

HOUSE BILL 1319

C7

4lr2107

By: **Delegate Atterbeary**

Introduced and read first time: February 9, 2024

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Internet Gaming – Authorization and Implementation**

3 FOR the purpose of authorizing the State Lottery and Gaming Control Commission to issue
4 certain licenses to certain qualified applicants to conduct or participate in certain
5 Internet gaming operations in the State; requiring the Commission to regulate
6 Internet gaming and the conduct of Internet gaming in the State; authorizing the
7 Governor, on recommendation of the Commission, to enter into certain
8 multijurisdictional Internet gaming agreements with certain other governments,
9 subject to certain limitations; submitting this Act to a referendum of the qualified
10 voters of the State; and generally relating to Internet gaming.

11 BY repealing and reenacting, without amendments,
12 Article – Education
13 Section 5–206(b)
14 Annotated Code of Maryland
15 (2022 Replacement Volume and 2023 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Education
18 Section 5–206(f)
19 Annotated Code of Maryland
20 (2022 Replacement Volume and 2023 Supplement)

21 BY adding to
22 Article – State Government
23 Section 9–1F–01 through 9–1F–11 to be under the new subtitle “Subtitle 1F. Internet
24 Gaming”
25 Annotated Code of Maryland
26 (2021 Replacement Volume and 2023 Supplement)

27 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



That the Laws of Maryland read as follows:

Article – Education

5–206.

(b) There is the Blueprint for Maryland’s Future Fund.

(f) The Fund consists of:

(1) Revenue distributed to the Fund under Title 9, Subtitles 1D [and 1E] **THROUGH 1F** of the State Government Article and §§ 2–4A–02, 2–605.1, and 2–1303 of the Tax – General Article;

(2) Money appropriated in the State budget for the Fund; and

(3) Any other money from any other source accepted for the benefit of the Fund.

Article – State Government

SUBTITLE 1F. INTERNET GAMING.

9–1F–01.

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

(B) “COMMISSION” MEANS THE STATE LOTTERY AND GAMING CONTROL COMMISSION.

(C) “ECONOMICALLY DISADVANTAGED AREA” MEANS A GEOGRAPHIC AREA, IDENTIFIED BY THE COMMISSION, THAT MEETS THREE OR MORE OF THE FOLLOWING CRITERIA:

(1) HAS A MEDIAN INCOME RATE THAT IS 80% OR LESS OF THE AVERAGE MEDIAN HOUSEHOLD INCOME OF THE STATE;

(2) HAS AN UNEMPLOYMENT RATE THAT IS AT LEAST 150% OF THE UNEMPLOYMENT RATE OF THE STATE;

(3) HAS AN UNINSURED RATE THAT IS AT LEAST 150% OF THE HEALTH UNINSURED RATE OF THE STATE;

(4) HAS A SUPPLEMENTAL NUTRITION ASSISTANCE PLAN

PARTICIPATION RATE THAT IS AT LEAST 150% OF THE SUPPLEMENTAL NUTRITION ASSISTANCE PLAN PARTICIPATION RATE OF THE STATE; AND

(5) HAS A POVERTY RATE THAT IS AT LEAST 150% OF THE POVERTY RATE IN THE STATE.

(D) "INTERNET GAMING" MEANS CASINO-STYLE GAMING THROUGH AN ONLINE GAMING SYSTEM:

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

(2) THAT IS CONDUCTED BY AN INTERNET GAMING LICENSEE OR A PERSON WHO OPERATES INTERNET GAMING ON BEHALF OF AN INTERNET GAMING LICENSEE.

(E) "INTERNET GAMING LICENSE" MEANS A LICENSE ISSUED BY THE COMMISSION TO CONDUCT INTERNET GAMING IN THE STATE IN ACCORDANCE WITH THIS SUBTITLE.

(F) "INTERNET GAMING LICENSEE" MEANS THE HOLDER OF AN INTERNET GAMING LICENSE UNDER THIS SUBTITLE.

(G) (1) "PERSONAL NET WORTH" MEANS THE NET VALUE OF THE ASSETS HELD BY AN INDIVIDUAL, INCLUDING THE INDIVIDUAL'S SHARE OF ASSETS HELD JOINTLY OR AS COMMUNITY PROPERTY WITH THE INDIVIDUAL'S SPOUSE, AFTER TOTAL LIABILITIES ARE DEDUCTED.

(2) "PERSONAL NET WORTH" DOES NOT INCLUDE:

(I) THE INDIVIDUAL'S OWNERSHIP INTEREST IN AN APPLICANT FOR LICENSURE UNDER THIS SUBTITLE;

(II) THE INDIVIDUAL'S EQUITY IN THE INDIVIDUAL'S PRIMARY PLACE OF RESIDENCE;

(III) ANY MORTGAGE OR LOAN SECURED BY THE INDIVIDUAL'S PRIMARY PLACE OF RESIDENCE AS A LIABILITY; OR

(IV) THE CASH VALUE OF ANY QUALIFIED RETIREMENT SAVINGS PLANS OR INDIVIDUAL RETIREMENT ACCOUNTS.

