

HOUSE BILL 1319

C7

4lr2107

By: **Delegate Atterbeary**

Introduced and read first time: February 9, 2024

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted with floor amendments

Read second time: March 7, 2024

CHAPTER _____

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; providing that certain payments to certain former
10 video lottery facility employees may not be subtracted from the calculation of a
11 certain benefit; establishing the Video Lottery Facility Employee Displacement Fund
12 as a special, nonlapsing fund; submitting this Act to a referendum of the qualified
13 voters of the State; and generally relating to Internet gaming.

14 BY repealing and reenacting, without amendments,

15 Article – Economic Development

16 Section 5–1501(a)

17 Annotated Code of Maryland

18 (2018 Replacement Volume and 2023 Supplement)

19 BY repealing and reenacting, with amendments,

20 Article – Economic Development

21 Section 5–1501(b)(1)(i)

22 Annotated Code of Maryland

23 (2018 Replacement Volume and 2023 Supplement)

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 BY repealing and reenacting, without amendments,
2 Article – Education
3 Section 5–206(b)
4 Annotated Code of Maryland
5 (2022 Replacement Volume and 2023 Supplement)
- 6 BY repealing and reenacting, with amendments,
7 Article – Education
8 Section 5–206(f) and 5–235(a)
9 Annotated Code of Maryland
10 (2022 Replacement Volume and 2023 Supplement)
- 11 BY repealing and reenacting, with amendments,
12 Article – Labor and Employment
13 Section 8–803(d)
14 Annotated Code of Maryland
15 (2016 Replacement Volume and 2023 Supplement)
- 16 BY repealing and reenacting, without amendments,
17 Article – State Government
18 Section 9–1A–28(a) and 9–1A–29(a)
19 Annotated Code of Maryland
20 (2021 Replacement Volume and 2023 Supplement)
- 21 BY repealing and reenacting, with amendments,
22 Article – State Government
23 Section 9–1A–28(b)(1) and 9–1A–29(b)(1)
24 Annotated Code of Maryland
25 (2021 Replacement Volume and 2023 Supplement)
- 26 BY adding to
27 Article – State Government
28 Section 9–1F–01 through ~~9–1F–11~~ ~~9–1F–12~~ 9–1F–13 to be under the new subtitle
29 “Subtitle 1F. Internet Gaming”
30 Annotated Code of Maryland
31 (2021 Replacement Volume and 2023 Supplement)
- 32 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
33 That the Laws of Maryland read as follows:
- 34 **Article – Economic Development**
- 35 5–1501.
- 36 (a) There is a Small, Minority, and Women–Owned Businesses Account under the
37 authority of the Department.

(b) (1) (i) The Account shall receive money as required under [§ 9-1A-27] §§ 9-1A-27 AND 9-1F-05 of the State Government Article.

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.

5-235.

(a) (1) (i) Subject to PARAGRAPH (3) OF THIS SUBSECTION AND subsection (o) of this section and beginning in fiscal year 2023, the county governing body shall levy and appropriate an annual tax sufficient to provide an amount of revenue for elementary and secondary public education purposes equal to the local share of major education aid as adjusted under § 5-239 of this subtitle.

(ii) For the purposes of calculating the local share of major education aid and regardless of the source of the funds, all funds that a county board, including the Baltimore City Board of School Commissioners, is authorized to expend for schools may be considered as levied by the county council, board of county commissioners, or the Mayor and City Council of Baltimore except for:

1. State appropriations;

2. Federal education aid payments; and

3. The amount of the expenditure authorized for debt service and capital outlay.

(2) Subject to PARAGRAPH (3) OF THIS SUBSECTION AND subsection (o) of this section and except as provided in subsection (a-1) of this section, the county governing body shall appropriate local funds to the school operating budget in an amount

no less than the product of the county's enrollment count for the current fiscal year and the local appropriation on a per pupil basis for the prior fiscal year using enrollment count.

