) A THIRD PARTY MUST BE LICENSED AS AN ONLINE  
SPORTS WAGERING OPERATOR BEFORE PROVIDING SERVICES.

(C) AN ONLINE SPORTS WAGERING OPERATOR MAY CONDUCT ONLINE  
SPORTS WAGERING ON BEHALF OF MORE THAN ONE SPORTS WAGERING LICENSEE.

**9-1E-10.**

**(A) AN INDIVIDUAL MAY NOT WAGER ON A SPORTING EVENT AND A SPORTS  
WAGERING LICENSEE MAY NOT ACCEPT A WAGER FROM AN INDIVIDUAL ON A  
SPORTING EVENT IF THE INDIVIDUAL:**

**(1) IS UNDER THE AGE OF 21 YEARS;**

**(2) IS NOT PHYSICALLY PRESENT IN THE STATE;**

**(3) IS AN ATHLETE, A COACH, A REFEREE, OR A DIRECTOR OR AN  
EMPLOYEE OF A SPORTS GOVERNING ENTITY OR ANY OF ITS MEMBER TEAMS;**

**(4) IS THE DIRECT OR INDIRECT LEGAL OR BENEFICIAL OWNER OF  
10% OR MORE OF A SPORTS GOVERNING ENTITY OR ANY OF ITS MEMBER TEAMS IF  
ANY MEMBER TEAM OF THAT SPORTS GOVERNING ENTITY PARTICIPATES IN THE  
SPORTING EVENT;**

**(5) HAS ACCESS TO CERTAIN TYPES OF EXCLUSIVE INFORMATION ON  
ANY SPORTING EVENT OVERSEEN BY THAT INDIVIDUAL'S SPORTS GOVERNING  
ENTITY;**

**(6) HOLDS A POSITION OF AUTHORITY OR INFLUENCE SUFFICIENT TO  
EXERT INFLUENCE OVER THE PARTICIPANTS IN A SPORTING EVENT, INCLUDING  
COACHES, MANAGERS, HANDLERS, OR ATHLETIC TRAINERS;**

**(7) IS IDENTIFIED ON ~~ANY~~ A MANDATORY OR VOLUNTARY SPORTS  
WAGERING EXCLUSION LIST MAINTAINED BY THE COMMISSION;**

(8) IS THE OPERATOR, DIRECTOR, OFFICER, OWNER, OR EMPLOYEE OF THE SPORTS WAGERING LICENSEE OR ONLINE SPORTS WAGERING OPERATOR OR ANY RELATIVE OF THE LICENSEE OR OPERATOR LIVING IN THE SAME HOUSEHOLD AS THE LICENSEE OR OPERATOR; OR

(9) HAS ACCESS TO NONPUBLIC CONFIDENTIAL INFORMATION HELD BY THE SPORTS WAGERING LICENSEE OR ONLINE SPORTS WAGERING OPERATOR.

(B) FOR ONLINE SPORTS WAGERING, THE SPORTS WAGERING LICENSEE SHALL:

(1) HAVE IN PLACE TECHNICAL AND OPERATIONAL MEASURES TO PREVENT ACCESS BY INDIVIDUALS WHO ARE UNDERAGE OR PHYSICALLY LOCATED OUTSIDE THE STATE, INCLUDING:

(I) AGE VERIFICATION PROCEDURES, WHICH MAY REQUIRE THE USE OF A REPUTABLE INDEPENDENT THIRD PARTY THAT IS IN THE BUSINESS OF VERIFYING AN INDIVIDUAL'S PERSONALLY IDENTIFIABLE INFORMATION; AND

(II) THE USE OF ~~GEOFENCING~~ GEOLOCATION TECHNOLOGY TO VERIFY A BETTOR'S GEOGRAPHIC LOCATION;

(2) INCLUDE ON ITS ONLINE SPORTS WAGERING WEBSITE A DESCRIPTION OF THE POSSIBLE REPERCUSSIONS FOR AN UNDERAGE OR OUT-OF-STATE BETTOR, WHICH MAY INCLUDE IMMEDIATE STOPPAGE OF PLAY, ACCOUNT CLOSURE, AND FORFEITURE AND CONFISCATION OF WINNINGS; AND

(3) ESTABLISH PROCEDURES TO PREVENT PROHIBITED INDIVIDUALS FROM WAGERING ON SPORTING EVENTS.