(H) "PROCEEDS" MEANS THE AMOUNT OF MONEY BET ON INTERNET

1 GAMING, LESS:

2 (1) THE AMOUNT RETURNED TO SUCCESSFUL PLAYERS;

3 (2) THE CASH EQUIVALENTS OF ANY MERCHANDISE OR THING OF
4 VALUE AWARDED AS A PRIZE TO SUCCESSFUL PLAYERS; AND

5 (3) (I) THROUGH THE FIRST YEAR OF OPERATION OF AN INTERNET
6 GAMING LICENSEE, FREE PLAY AND PROMOTIONAL CREDITS REDEEMED BY
7 PLAYERS; AND

8 (II) FOLLOWING THE FIRST YEAR OF OPERATION OF AN
9 INTERNET GAMING LICENSEE, 20% OF FREE PLAY AND PROMOTIONAL CREDITS
10 REDEEMED BY PLAYERS.

11 9-1F-02.

12 (A) (1) THIS SUBTITLE AUTHORIZES AN INTERNET GAMING LICENSEE TO
13 CONDUCT AND OPERATE INTERNET GAMING IN THE STATE AS PROVIDED IN THIS
14 SUBTITLE.

15 (2) AN INTERNET GAMING LICENSEE MAY ENTER INTO AN
16 AGREEMENT WITH UP TO ONE OPERATOR TO CONDUCT AND OPERATE INTERNET
17 GAMING ON BEHALF OF THE LICENSEE.

18 (B) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBTITLE, THE COMMISSION
19 SHALL REGULATE INTERNET GAMING AND THE CONDUCT OF INTERNET GAMING TO
20 THE SAME EXTENT THAT THE COMMISSION REGULATES THE OPERATION OF VIDEO
21 LOTTERY TERMINALS AND TABLE GAMES UNDER SUBTITLE 1A OF THIS TITLE AND
22 MOBILE SPORTS WAGERING UNDER SUBTITLE 1E OF THIS TITLE.

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

29 (D) THE COMMISSION SHALL ADOPT REGULATIONS THAT ESTABLISH:

30 (1) THE FORM AND CONTENT OF AN APPLICATION FOR ANY LICENSE
31 REQUIRED UNDER THIS SUBTITLE;

(2) STANDARDS, PROCEDURES, AND RULES THAT GOVERN THE CONDUCT AND OPERATION OF INTERNET GAMING; AND

(3) ANY OTHER REGULATION NECESSARY TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE.

9-1F-03.

(A) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THIS SUBTITLE BE IMPLEMENTED IN A MANNER THAT, TO THE EXTENT PERMITTED BY STATE AND FEDERAL LAW, MAXIMIZES THE ABILITY OF MINORITIES, WOMEN, AND MINORITY- AND WOMEN-OWNED BUSINESSES TO PARTICIPATE IN THE INTERNET GAMING INDUSTRY, INCLUDING THROUGH THE OWNERSHIP OF ENTITIES LICENSED TO CONDUCT INTERNET GAMING.

(B) (1) (i) SUBJECT TO THE LIMITATIONS OF THIS SUBSECTION, THE COMMISSION MAY ISSUE NOT MORE THAN 12 INTERNET GAMING LICENSES TO APPLICANTS THAT MEET THE REQUIREMENTS FOR AN INTERNET GAMING LICENSE UNDER THIS SUBTITLE.

(ii) 1. EXCEPT AS PROVIDED UNDER SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, THE COMMISSION MAY NOT AWARD A LICENSE TO AN APPLICANT THAT HAS NOT DEMONSTRATED DIRECT OR INDIRECT OWNERSHIP OF AT LEAST 5% BY INDIVIDUALS WHOSE PERSONAL NET WORTH DOES NOT EXCEED AN AMOUNT DETERMINED BY THE COMMISSION TO ENCOURAGE DIVERSITY, EQUITY, AND INCLUSION IN THE INTERNET GAMING INDUSTRY.

2. THE COMMISSION MAY AWARD A LICENSE TO AN APPLICANT THAT, IN LIEU OF THE OWNERSHIP REQUIREMENT DESCRIBED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, HAS ESTABLISHED A PROFIT-SHARING AGREEMENT WITH NONMANAGEMENT EMPLOYEES WHOSE PERSONAL NET WORTH DOES NOT EXCEED AN AMOUNT DETERMINED BY THE COMMISSION TO ENCOURAGE DIVERSITY, EQUITY, AND INCLUSION IN THE INTERNET GAMING INDUSTRY.

(iii) IN ADDITION TO ANY OTHER FACTORS ESTABLISHED BY THE COMMISSION BY REGULATION TO ENSURE COMPLIANCE WITH THIS SUBTITLE, THE COMMISSION SHALL REVIEW APPLICATIONS FOR INTERNET GAMING LICENSES BASED ON:

1. THE PERCENTAGE OF OWNERSHIP BY INDIVIDUALS WHOSE PERSONAL NET WORTH DOES NOT EXCEED THE LIMITATION DESCRIBED UNDER SUBPARAGRAPH (ii) OF THIS PARAGRAPH;

1 **2. THE PERCENTAGE OF PROCEEDS THAT THE**
2 **APPLICANT PROPOSES TO RETAIN, NOT TO EXCEED:**

3 **A. 80% OF THE PROCEEDS FROM LIVE DEALER GAMES**
4 **CONDUCTED IN ACCORDANCE WITH § 9-1F-10 OF THIS SUBTITLE; AND**

5 **B. 45% OF PROCEEDS FROM ALL OTHER INTERNET**
6 **GAMING;**

7 **3. THE APPLICANT'S FINANCIAL STABILITY,**
8 **RESOURCES, INTEGRITY, AND BUSINESS ABILITY AND ACUMEN;**

9 **4. THE APPLICANT'S WORKFORCE DEVELOPMENT**
10 **PLANS FOR INTERNET GAMING INDUSTRY EMPLOYEES IN THE STATE;**

11 **5. THE APPLICANT'S PLANS FOR EMPLOYING**
12 **INDIVIDUALS IN THE INTERNET GAMING INDUSTRY WHO RESIDE IN ECONOMICALLY**
13 **DISADVANTAGED AREAS; AND**