(3) BEGINNING IN FISCAL YEAR 2026 AND EACH FISCAL YEAR THEREAFTER, THE COUNTY GOVERNING BODY SHALL:

(I) SUBTRACT THE AMOUNT OF INTERNET GAMING PROCEEDS DISTRIBUTED TO LOCAL JURISDICTIONS FOR EDUCATION FUNDING UNDER § 9-1F-05(B)(2)(VII) OF THE STATE GOVERNMENT ARTICLE FROM THE TOTAL AMOUNTS CALCULATED UNDER PARAGRAPHS (1) AND (2) OF THIS SUBSECTION; AND

(II) APPROPRIATE TO THE SCHOOL OPERATING BUDGET THE AMOUNT OF INTERNET GAMING PROCEEDS THAT THE COUNTY GOVERNING BODY RECEIVED.

Article – Labor and Employment

8-803.

(d) (1) Except as provided in § 8-1207 of this title for the work sharing program and § 8-1604 of this title for the Self-Employment Assistance Program, an eligible claimant shall be paid a weekly benefit amount that is computed by:

(i) determining the claimant's weekly benefit amount under this section;

(ii) adding any allowance for a dependent to which the claimant is entitled under § 8-804 of this subtitle; and

(iii) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, subtracting any wages exceeding \$50 payable to the claimant for the week.

(2) In computing benefits under this subsection, a fraction of a dollar shall be rounded to the next lower dollar.

(3) A PAYMENT TO A FORMER VIDEO LOTTERY FACILITY EMPLOYEE FROM THE VIDEO LOTTERY FACILITY EMPLOYEE DISPLACEMENT FUND ESTABLISHED UNDER § 9-1F-13 OF THE STATE GOVERNMENT ARTICLE MAY NOT BE INCLUDED WHEN COMPUTING THE WAGES REQUIRED TO BE SUBTRACTED UNDER PARAGRAPH (1)(III) OF THIS SUBSECTION.

Article – State Government

9-1A-28.

(a) There is a Purse Dedication Account under the authority of the State Racing Commission.

(b) (1) The Account shall receive money as required under [§ 9-1A-27] §§ 9-1A-27 AND 9-1F-05 of this subtitle.
9-1A-29.

(a) There is a Racetrack Facility Renewal Account under the authority of the State Racing Commission.

(b) (1) The Account shall receive money as required under [§ 9-1A-27] §§ 9-1A-27 AND 9-1F-05 of this subtitle for the first 16 years of operations at each video lottery facility.

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~~ STATE WITHIN WHICH THE GEOGRAPHIC AREA IS LOCATED;

(2) HAS AN UNEMPLOYMENT RATE THAT IS AT LEAST 150% OF THE UNEMPLOYMENT RATE OF THE ~~STATE~~ STATE WITHIN WHICH THE GEOGRAPHIC AREA IS LOCATED;

(3) HAS AN UNINSURED RATE THAT IS AT LEAST 150% OF THE HEALTH UNINSURED RATE OF THE ~~STATE~~ STATE WITHIN WHICH THE GEOGRAPHIC AREA IS LOCATED;

(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~~ STATE WITHIN WHICH THE GEOGRAPHIC AREA IS LOCATED; AND

(5) HAS A POVERTY RATE THAT IS AT LEAST 150% OF THE POVERTY RATE IN THE ~~STATE~~ STATE WITHIN WHICH THE GEOGRAPHIC AREA IS LOCATED.

(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) “INTERNET GAMING OPERATOR” MEANS AN ENTITY THAT HOLDS A LICENSE ISSUED BY THE COMMISSION UNDER THIS SUBTITLE TO CONDUCT AND OPERATE INTERNET GAMING ON BEHALF OF AN INTERNET GAMING LICENSEE.

~~(G)~~ (H) (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.

1 ~~(H)~~ (I) “PROCEEDS” MEANS THE AMOUNT OF MONEY BET ON INTERNET
2 GAMING, LESS:

3 (1) THE AMOUNT RETURNED TO SUCCESSFUL PLAYERS;

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

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

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

12 (3) THROUGH THE FIRST 5 YEARS OF OPERATION OF AN INTERNET
13 GAMING LICENSEE:

14 (I) IF THE INTERNET GAMING LICENSEE’S PROCEEDS DO NOT
15 EXCEED \$4,000,000 DURING THE IMMEDIATELY PRECEDING YEAR OF OPERATION,
16 35% OF FREE PLAY AND PROMOTIONAL CREDITS REDEEMED BY PLAYERS;