(C) A SPORTS WAGERING LICENSEE SHALL:

~~(1) ADOPT PROCEDURES TO OBTAIN PERSONALLY IDENTIFIABLE INFORMATION FROM ANY INDIVIDUAL WHO PLACES ANY SINGLE WAGER IN AN AMOUNT OF \$10,000 OR MORE ON A SPORTING EVENT;~~

~~(2)~~ (1) PROMPTLY REPORT TO THE COMMISSION:

(I) ANY CRIMINAL OR DISCIPLINARY PROCEEDINGS AGAINST THE LICENSEE OR ITS EMPLOYEES IN CONNECTION WITH THE LICENSEE'S SPORTS WAGERING OPERATION;

(II) ANY ABNORMAL BETTING ACTIVITY OR PATTERNS THAT MAY INDICATE A CONCERN ABOUT THE INTEGRITY OF A SPORTING EVENT;

(III) ANY OTHER CONDUCT WITH THE POTENTIAL TO CORRUPT THE OUTCOME OF A SPORTING EVENT FOR PURPOSES OF FINANCIAL GAIN, INCLUDING MATCH FIXING; AND

(IV) ANY SUSPICIOUS OR ILLEGAL WAGERING ACTIVITIES, INCLUDING THE USE OF FUNDS DERIVED FROM ILLEGAL ACTIVITY, WAGERS TO CONCEAL OR LAUNDER FUNDS DERIVED FROM ILLEGAL ACTIVITY, USE OF AGENTS TO PLACE WAGERS, OR USE OF FALSE IDENTIFICATION; AND

~~(3)~~ (2) MAINTAIN RECORDS OF SPORTS WAGERING OPERATIONS IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE COMMISSION.

(D) THE COMMISSION IS AUTHORIZED TO SHARE ANY INFORMATION UNDER THIS SECTION WITH ANY LAW ENFORCEMENT AGENCY, SPORTS TEAM, SPORTS GOVERNING ENTITY, OR REGULATORY AGENCY THE COMMISSION DEEMS APPROPRIATE.

9-1E-11.

(A) (1) THE COMMISSION SHALL ACCOUNT TO THE COMPTROLLER FOR ALL OF THE REVENUE UNDER THIS SUBTITLE.

(2) THE PROCEEDS FROM SPORTS WAGERING SHALL BE UNDER THE CONTROL OF THE COMPTROLLER AND DISTRIBUTED AS PROVIDED UNDER SUBSECTION (B) OF THIS SECTION.

(B) (1) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, ALL PROCEEDS FROM SPORTS WAGERING SHALL BE ELECTRONICALLY TRANSFERRED DAILY INTO THE STATE LOTTERY FUND ESTABLISHED UNDER SUBTITLE 1 OF THIS TITLE.

(II) A SPORTS WAGERING LICENSEE SHALL RETAIN:

1. EXCEPT AS PROVIDED IN ITEM 2 OF THIS SUBPARAGRAPH, 80% OF THE PROCEEDS FROM SPORTS WAGERING; OR

2. 75% OF THE PROCEEDS FROM SPORTS WAGERING IF THE PROCEEDS ARE FROM SPORTS WAGERING AT A SATELLITE SIMULCAST FACILITY.

(2) ALL PROCEEDS FROM SPORTS WAGERING ~~SHALL BE ELECTRONICALLY TRANSFERRED ON A WEEKLY BASIS INTO~~ IN THE STATE LOTTERY FUND ESTABLISHED UNDER SUBTITLE 1 OF THIS TITLE AND DISTRIBUTED SHALL BE

1 DISTRIBUTED ON A MONTHLY BASIS, ON A PROPERLY APPROVED TRANSMITTAL  
2 PREPARED BY THE COMMISSION, AS FOLLOWS:

3 ~~(1) (I) TO THE SPORTS WAGERING LICENSEE, 80% OF THE~~  
4 ~~PROCEEDS FROM SPORTS WAGERING~~ SMALL, MINORITY, AND WOMEN-OWNED  
5 BUSINESS ACCOUNT ESTABLISHED UNDER § 5-1501 OF THE ECONOMIC  
6 DEVELOPMENT ARTICLE, 1% OF THE PROCEEDS FROM SPORTS WAGERING; AND

7 ~~(2) (II)~~ THE REMAINDER TO THE EDUCATION TRUST FUND  
8 ESTABLISHED UNDER § 9-1A-30 OF THIS TITLE.

9 (C) A WINNING WAGER ON A SPORTING EVENT THAT IS NOT CLAIMED BY THE  
10 WINNER WITHIN 182 DAYS AFTER THE WAGER IS WON SHALL:

11 (1) BECOME THE PROPERTY OF THE STATE; AND

12 (2) BE DISTRIBUTED TO THE EDUCATION TRUST FUND ESTABLISHED  
13 UNDER § 9-1A-30 OF THIS TITLE.

14 (D) IF A SPORTS WAGERING LICENSEE RETURNS TO SUCCESSFUL PLAYERS  
15 MORE THAN THE AMOUNT OF MONEY WAGERED ON ANY DAY, THE LICENSEE MAY  
16 SUBTRACT THAT AMOUNT FROM THE PROCEEDS OF UP TO 90 FOLLOWING DAYS.