14 **6. THE APPLICANT'S RESPONSIBLE GAMING PROGRAMS**
15 **AND AN EFFECTIVE GOVERNANCE AND COMPLIANCE PROGRAM.**

16 **(2) (I) THE COMMISSION MAY CONTRACT WITH A CONSULTANT TO**
17 **ASSIST THE COMMISSION WITH THE DEVELOPMENT OF AN INTERNET GAMING**
18 **LICENSE APPLICATION AND THE REVIEW OF APPLICANTS.**

19 **(II) AS PART OF THE REVIEW OF AN APPLICATION FOR AN**
20 **INTERNET GAMING LICENSE, THE COMMISSION SHALL DETERMINE WHETHER THE**
21 **ISSUANCE OF A LICENSE TO THE APPLICANT SERVES THE PUBLIC INTEREST.**

22 **(3) (I) 1. THE INITIAL LICENSE FEE FOR AN INTERNET GAMING**
23 **LICENSE IS EQUAL TO \$1,000,000.**

24 **2. THE COMMISSION MAY AUTHORIZE THE PAYMENT OF**
25 **THE FEE REQUIRED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH IN**
26 **SEPARATE INSTALLMENTS.**

27 **(II) THE TERM OF AN INTERNET GAMING LICENSE IS 5 YEARS.**

28 **(4) (I) ON APPLICATION BY AN INTERNET GAMING LICENSEE AND**
29 **PAYMENT OF A LICENSE RENEWAL FEE UNDER SUBPARAGRAPH (II) OF THIS**
30 **PARAGRAPH, THE COMMISSION SHALL RENEW FOR 5 YEARS AN INTERNET GAMING**

1 LICENSE IF THE LICENSEE COMPLIES WITH ALL STATUTORY AND REGULATORY
2 REQUIREMENTS.

3 (II) THE LICENSE RENEWAL FEE IS EQUAL TO 1% OF THE
4 INTERNET GAMING LICENSEE'S AVERAGE ANNUAL PROCEEDS RETAINED BY THE
5 LICENSEE UNDER § 9-1F-05(B)(1)(II) OF THIS SUBTITLE FOR THE PRECEDING
6 3-YEAR PERIOD.

7 (C) ON A PROPERLY APPROVED TRANSMITTAL PREPARED BY THE
8 COMMISSION, THE COMPTROLLER SHALL PAY THE FOLLOWING AMOUNTS FROM
9 THE LICENSE FEES COLLECTED BY THE COMMISSION UNDER THIS SECTION:

10 (1) AN AMOUNT TO THE STATE LOTTERY AND GAMING CONTROL
11 AGENCY NECESSARY TO REIMBURSE THE AGENCY FOR EXPENSES RELATED TO THE
12 ISSUANCE AND RENEWAL OF LICENSES UNDER THIS SECTION;

13 (2) 1% TO THE PROBLEM GAMBLING FUND ESTABLISHED UNDER §
14 9-1A-33 OF THIS TITLE; AND

15 (3) THE REMAINDER TO THE BLUEPRINT FOR MARYLAND'S FUTURE
16 FUND ESTABLISHED UNDER § 5-206 OF THE EDUCATION ARTICLE.

17 (D) (1) FOR ALL LICENSES REQUIRED UNDER THIS SUBTITLE, IF AN
18 APPLICANT HOLDS A VALID LICENSE IN THIS STATE OR ANOTHER STATE AND THE
19 COMMISSION DETERMINES THAT THE LICENSING STANDARDS OF THE ISSUING
20 AGENCY ARE COMPREHENSIVE AND THOROUGH AND PROVIDE SIMILAR AND
21 ADEQUATE SAFEGUARDS TO THOSE PROVIDED IN THIS SUBTITLE, THE COMMISSION
22 MAY:

23 (I) WAIVE SOME OR ALL OF THE REQUIREMENTS OF THIS
24 SUBTITLE; AND

25 (II) ISSUE A LICENSE TO THAT APPLICANT.

26 (2) (I) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS
27 SUBSECTION, ON THE REQUEST OF AN APPLICANT, THE COMMISSION MAY GRANT AN
28 EXEMPTION OR A WAIVER OF A LICENSING REQUIREMENT OR GROUNDS FOR DENIAL
29 OF A LICENSE IF THE COMMISSION DETERMINES THAT THE REQUIREMENT OR
30 GROUNDS FOR DENIAL OF A LICENSE AS APPLIED TO THE APPLICANT ARE NOT
31 NECESSARY TO PROTECT THE PUBLIC INTEREST OR ACCOMPLISH THE POLICIES
32 ESTABLISHED BY THIS SUBTITLE.

33 (II) ON GRANTING AN APPLICANT AN EXEMPTION OR A WAIVER

1 UNDER THIS PARAGRAPH, OR AT ANY TIME AFTER AN EXEMPTION OR A WAIVER HAS
2 BEEN GRANTED, THE COMMISSION MAY:

3 1. LIMIT OR PLACE RESTRICTIONS ON THE EXEMPTION
4 OR WAIVER AS THE COMMISSION CONSIDERS NECESSARY IN THE PUBLIC INTEREST;
5 AND

6 2. REQUIRE THE PERSON THAT IS GRANTED THE
7 EXEMPTION OR WAIVER TO COOPERATE WITH THE COMMISSION AND TO PROVIDE
8 THE COMMISSION WITH ANY ADDITIONAL INFORMATION REQUIRED BY THE
9 COMMISSION AS A CONDITION OF THE WAIVER OR EXEMPTION.