17 (II) IF THE INTERNET GAMING LICENSEE’S PROCEEDS ARE AT
18 LEAST \$4,000,000 BUT DO NOT EXCEED \$8,000,000 DURING THE IMMEDIATELY
19 PRECEDING YEAR OF OPERATION, 31.25% OF FREE PLAY AND PROMOTIONAL
20 CREDITS REDEEMED BY PLAYERS;

21 (III) IF THE INTERNET GAMING LICENSEE’S PROCEEDS ARE AT
22 LEAST \$8,000,000 BUT DO NOT EXCEED \$10,000,000 DURING THE IMMEDIATELY
23 PRECEDING YEAR OF OPERATION, 27.5% OF FREE PLAY AND PROMOTIONAL
24 CREDITS REDEEMED BY PLAYERS;

25 (IV) IF THE INTERNET GAMING LICENSEE’S PROCEEDS ARE AT
26 LEAST \$10,000,000 BUT DO NOT EXCEED \$12,000,000 DURING THE IMMEDIATELY
27 PRECEDING YEAR OF OPERATION, 23.75% OF FREE PLAY AND PROMOTIONAL
28 CREDITS REDEEMED BY PLAYERS; OR

29 (V) IF THE INTERNET GAMING LICENSEE’S PROCEEDS
30 EXCEEDED \$12,000,000 DURING THE IMMEDIATELY PRECEDING YEAR OF
31 OPERATION, 20% OF FREE PLAY AND PROMOTIONAL CREDITS REDEEMED BY
32 PLAYERS.

(J) “SOCIAL EQUITY APPLICANT” MEANS AN APPLICANT FOR AN INTERNET GAMING LICENSE WHO SATISFIES AT LEAST TWO OF THE FOLLOWING CRITERIA:

(1) LIVED IN AN ECONOMICALLY DISADVANTAGED AREA FOR AT LEAST 5 OF THE 10 YEARS IMMEDIATELY PRECEDING THE SUBMISSION OF THE APPLICATION;

(2) ATTENDED A PUBLIC SCHOOL IN AN ECONOMICALLY DISADVANTAGED AREA FOR AT LEAST 5 YEARS;

(3) FOR AT LEAST 2 YEARS, ATTENDED A 4-YEAR INSTITUTION OF HIGHER EDUCATION IN THE STATE WHERE AT LEAST 40% OF THE INDIVIDUALS WHO ATTEND THE INSTITUTION OF HIGHER EDUCATION ARE ELIGIBLE FOR A PELL GRANT; AND

(4) HAS A PERSONAL NET WORTH THAT DOES NOT EXCEED AN AMOUNT DETERMINED BY THE COMMISSION TO ENCOURAGE DIVERSITY, EQUITY, AND INCLUSION IN THE INTERNET GAMING INDUSTRY.

(K) “VIDEO LOTTERY FACILITY” HAS THE MEANING STATED IN § 9-1A-01 OF THIS TITLE.

(L) “VIDEO LOTTERY OPERATOR” HAS THE MEANING STATED IN § 9-1A-01 OF THIS TITLE.

9-1F-02.

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

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

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

(C) 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,

1 AND RESPONSIBILITIES OF THE COMMISSION, AN INTERNET GAMING LICENSEE,
2 AND AN EMPLOYEE OR A CONTRACTOR OF AN INTERNET GAMING LICENSEE UNDER
3 THIS SUBTITLE.

4 (D) (1) THE FOLLOWING PERSONS SHALL BE LICENSED UNDER THIS
5 SUBTITLE:

6 (I) A PERSON THAT CONDUCTS INTERNET GAMING;

7 (II) A PERSON THAT CONDUCTS INTERNET GAMING ON BEHALF
8 OF AN INTERNET GAMING LICENSEE, INCLUDING AN INTERNET GAMING OPERATOR;

9 (III) A LIVE STUDIO DEALER, AS DEFINED UNDER § 9-1F-10 OF
10 THIS SUBTITLE;

11 (IV) A PERSON NOT LICENSED UNDER ITEM (I), (II), OR (III) OF
12 THIS PARAGRAPH THAT MANAGES, OPERATES, SUPPLIES, PROVIDES SECURITY FOR,
13 OR PROVIDES SERVICE, MAINTENANCE, OR REPAIRS FOR AN INTERNET GAMING
14 LICENSEE; AND

15 (V) AN INDIVIDUAL DIRECTLY EMPLOYED IN THE OPERATION
16 OF INTERNET GAMING BY AN INTERNET GAMING LICENSEE IF THE INDIVIDUAL DOES
17 NOT OTHERWISE HOLD A VALID LICENSE UNDER SUBTITLE 1A OF THIS TITLE.