17 9-1E-12.

18 (A) ALL WAGERS ON SPORTING EVENTS AUTHORIZED UNDER THIS  
19 SUBTITLE SHALL BE INITIATED, RECEIVED, AND OTHERWISE MADE WITHIN THE  
20 STATE UNLESS OTHERWISE DETERMINED BY THE COMMISSION IN ACCORDANCE  
21 WITH APPLICABLE FEDERAL AND STATE LAWS.

22 (B) CONSISTENT WITH THE INTENT OF THE UNITED STATES CONGRESS AS  
23 ARTICULATED IN THE UNLAWFUL INTERNET GAMBLING ENFORCEMENT ACT OF  
24 2006, THE INTERMEDIATE ROUTING OF ELECTRONIC DATA RELATING TO A LAWFUL  
25 INTRASTATE WAGER AUTHORIZED UNDER THIS SUBTITLE MAY NOT DETERMINE THE  
26 LOCATION IN WHICH THE WAGER IS INITIATED, RECEIVED, OR OTHERWISE MADE.

27 (C) NOTWITHSTANDING THE PROVISIONS OF THIS SUBTITLE, A WAGER ON A  
28 SPORTING EVENT MAY BE ACCEPTED OR POOLED WITH A WAGER FROM AN  
29 INDIVIDUAL WHO IS NOT PHYSICALLY PRESENT IN THE STATE IF THE COMMISSION  
30 DETERMINES THAT ACCEPTING OR POOLING THE WAGER IS NOT INCONSISTENT  
31 WITH FEDERAL LAW OR THE LAW OF THE JURISDICTION, INCLUDING ANY FOREIGN  
32 NATION, IN WHICH THE INDIVIDUAL IS LOCATED, OR THAT SUCH WAGERING IS  
33 CONDUCTED IN ACCORDANCE WITH A RECIPROCAL AGREEMENT TO WHICH THE  
34 STATE IS A PARTY THAT IS NOT INCONSISTENT WITH FEDERAL LAW.

1 **9-1E-13.**

2 ON OR BEFORE DECEMBER 1 EACH YEAR, THE COMMISSION SHALL REPORT  
3 TO THE GOVERNOR AND, ~~SUBJECT TO~~ IN ACCORDANCE WITH § 2-1257 OF THIS  
4 ARTICLE, TO THE GENERAL ASSEMBLY ON:

5 (1) THE OPERATION OF SPORTS WAGERING IN THE STATE; AND

6 (2) SPORTS WAGERING REVENUES FROM THE IMMEDIATELY  
7 PRECEDING FISCAL YEAR, INCLUDING THE HANDLE, HOLD, HOLD PERCENTAGE,  
8 AND PROCEEDS, BROKEN DOWN BY ~~TYPE OF WAGER, TYPE OF SPORTING EVENT, AND~~  
9 ~~SPORTS WAGERING FACILITY;~~ CATEGORIES DEFINED BY THE COMMISSION.

10 ~~(3) THE IMPACT OF SPORTS WAGERING ON THE INTEGRITY OF~~  
11 ~~SPORTING EVENTS, INCLUDING THE IMPACT, IF ANY, ON ATHLETES;~~

12 ~~(4) (I) THE IMPACT OF SPORTS WAGERING ON PROBLEM~~  
13 ~~GAMBLERS AND GAMBLING ADDICTION IN THE STATE; AND~~

14 ~~(H) THE NEED, IF ANY, OF ADDITIONAL PROBLEM GAMBLING~~  
15 ~~FUNDS AND RECOMMENDATIONS ON THE AMOUNT NECESSARY TO ADDRESS THE~~  
16 ~~IMPACT ON PROBLEM GAMBLING; AND~~

17 ~~(5) THE EFFECTIVENESS OF THE STATUTORY AND REGULATORY~~  
18 ~~CONTROLS IN PLACE TO ENSURE THE INTEGRITY OF ONLINE SPORTS WAGERING~~  
19 ~~OPERATIONS.~~

20 **9-1E-14.**

21 (A) THIS SECTION APPLIES TO THE OWNER OF A SPORTS FACILITY.

22 (B) THE OWNER OF A SPORTS FACILITY MAY NOT APPLY FOR A SPORTS  
23 WAGERING LICENSE UNTIL THE OWNER ENTERS INTO AN AGREEMENT WITH THE  
24 GOVERNING BODY OF PRINCE GEORGE'S COUNTY FOR THE CONSTRUCTION OF A  
25 MIXED USE DEVELOPMENT AND THE CONSTRUCTION OR RECONSTRUCTION OF A  
26 SPORTS FACILITY IN PRINCE GEORGE'S COUNTY WITHIN A 1.5-MILE RADIUS OF THE  
27 INTERSECTION OF ARENA DRIVE AND I-495.