10 (3) EXCEPT AS PROVIDED UNDER THIS SUBTITLE OR IN REGULATION,
11 THE COMMISSION MAY NOT WAIVE A REQUIREMENT UNDER PARAGRAPH (1) OR
12 PARAGRAPH (2) OF THIS SUBSECTION THAT RELATES TO MINORITY BUSINESS
13 ENTERPRISE PARTICIPATION GOALS AND PROCEDURES ESTABLISHED UNDER §
14 9-1F-04(B) OF THIS SUBTITLE.

15 (E) (1) WITHIN 30 DAYS AFTER THE AWARD OF AN INTERNET GAMING
16 LICENSE, THE INTERNET GAMING LICENSEE SHALL SUBMIT TO THE COMMISSION A
17 DIVERSITY PLAN THAT DESCRIBES THE STEPS THAT THE LICENSEE WILL TAKE TO
18 PROMOTE MEANINGFUL DIVERSITY AMONG ITS OWNERS, INVESTORS, MANAGERS,
19 EMPLOYEES, AND CONTRACTORS AND TO PROMOTE EQUALITY OF OPPORTUNITY.

20 (2) EACH INTERNET GAMING LICENSEE SHALL MAKE GOOD FAITH
21 EFFORTS TO MEET THE DIVERSITY OBJECTIVES OUTLINED IN THE DIVERSITY PLAN
22 SUBMITTED UNDER PARAGRAPH (1) OF THIS SUBSECTION AND REPORT TO THE
23 COMMISSION ANY NECESSARY METRICS TO MEASURE PROGRESS IN MEETING THOSE
24 OBJECTIVES.

25 (3) THE COMMISSION MAY MAKE THE DIVERSITY PLANS AND
26 METRICS SUBMITTED IN ACCORDANCE WITH THIS SUBSECTION AVAILABLE TO THE
27 PUBLIC.

28 (F) (1) AN INTERNET GAMING LICENSEE MAY NOT TRANSFER
29 OWNERSHIP OR CONTROL OF THE LICENSE FOR A PERIOD OF AT LEAST 3 YEARS
30 FOLLOWING ISSUANCE OF THE LICENSE.

31 (2) THE LIMITATIONS UNDER THIS SUBSECTION DO NOT APPLY TO
32 TRANSFERS AS A RESULT OF THE DISABILITY, INCAPACITY, OR DEATH OF THE
33 OWNER OF AN INTERNET GAMING LICENSE, BANKRUPTCY OR RECEIVERSHIP IN
34 ACCORDANCE WITH A LENDING AGREEMENT OF AN INTERNET GAMING LICENSEE,
35 OR COURT ORDER.

1 **9-1F-04.**

2 **(A) AN INTERNET GAMING LICENSEE:**

3 **(1) SHALL:**

4 **(I) COMPLY WITH ALL STATE AND FEDERAL DATA SECURITY**
5 **LAWS; AND**

6 **(II) MAINTAIN ALL INTERNET GAMING DATA SECURELY FOR AT**
7 **LEAST 5 YEARS; AND**

8 **(2) MAY NOT:**

9 **(I) SHARE ANY PERSONALLY IDENTIFIABLE INFORMATION**
10 **WITH ANY THIRD PARTIES WITHOUT PERMISSION, EXCEPT AS NEEDED TO OPERATE**
11 **INTERNET GAMING, ADMINISTER THE LICENSEE'S OBLIGATIONS UNDER THIS**
12 **SUBTITLE, AND SUPPORT PROBLEM GAMBLING INITIATIVES;**

13 **(II) TARGET ADVERTISING TO INDIVIDUALS WHO ARE**
14 **PROHIBITED FROM PARTICIPATING IN GAMBLING ACTIVITIES UNDER THIS TITLE**
15 **AND OTHER AT-RISK INDIVIDUALS; OR**

16 **(III) ENGAGE IN ANY FALSE OR DECEPTIVE ADVERTISING.**

17 **(B) (1) THE FINDINGS AND EVIDENCE RELIED ON BY THE GENERAL**
18 **ASSEMBLY FOR THE CONTINUATION OF THE MINORITY BUSINESS ENTERPRISE**
19 **PROGRAM UNDER TITLE 14, SUBTITLE 3 OF THE STATE FINANCE AND**
20 **PROCUREMENT ARTICLE ARE INCORPORATED IN THIS SUBSECTION.**

21 **(2) TO THE EXTENT PRACTICABLE AND AUTHORIZED BY THE UNITED**
22 **STATES CONSTITUTION, AN INTERNET GAMING LICENSEE SHALL COMPLY WITH THE**
23 **STATE'S MINORITY BUSINESS ENTERPRISE PROGRAM.**

24 **(3) (I) WITHIN 6 MONTHS AFTER THE ISSUANCE OF AN INTERNET**
25 **GAMING LICENSE UNDER THIS SUBTITLE, THE GOVERNOR'S OFFICE OF SMALL,**
26 **MINORITY, AND WOMEN BUSINESS AFFAIRS, IN CONSULTATION WITH THE OFFICE**
27 **OF THE ATTORNEY GENERAL AND THE INTERNET GAMING LICENSEE, SHALL**
28 **ESTABLISH A CLEAR PLAN FOR SETTING REASONABLE AND APPROPRIATE MINORITY**
29 **BUSINESS ENTERPRISE PARTICIPATION GOALS AND PROCEDURES FOR THE**
30 **PROCUREMENT OF GOODS AND SERVICES RELATED TO INTERNET GAMING.**

(II) TO THE EXTENT PRACTICABLE, THE GOALS AND PROCEDURES SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE BASED ON THE REQUIREMENTS OF TITLE 14, SUBTITLE 3 OF THE STATE FINANCE AND PROCUREMENT ARTICLE AND THE REGULATIONS IMPLEMENTING THAT SUBTITLE.