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

23 (3) SUBJECT TO THE LIMITATIONS OF THIS SUBTITLE, THE
24 COMMISSION MAY CHARGE A FEE FOR A LICENSE ISSUED UNDER THIS SUBTITLE.

25 (E) (1) THE COMMISSION MAY NOT ISSUE A LICENSE TO A PERSON
26 DESCRIBED UNDER SUBSECTION (D)(1)(II) OR (IV) OF THIS SECTION IF THE
27 APPLICANT OR ANY OF THE APPLICANT'S AFFILIATES, INCLUDING AN ENTITY UNDER
28 COMMON CONTROL, IS KNOWINGLY ACCEPTING REVENUE THAT IS DIRECTLY OR
29 INDIRECTLY DERIVED FROM:

30 (I) A JURISDICTION ON THE BLACK LIST OF MONEY
31 LAUNDERING COUNTRIES ESTABLISHED BY THE FINANCIAL ACTION TASK FORCE;

32 (II) A JURISDICTION DESIGNATED AS A STATE SPONSOR OF
33 TERRORISM BY THE UNITED STATES; OR

(III) A JURISDICTION IN WHICH ONLINE CASINO GAMING IS PROHIBITED AND THE REVENUE IS DERIVED FROM ONLINE CASINO GAMING IN THAT JURISDICTION.

(2) IF AT ANY TIME DURING THE LICENSURE OF A PERSON DESCRIBED UNDER SUBSECTION (D)(1)(II) OR (IV) OF THIS SECTION THE COMMISSION DETERMINES THAT THE LICENSE HOLDER OR ANY OF THE LICENSE HOLDER'S AFFILIATES, INCLUDING AN ENTITY UNDER COMMON CONTROL, IS KNOWINGLY ACCEPTING REVENUE THAT IS DIRECTLY OR INDIRECTLY DERIVED FROM A JURISDICTION DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE COMMISSION MAY REVOKE THE LICENSE OF THE LICENSE HOLDER IF THE COMMISSION DETERMINES THAT, AFTER NOTICE AND OPPORTUNITY FOR A HEARING, IT WOULD FURTHER THE PUBLIC INTEREST TO DISCONTINUE THE OPERATIONS OF THE LICENSE HOLDER WITHIN THE STATE.

(3) (I) 1. IN THIS PARAGRAPH THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

2. "ILLEGAL INTERACTIVE GAMING MARKET" MEANS A JURISDICTION IN WHICH INTERACTIVE GAMING IS PROHIBITED BY THE LAWS OF THAT JURISDICTION.

3. "INTERACTIVE GAME CONTENT" MEANS HARDWARE, SOFTWARE, APPLICATIONS, AND SERVERS USED TO OPERATE, CONDUCT, OR OFFER INTERACTIVE GAMBLING GAMES.

(II) THE COMMISSION SHALL REQUIRE A PERSON DESCRIBED UNDER SUBSECTION (D)(1)(II) AND (IV) OF THIS SUBSECTION, ON APPLICATION FOR A LICENSE AND ANNUALLY FOLLOWING THE ISSUANCE OF A LICENSE, TO SUBMIT A DISCLOSURE STATING THE JURISDICTIONS IN WHICH THE APPLICANT OR LICENSE HOLDER OR ANY AFFILIATE OF THE APPLICANT OR LICENSE HOLDER, DURING THE IMMEDIATELY PRECEDING 12-MONTH PERIOD, DIRECTLY OR INDIRECTLY ACCEPTED REVENUE FROM THE SUPPLY OF INTERACTIVE GAME CONTENT IN AN ILLEGAL INTERACTIVE GAMING MARKET.