28 (C) THE COMMISSION SHALL TERMINATE AND REVOKE THE SPORTS  
29 WAGERING LICENSE OF THE OWNER OF A SPORTS FACILITY IF:

(1) ON OR BEFORE JULY 1, 2022, THE OWNER HAS NOT SUBMITTED ARCHITECTURAL DRAWINGS OF THE SPORTS FACILITY TO THE GOVERNING BODY OF PRINCE GEORGE’S COUNTY; AND

(2) ON OR BEFORE JULY 1, 2024, THE OWNER HAS NOT:

(I) RECEIVED ALL REQUIRED ZONING APPROVALS IN ACCORDANCE WITH THE COUNTY ZONING LAWS FOR A SPORTS FACILITY AND MIXED USE DEVELOPMENT PROJECT LOCATED IN PRINCE GEORGE’S COUNTY WITH CONSTRUCTION OR RENOVATION COSTS THAT ARE AT LEAST \$500,000,000; AND

(II) ENTERED INTO A COMMUNITY BENEFITS AGREEMENT WITH THE GOVERNING BODY OF PRINCE GEORGE’S COUNTY REGARDING BENEFITS TO THE COMMUNITY FROM THE DEVELOPMENT, CONSTRUCTION, AND OPERATION OF THE SPORTS FACILITY.

SECTION 2. AND BE IT FURTHER ENACTED, That it is the intent of the General Assembly that, in order to maintain the competitiveness of the State’s gaming program, the State Lottery and Gaming Control Agency prepare to implement sports wagering in the State as expeditiously as possible and in a manner that is in the best interests of Maryland and its citizens, by:

(1) reviewing the implementation processes of other states and consulting with the gaming regulators in those states; and

(2) developing draft regulations that have been approved by the Director of the Agency ahead of the 2020 general election and initiating the administrative process for those regulations as soon as possible under the law.

SECTION 3. AND BE IT FURTHER ENACTED, That the certification agency designated by the Board of Public Works under § 14–303(b) of the State Finance and Procurement Article to certify and decertify minority business enterprises, in consultation with the Office of the Attorney General and the Governor’s Office of Small, Minority, and Women Business Affairs, shall initiate an analysis of the Minority Business Enterprise Program requirements of § 10A–404 of the State Finance and Procurement Article, as enacted by Section 1 of this Act, and the disparity study entitled “Business Disparities in the Maryland Market Area” published on February 8, 2017, to evaluate compliance with the requirements of any federal and constitutional requirements and submit a report on the analysis to the Legislative Policy Committee of the General Assembly, in accordance with § 2–1257 of the State Government Article, on or before September 30, 2020.

SECTION 4. AND BE IT FURTHER ENACTED, That the certification agency designated by the Board of Public Works under § 14–303(b) of the State Finance and Procurement Article to certify and decertify minority business enterprises, in consultation with the Office of the Attorney General and the Governor’s Office of Small, Minority, and Women Business Affairs, shall initiate an analysis of the Minority Business Enterprise



1 Program requirements of § 10A-404 of the State Finance and Procurement Article, as  
2 enacted by Section 1 of this Act, and the disparity study submitted pursuant to Chapter  
3 340 of the Acts of the General Assembly of 2017 to evaluate compliance with the  
4 requirements of any federal and constitutional requirements and submit a report on the  
5 analysis to the Legislative Policy Committee of the General Assembly, in accordance with  
6 § 2-1257 of the State Government Article, on or before December 1, 2022.

7 SECTION ~~3~~ 5. AND BE IT FURTHER ENACTED, That before this Act, which  
8 authorizes additional forms or expansion of commercial gaming, becomes effective, it first  
9 shall be submitted to a referendum of the qualified voters of the State at the general  
10 election to be held in November 2020, in accordance with Article XIX, § 1(e) of the Maryland  
11 Constitution. The State Board of Elections shall do those things necessary and proper to  
12 provide for and hold the referendum required by this section. If a majority of the votes cast  
13 on the question are “For the referred law”, this Act shall become effective on the 30th day  
14 following the official canvass of votes for the referendum, but if a majority of the votes cast  
15 on the question are “Against the referred law”, this Act, with no further action required by  
16 the General Assembly, shall be null and void.

17 SECTION ~~4~~ 6. AND BE IT FURTHER ENACTED, That, subject to the provisions  
18 of Section ~~3~~ 5 of this Act and for the sole purpose of providing for the referendum required  
19 by Section ~~3~~ 5 of this Act, this Act shall take effect July 1, 2020.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.