(C) AN APPLICANT FOR AN INTERNET GAMING LICENSE OR AN INTERNET GAMING LICENSEE SHALL PRODUCE INFORMATION, DOCUMENTATION, AND ASSURANCES TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT:

(1) UNLESS THE APPLICANT OR LICENSEE ALREADY HAS A COLLECTIVE BARGAINING AGREEMENT, 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 INTERNET GAMING INDUSTRY WORKERS, INCLUDING DEALERS CONDUCTING LIVE DEALER GAMES IN ACCORDANCE WITH § 9-1F-10 OF THIS SUBTITLE, IN THE STATE;

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

(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 INTERNET GAMING WITHIN THE FIRST 5 YEARS OF THE EFFECTIVE DATE OF AN INTERNET GAMING LICENSE.

9-1F-05.

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

(2) THE PROCEEDS FROM INTERNET GAMING, LESS THE AMOUNT RETAINED BY THE LICENSEE UNDER SUBSECTION (B)(1)(II) OF THIS SECTION, 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 INTERNET GAMING SHALL BE ELECTRONICALLY TRANSFERRED MONTHLY INTO THE STATE LOTTERY FUND ESTABLISHED UNDER SUBTITLE 1 OF THIS TITLE.

(II) A LICENSEE SHALL RETAIN THE PERCENTAGE OF PROCEEDS FROM INTERNET GAMING THAT THE LICENSEE PROPOSED IN THE

LICENSE APPLICATION SUBMITTED UNDER § 9-1F-03 OF THIS SUBTITLE.

(2) ALL PROCEEDS FROM INTERNET GAMING IN THE STATE LOTTERY FUND ESTABLISHED UNDER SUBTITLE 1 OF THIS TITLE SHALL BE DISTRIBUTED ON A MONTHLY BASIS, ON A PROPERLY APPROVED TRANSMITTAL PREPARED BY THE COMMISSION IN THE FOLLOWING MANNER:

(I) 1% TO THE STATE LOTTERY AND GAMING CONTROL AGENCY FOR THE COST OF PERFORMING BACKGROUND INVESTIGATIONS AND OTHER REGULATORY ACTIVITIES;

(II) 1% TO THE PROBLEM GAMBLING FUND ESTABLISHED UNDER § 9-1A-33 OF THIS TITLE;

(III) 1% TO LOCAL JURISDICTIONS, DISTRIBUTED TO EACH COUNTY BASED ON THE COUNTY'S SCHOOL-AGE POPULATION, TO BE USED FOR FUNDING EDUCATION; AND

(IV) THE REMAINDER TO THE BLUEPRINT FOR MARYLAND'S FUTURE FUND ESTABLISHED UNDER § 5-206 OF THE EDUCATION ARTICLE.

9-1F-06.

(A) IN ORDER TO ASSIST INDIVIDUALS WHO MAY HAVE A GAMBLING PROBLEM, AN INTERNET GAMING LICENSEE SHALL:

(1) CAUSE THE WORDS "IF YOU OR SOMEONE YOU KNOW HAS A GAMBLING PROBLEM AND WANTS HELP, CALL 1-800-GAMBLER" OR SOME COMPARABLE LANGUAGE APPROVED BY THE COMMISSION TO BE DISPLAYED PROMINENTLY AT LOG-ON AND LOG-OFF TIMES TO ANY INDIVIDUAL VISITING OR LOGGED ONTO AN INTERNET GAMING PLATFORM;

(2) PROVIDE A MECHANISM BY WHICH AN INTERNET GAMING ACCOUNT HOLDER MAY ESTABLISH THE FOLLOWING CONTROLS ON THE ACCOUNT HOLDER'S GAMING ACTIVITY THROUGH THE ACCOUNT:

(I) A LIMIT ON THE AMOUNT OF MONEY DEPOSITED WITHIN A SPECIFIED PERIOD OF TIME AND THE LENGTH OF TIME THE ACCOUNT HOLDER WILL BE UNABLE TO PARTICIPATE IN INTERNET GAMING IF THE ACCOUNT HOLDER REACHES THE ESTABLISHED DEPOSIT LIMIT; AND

(II) A TEMPORARY SUSPENSION OF INTERNET GAMING ACTIVITY THROUGH THE ACCOUNT FOR ANY NUMBER OF HOURS OR DAYS;

1 (3) DEFINE THE PERMISSIBLE USE OF CREDIT CARDS FOR ANY
2 INTERNET GAMING-RELATED TRANSACTIONS; AND

3 (4) (I) CAUSE THE DISPLAY OF A PROBLEM GAMBLING
4 DISCLOSURE CONCERNING THE RISKS ASSOCIATED WITH GAMBLING AND THE
5 SUPPORT AVAILABLE TO PROBLEM GAMBLERS AT ACCOUNT LOGIN;

6 (II) REQUIRE AN INDIVIDUAL TO CERTIFY THAT THE
7 INDIVIDUAL HAS READ THE DISCLOSURE DESCRIBED UNDER ITEM (I) OF THIS ITEM
8 BEFORE ESTABLISHING AN INTERNET GAMING ACCOUNT; AND

9 (III) REQUIRE EACH USER TO CERTIFY ON A MONTHLY BASIS
10 THAT THE USER HAS READ THE DISCLOSURE DESCRIBED UNDER ITEM (I) OF THIS
11 ITEM.