(III) A MATERIAL MISREPRESENTATION OR OMISSION ON THE DISCLOSURE REQUIRED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH MAY, IN THE DISCRETION OF THE COMMISSION, RESULT IN THE DENIAL OF AN APPLICATION FOR A LICENSE UNDER THIS SUBTITLE OR, IN THE CASE OF A LICENSE HOLDER, DISCIPLINARY ACTION, INCLUDING A SUSPENSION OR REVOCATION OF THE LICENSE AND PENALTIES FOR OFFICERS OR BOARD MEMBERS OF THE LICENSE HOLDER.

~~(D)~~ (F) THE COMMISSION SHALL ADOPT REGULATIONS THAT ESTABLISH:

(1) THE FORM AND CONTENT OF AN APPLICATION FOR ANY LICENSE 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~~ SUBPARAGRAPH (IV) OF THIS SECTION ~~PARAGRAPH~~, THE COMMISSION MAY ISSUE AN INTERNET GAMING LICENSE TO:

1. A VIDEO LOTTERY OPERATOR;

2. THE HOLDER OF A SPORTS WAGERING FACILITY LICENSE DESCRIBED UNDER § 9-1E-06(A)(2)(I)2 OR 3 OF THIS TITLE; AND

3. APPLICANTS THAT:

A. HAVE MAINTAINED THE APPLICANTS' HEADQUARTERS IN THE STATE FOR AT LEAST 10 YEARS;

B. EMPLOYED ON DECEMBER 31, 2023, AND CONTINUE TO EMPLOY, AT LEAST 250 EMPLOYEES IN THE STATE ON A FULL-TIME OR FULL-TIME EQUIVALENT BASIS;

C. DURING THE PERIOD BEGINNING JANUARY 1, 2018, AND ENDING DECEMBER 31, 2023, FILED AN APPLICATION OR RENEWAL APPLICATION TO OWN AN EQUITY INTEREST OF AT LEAST 5% IN A VIDEO LOTTERY OPERATOR AND WERE FOUND BY THE COMMISSION TO BE QUALIFIED;

1 D. AGREE TO OPERATE THE INTERNET GAMING
2 BUSINESS USING A BRAND ASSOCIATED WITH A MARYLAND-BASED APPLICANT,
3 SUBJECT TO WAIVER BY THE COMMISSION AFTER 1 FULL YEAR OF OPERATION; AND

4 E. COMMIT TO SPEND AT LEAST \$5,000,000 DURING THE
5 INITIAL TERM OF THE INTERNET GAMING LICENSE TO BUILD AND OPERATE A LIVE
6 GAMING STUDIO, AS DEFINED UNDER § 9-1F-10 OF THIS SUBTITLE, OR A STUDIO
7 FOR TELEVISION AND FILM PRODUCTIONS UNDER THE AUSPICES OF THE
8 MARYLAND FILM OFFICE WITHIN THE MARYLAND DEPARTMENT OF COMMERCE
9 DIVISION OF TOURISM, FILM, AND THE ARTS.

10 (II) 1. THE COMMISSION MAY ISSUE A VIDEO LOTTERY
11 OPERATOR AN ADDITIONAL INTERNET GAMING LICENSE IF, AT THE TIME OF
12 APPLICATION FOR A LICENSE UNDER PARAGRAPH (1)(I)1 OF THIS SUBSECTION, THE
13 VIDEO LOTTERY OPERATOR CONCURRENTLY APPLIES FOR A LICENSE THAT THE
14 VIDEO LOTTERY OPERATOR AGREES TO OPERATE IN PARTNERSHIP WITH SOCIAL
15 EQUITY APPLICANTS WHO DEMONSTRATE DIRECT OR INDIRECT OWNERSHIP OF AT
16 LEAST 33% IN A JOINT VENTURE.

17 2. IF A VIDEO LOTTERY OPERATOR APPLIES FOR A
18 LICENSE IN ACCORDANCE WITH SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH,
19 THE COMMISSION MAY ISSUE THE VIDEO LOTTERY OPERATOR AN ADDITIONAL
20 LICENSE THAT THE VIDEO LOTTERY OPERATOR MAY OPERATE SUBJECT TO
21 SUBPARAGRAPH (IV) OF THIS PARAGRAPH.

22 3. IF THE SOCIAL EQUITY APPLICANT WITH WHOM THE
23 VIDEO LOTTERY OPERATOR AGREES TO PARTNER IN ACCORDANCE WITH
24 SUBSUBPARAGRAPH 1 OR 2 OF THIS SUBPARAGRAPH IS THE HOLDER OF A SPORTS
25 WAGERING FACILITY LICENSE DESCRIBED UNDER § 9-1E-06(A)(2)(I)2 OR 3 OF THIS
26 TITLE, THE HOLDER OF THE SPORTS WAGERING FACILITY LICENSE DESCRIBED
27 UNDER § 9-1E-06(A)(2)(I)2 OR 3 OF THIS TITLE MAY NOT APPLY FOR A LICENSE IN
28 ACCORDANCE WITH SUBPARAGRAPH (I)2 OF THIS PARAGRAPH.

29 (III) 1. IF A VIDEO LOTTERY OPERATOR THAT IS ELIGIBLE TO
30 RECEIVE AN INTERNET GAMING LICENSE UNDER SUBPARAGRAPH (I) OF THIS
31 PARAGRAPH FAILS TO APPLY FOR A LICENSE FOR WHICH THE ENTITY IS
32 POTENTIALLY ELIGIBLE, INCLUDING THE ADDITIONAL LICENSES DESCRIBED
33 UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE COMMISSION MAY ISSUE THE
34 OTHERWISE AVAILABLE INTERNET GAMING LICENSES THROUGH TWO COMPETITIVE
35 LICENSING ROUNDS ~~NOT MORE THAN 12 INTERNET GAMING LICENSES~~ TO
36 APPLICANTS THAT MEET THE REQUIREMENTS FOR AN INTERNET GAMING LICENSE
37 UNDER THIS SUBTITLE.

1 2. IN ADDITION TO THE LICENSES DESCRIBED UNDER
2 SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, THE COMMISSION MAY ISSUE FIVE
3 INTERNET GAMING LICENSES THROUGH TWO COMPETITIVE LICENSING ROUNDS TO
4 APPLICANTS THAT MEET THE REQUIREMENTS FOR AN INTERNET GAMING LICENSE
5 UNDER THIS SUBTITLE.

6 3. THE FIRST ROUND OF APPLICATIONS FOR LICENSES
7 DESCRIBED UNDER SUBSUBPARAGRAPHS 1 AND 2 OF THIS SUBPARAGRAPH SHALL
8 BE AVAILABLE TO APPLICANTS THAT DEMONSTRATE DIRECT OR INDIRECT
9 OWNERSHIP OF AT LEAST 33% BY SOCIAL EQUITY APPLICANTS.

10 4. IF ANY LICENSES DESCRIBED UNDER
11 SUBSUBPARAGRAPHS 1 AND 2 OF THIS SUBPARAGRAPH REMAIN AVAILABLE AFTER
12 THE FIRST ROUND OF APPLICATIONS DESCRIBED UNDER SUBSUBPARAGRAPH 3 OF
13 THIS SUBPARAGRAPH, THE REMAINING LICENSES SHALL BE AVAILABLE TO
14 APPLICANTS WHO SATISFY THE REQUIREMENTS UNDER SUBPARAGRAPH (IV) OF
15 THIS PARAGRAPH.

16 ~~(H)~~ (IV) 1. EXCEPT AS PROVIDED UNDER
17 SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH, THE COMMISSION MAY NOT ~~AWARD~~
18 ISSUE A LICENSE TO AN APPLICANT THAT HAS NOT DEMONSTRATED DIRECT OR
19 INDIRECT OWNERSHIP OF AT LEAST 5% BY INDIVIDUALS ~~WHOSE PERSONAL NET~~
20 ~~WORTH DOES NOT EXCEED AN AMOUNT DETERMINED BY THE COMMISSION TO~~
21 ~~ENCOURAGE DIVERSITY, EQUITY, AND INCLUSION IN THE INTERNET GAMING~~
22 ~~INDUSTRY WHO ARE SOCIAL EQUITY APPLICANTS.~~

23 2. THE COMMISSION MAY ~~AWARD~~ ISSUE A LICENSE TO
24 AN APPLICANT THAT, IN LIEU OF THE OWNERSHIP REQUIREMENT DESCRIBED
25 UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH, HAS ESTABLISHED A
26 PROFIT-SHARING AGREEMENT WITH NONMANAGEMENT EMPLOYEES ~~WHOSE~~
27 ~~PERSONAL NET WORTH DOES NOT EXCEED AN AMOUNT DETERMINED BY THE~~
28 ~~COMMISSION TO ENCOURAGE DIVERSITY, EQUITY, AND INCLUSION IN THE~~
29 ~~INTERNET GAMING INDUSTRY WHO WOULD OTHERWISE QUALIFY AS SOCIAL EQUITY~~
30 APPLICANTS.