12 (B) IF A SUSPENSION OF INTERNET GAMING ACTIVITY UNDER SUBSECTION
13 (A)(2)(II) OF THIS SECTION IS IMPOSED BY THE ACCOUNT HOLDER FOR AT LEAST 72
14 HOURS, THE INTERNET GAMING LICENSEE MAY NOT SEND GAMING-RELATED
15 ELECTRONIC MAIL TO THE ACCOUNT HOLDER UNTIL THE SUSPENSION EXPIRES.

16 (C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
17 AN INTERNET GAMING LICENSEE SHALL PROVIDE A MECHANISM BY WHICH AN
18 ACCOUNT HOLDER MAY CHANGE THE CONTROLS ON GAMING ACTIVITY IMPOSED BY
19 THE ACCOUNT HOLDER UNDER THIS SECTION.

20 (2) IF THE ACCOUNT IS SUSPENDED BY THE ACCOUNT HOLDER
21 UNDER SUBSECTION (A)(2)(II) OF THIS SECTION, THE ACCOUNT HOLDER MAY NOT
22 CHANGE GAMING CONTROLS UNTIL THE SUSPENSION EXPIRES.

23 (D) NOTWITHSTANDING A TEMPORARY SUSPENSION OF INTERNET GAMING
24 ACTIVITY IMPOSED BY AN ACCOUNT HOLDER UNDER SUBSECTION (A)(2)(II) OF THIS
25 SECTION, THE ACCOUNT HOLDER MAY CONTINUE TO HAVE ACCESS TO THE ACCOUNT
26 AND IS AUTHORIZED TO WITHDRAW FUNDS FROM THE ACCOUNT ON PROPER
27 APPLICATION TO THE INTERNET GAMING LICENSEE.

28 **9-1F-07.**

29 (A) THE COMMISSION MAY IMPOSE A PENALTY NOT EXCEEDING \$1,000,000
30 AGAINST ANY PERSON WHO KNOWINGLY:

31 (1) TAMPERS WITH SOFTWARE, COMPUTERS, OR OTHER EQUIPMENT
32 USED TO CONDUCT INTERNET GAMING TO ALTER THE ODDS OR THE PAYOUT OF A

1 GAME OR DISABLE THE GAME FROM OPERATING ACCORDING TO THE RULES OF THE
2 GAME AS ADOPTED BY THE COMMISSION; OR

3 (2) OFFERS OR ALLOWS TO BE OFFERED ANY INTERNET GAME THAT
4 HAS BEEN TAMPERED WITH IN A WAY THAT AFFECTS THE ODDS OR THE PAYOUT OF
5 A GAME OR HAS BEEN DISABLED FROM OPERATING ACCORDING TO THE RULES OF
6 THE GAME AS ADOPTED BY THE COMMISSION.

7 (B) IN ADDITION TO ANY PENALTIES IMPOSED UNDER SUBSECTION (A) OF
8 THIS SECTION, THE COMMISSION MAY SUSPEND, FOR NOT LESS THAN 30 DAYS, THE
9 LICENSE OF AN INTERNET GAMING LICENSEE OR ANY OTHER PERSON REQUIRED TO
10 BE LICENSED UNDER THIS SUBTITLE WHO IS IN VIOLATION OF SUBSECTION (A) OF
11 THIS SECTION.

12 9-1F-08.

13 ON OR BEFORE SEPTEMBER 1 EACH YEAR, THE MARYLAND CENTER OF
14 EXCELLENCE ON PROBLEM GAMBLING SHALL REPORT TO THE GOVERNOR AND, IN
15 ACCORDANCE WITH § 2-1257 OF THIS ARTICLE, THE GENERAL ASSEMBLY ON:

16 (1) THE IMPACT OF INTERNET GAMING ON PROBLEM GAMBLERS AND
17 GAMBLING ADDICTION IN THE STATE; AND

18 (2) THE EFFECTIVENESS OF THE STATUTORY AND REGULATORY
19 CONTROLS IN PLACE TO ENSURE THE INTEGRITY OF INTERNET GAMING
20 OPERATIONS.

21 9-1F-09.

22 (A) ON OR BEFORE SEPTEMBER 1 EACH YEAR, AN INTERNET GAMING
23 LICENSEE SHALL PROVIDE ALL TRANSACTIONAL DATA AND METRICS RELATED TO
24 INTERNET GAMING CONDUCTED IN THE STATE AND ACQUIRED BY AN OPERATOR OF
25 THE LICENSEE ON A MONTHLY, QUARTERLY, OR ANNUAL BASIS TO MORGAN STATE
26 UNIVERSITY AND BOWIE STATE UNIVERSITY.

27 (B) THE TRANSACTIONAL DATA AND METRICS PROVIDED IN ACCORDANCE
28 WITH SUBSECTION (A) OF THIS SECTION SHALL EXCLUDE ANY PERSONALLY
29 IDENTIFIABLE INFORMATION.

30 9-1F-10.

31 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
32 INDICATED.

1 **(2) “AUTHORIZED INTERACTIVE GAME” MEANS ANY**
2 **INTERNET-BASED VERSION, OR SUBSTANTIAL EQUIVALENT, OF A TABLE GAME,**
3 **POKER TOURNAMENT, GAMING TOURNAMENT, OR ANY OTHER GAME TYPICALLY**
4 **OFFERED IN A CASINO AND APPROVED BY THE COMMISSION, INCLUDING GAMES IN**
5 **WHICH INDIVIDUALS WAGER MONEY OR SOMETHING OF MONETARY VALUE AND**
6 **THAT ARE ACCESSED BY A COMPUTER OR MOBILE DEVICE THAT IS CONNECTED TO**
7 **THE INTERNET.**

8 **(3) (I) “LIVE DEALER GAME” MEANS AN AUTHORIZED**
9 **INTERACTIVE GAME CONDUCTED BY LIVE STUDIO DEALERS OR OTHER PHYSICAL**
10 **GAMING EQUIPMENT, SUCH AS AN AUTOMATED ROULETTE WHEEL, BALL BLOWER,**
11 **OR GAMING DEVICE, OR BOTH, IN A LIVE GAME ENVIRONMENT IN WHICH THE**
12 **AUTHORIZED PARTICIPANTS HAVE THE ABILITY TO PARTICIPATE IN GAME PLAY AND**
13 **COMMUNICATE GAME DECISIONS THROUGH AN AUTHORIZED INTERACTIVE GAMING**
14 **PLATFORM.**

15 **(II) “LIVE DEALER GAME” INCLUDES A LIVE CARD GAME, A LIVE**
16 **TABLE GAME, AND ANY OTHER LIVE AUTHORIZED INTERACTIVE GAME.**

17 **(4) “LIVE GAMING STUDIO” MEANS A PHYSICAL LOCATION IN THE**
18 **STATE THAT UTILIZES LIVE VIDEO STREAMING TECHNOLOGY TO PROVIDE**
19 **AUTHORIZED INTERACTIVE GAMES TO A PLAYER’S INTERACTIVE GAMING DEVICE OR**
20 **MULTI-USE COMPUTING DEVICE.**

21 **(5) “LIVE STUDIO DEALER” MEANS AN INDIVIDUAL WHO:**

22 **(I) LEADS A TABLE GAME, INCLUDING BLACKJACK, CRAPS,**
23 **POKER, ROULETTE, OR ANY OTHER AUTHORIZED INTERACTIVE GAME, WHILE**
24 **ASSISTING AUTHORIZED PARTICIPANTS WITH GAME-RELATED NEEDS;**

25 **(II) DISTRIBUTES VIRTUAL CARDS, DICE, OR OTHER**
26 **EQUIPMENT TO AUTHORIZED PARTICIPANTS ACCORDING TO THE TABLE GAME OR**
27 **AUTHORIZED INTERACTIVE GAME; AND**

28 **(III) MONITORS GAME PACE AND PLAY.**

29 **(B) SUBJECT TO APPROVAL BY THE COMMISSION, AN INTERNET GAMING**
30 **LICENSEE MAY OFFER AUTHORIZED INTERACTIVE GAMES, INCLUDING GAMING**
31 **TOURNAMENTS IN WHICH PLAYERS COMPETE AGAINST ONE ANOTHER IN ONE OR**
32 **MORE OF THE GAMES AUTHORIZED UNDER THIS SUBTITLE OR BY THE COMMISSION**
33 **OR IN APPROVED VARIATIONS OR COMPOSITES OF THOSE GAMES.**

1 (C) AN INTERNET GAMING OPERATOR MAY USE LIVE STUDIO DEALERS TO
2 ADMINISTER AN AUTHORIZED INTERACTIVE GAME.

3 (D) A LIVE GAMING STUDIO USED TO CONDUCT A LIVE DEALER GAME
4 AUTHORIZED UNDER THIS SECTION:

5 (1) SHALL BE LOCATED WITHIN THE STATE; AND

6 (2) IS NOT REQUIRED TO BE LOCATED WITHIN THE PREMISES OF A
7 VIDEO LOTTERY FACILITY, AS DEFINED UNDER § 9-1A-01 OF THIS TITLE.

8 9-1F-11.

9 (A) IN THIS SECTION, "GOVERNMENT" MEANS ANY GOVERNMENTAL UNIT,
10 OTHER THAN THE UNITED STATES GOVERNMENT, OF A NATIONAL, STATE, OR LOCAL
11 BODY EXERCISING GOVERNMENTAL FUNCTIONS.

12 (B) ON RECOMMENDATION OF THE COMMISSION, THE GOVERNOR, ON
13 BEHALF OF THE STATE, IS AUTHORIZED TO:

14 (1) ENTER INTO AN AGREEMENT WITH OTHER GOVERNMENTS,
15 SUBJECT TO THE LIMITATIONS OF THIS SECTION, THAT ALLOWS AND PROVIDES FOR
16 PARTICIPATION IN MULTIJURISDICTIONAL INTERNET GAMING BY INDIVIDUALS
17 WHO ARE PHYSICALLY LOCATED IN JURISDICTIONS OVER WHICH THE
18 GOVERNMENTS THAT ARE A PARTY TO THE AGREEMENT EXERCISE LEGAL
19 AUTHORITY; AND

20 (2) TAKE ALL NECESSARY ACTIONS TO ENSURE THAT ANY
21 AGREEMENT ENTERED INTO UNDER THIS SECTION BECOMES EFFECTIVE.

22 (C) THE COMMISSION MAY ADOPT REGULATIONS UNDER THIS SECTION
23 THAT PROVIDE FOR:

24 (1) THE FORM, LENGTH, AND TERMS OF AN AGREEMENT AUTHORIZED
25 UNDER THIS SECTION;

26 (2) MATTERS RELATING TO THE TAXATION OF INTERNET GAMING
27 REVENUE BY THE PARTIES TO THE AGREEMENT;

28 (3) THE SHARING AND DISTRIBUTION OF INTERNET GAMING
29 REVENUE AMONG THE PARTIES TO THE AGREEMENT;

30 (4) RESOLUTION OF PLAYER DISPUTES;

1 **(5) THE INFORMATION THAT A GOVERNMENT PROPOSING TO ENTER**
2 **INTO THE AGREEMENT WITH THE STATE MUST PROVIDE TO THE COMMISSION;**

3 **(6) THE MANNER AND PROCEDURE FOR HEARINGS CONDUCTED BY**
4 **THE COMMISSION WITH RESPECT TO ANY AGREEMENT AUTHORIZED UNDER THIS**
5 **SECTION;**

6 **(7) THE INFORMATION THAT THE COMMISSION MUST PROVIDE TO**
7 **THE GOVERNOR THAT SUPPORTS THE RECOMMENDATIONS OF THE COMMISSION**
8 **MADE UNDER THIS SECTION; AND**

9 **(8) ANY OTHER PROVISION NECESSARY TO CARRY OUT THIS SECTION.**

10 **(D) THE GOVERNOR MAY NOT ENTER INTO AN AGREEMENT UNDER THIS**
11 **SECTION UNLESS THE AGREEMENT INCLUDES TERMS:**

12 **(1) FOR ANY POTENTIAL ARRANGEMENT FOR THE SHARING OF**
13 **REVENUES BY THE PARTIES TO THE AGREEMENT;**

14 **(2) PERMITTING THE EFFECTIVE REGULATION OF INTERNET GAMING**
15 **BY THE STATE, INCLUDING PROVISIONS RELATING TO LICENSING, TECHNICAL**
16 **STANDARDS TO BE FOLLOWED, RESOLUTION OF DISPUTES BY PATRONS,**
17 **REQUIREMENTS FOR BANKROLLS, ENFORCEMENT, ACCOUNTING, AND**
18 **MAINTENANCE OF RECORDS;**

19 **(3) BY WHICH EACH PARTY TO THE AGREEMENT AGREES TO PROHIBIT**
20 **OPERATORS OF INTERNET GAMING, SERVICE PROVIDERS, AND MANUFACTURERS OR**
21 **DISTRIBUTORS OF INTERNET GAMING SYSTEMS FROM ENGAGING IN ANY ACTIVITY**
22 **PERMITTED UNDER THE AGREEMENT UNLESS THOSE PERSONS ARE LICENSED OR**
23 **FOUND SUITABLE:**

24 **(I) UNDER THIS SUBTITLE; OR**

25 **(II) BY ANY OTHER PARTY TO THE AGREEMENT UNDER**
26 **REQUIREMENTS THAT ARE MATERIALLY CONSISTENT WITH THE REQUIREMENTS OF**
27 **THIS SUBTITLE;**

28 **(4) PROHIBITING VARIATION OR DEROGATION FROM THE**
29 **REQUIREMENTS OF THE AGREEMENT FOR ANY PARTY TO THE AGREEMENT ABSENT**
30 **THE CONSENT OF ALL PARTIES TO THE AGREEMENT;**

31 **(5) PROHIBITING ANY SUBORDINATE OR SIDE AGREEMENTS, EXCEPT**

1 WITH RESPECT TO SHARING OF REVENUES, AMONG ANY SUBSET OF THE
2 GOVERNMENTS THAT ARE PARTIES TO THE AGREEMENT; AND

3 (6) IF THE AGREEMENT ALLOWS PERSONS PHYSICALLY LOCATED IN
4 THE STATE TO PARTICIPATE IN INTERNET GAMING CONDUCTED BY ANOTHER PARTY
5 TO THE AGREEMENT OR AN OPERATOR OF INTERNET GAMING LICENSED BY THE
6 OTHER PARTY, REQUIRING THAT PARTY TO ESTABLISH AND MAINTAIN REGULATORY
7 REQUIREMENTS GOVERNING INTERNET GAMING THAT ARE CONSISTENT WITH THE
8 REQUIREMENTS OF THIS SUBTITLE IN ALL MATERIAL RESPECTS.

9 SECTION 2. AND BE IT FURTHER ENACTED, That:

10 (a) In accordance with Article XIX, § 1(e) of the Maryland Constitution, before
11 this Act, which authorizes additional forms or expansion of commercial gaming, becomes
12 effective, a question substantially similar to the following shall be submitted to a
13 referendum of the qualified voters of the State at the general election to be held in
14 November 2024:

15 “Do you favor the expansion of commercial gaming in the State of Maryland to
16 authorize Internet gaming for the primary purpose of raising revenue for education?”

17 (b) The State Board of Elections shall do those things necessary and proper to
18 provide for and hold the referendum required by this section. If a majority of the votes cast
19 on the question are “For the referred law”, this Act shall become effective on the 30th day
20 following the official canvass of votes for the referendum, but if a majority of the votes cast
21 on the question are “Against the referred law”, this Act, with no further action required by
22 the General Assembly, shall be null and void.

23 SECTION 3. AND BE IT FURTHER ENACTED, That, subject to the provisions of
24 Section 2 of this Act and for the sole purpose of providing for the referendum required by
25 Section 2 of this Act, this Act shall take effect July 1, 2024.