31 (V) THE COMMISSION SHALL REVIEW EACH APPLICATION FOR
32 AN INTERNET GAMING LICENSE UNDER THIS SECTION TO ENSURE THAT
33 APPLICANTS SATISFY THE SOCIAL EQUITY APPLICANT OWNERSHIP REQUIREMENTS
34 UNDER THIS SUBSECTION.

35 ~~(H)~~ (VI) IN ADDITION TO ANY OTHER FACTORS ESTABLISHED
36 BY THE COMMISSION BY REGULATION TO ENSURE COMPLIANCE WITH THIS
37 SUBTITLE, THE COMMISSION SHALL REVIEW APPLICATIONS FOR INTERNET GAMING
38 LICENSES UNDER SUBPARAGRAPH (III) OF THIS PARAGRAPH BASED ON:

1 1. THE PERCENTAGE OF OWNERSHIP BY INDIVIDUALS
2 ~~WHOSE PERSONAL NET WORTH DOES NOT EXCEED THE LIMITATION DESCRIBED~~
3 ~~UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH WHO ARE SOCIAL EQUITY~~
4 ~~APPLICANTS;~~

5 ~~2. THE PERCENTAGE OF PROCEEDS THAT THE~~
6 ~~APPLICANT PROPOSES TO RETAIN, NOT TO EXCEED;~~

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

9 ~~B. 45% OF PROCEEDS FROM ALL OTHER INTERNET~~
10 ~~GAMING;~~

11 ~~3.~~ 2. THE APPLICANT'S FINANCIAL STABILITY,
12 RESOURCES, INTEGRITY, AND BUSINESS ABILITY AND ACUMEN;

13 ~~4.~~ 3. THE APPLICANT'S WORKFORCE DEVELOPMENT
14 PLANS FOR INTERNET GAMING INDUSTRY EMPLOYEES IN THE STATE;

15 ~~5.~~ 4. THE APPLICANT'S PLANS FOR EMPLOYING
16 INDIVIDUALS IN THE INTERNET GAMING INDUSTRY WHO RESIDE IN ECONOMICALLY
17 DISADVANTAGED AREAS; AND

18 ~~6.~~ 5. THE APPLICANT'S RESPONSIBLE GAMING PROGRAMS
19 AND AN EFFECTIVE GOVERNANCE AND COMPLIANCE PROGRAM.

20 (2) (I) THE COMMISSION MAY CONTRACT WITH A CONSULTANT TO
21 ASSIST THE COMMISSION WITH THE DEVELOPMENT OF AN INTERNET GAMING
22 LICENSE APPLICATION AND THE REVIEW OF APPLICANTS.

23 (II) AS PART OF THE REVIEW OF AN APPLICATION FOR AN
24 INTERNET GAMING LICENSE, THE COMMISSION SHALL DETERMINE WHETHER THE
25 ISSUANCE OF A LICENSE TO THE APPLICANT SERVES THE PUBLIC INTEREST.

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

28 2. THE COMMISSION MAY AUTHORIZE THE PAYMENT OF
29 THE FEE REQUIRED UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH IN
30 SEPARATE INSTALLMENTS.

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

(4) (I) ON APPLICATION BY AN INTERNET GAMING LICENSEE AND PAYMENT OF A LICENSE RENEWAL FEE UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE COMMISSION SHALL RENEW FOR 5 YEARS AN INTERNET GAMING LICENSE IF THE LICENSEE COMPLIES WITH ALL STATUTORY AND REGULATORY REQUIREMENTS.

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

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

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

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

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

(D) ~~(1)~~ FOR ALL LICENSES REQUIRED UNDER THIS ~~SUBTITLE~~ SECTION, IF AN APPLICANT HOLDS A VALID GAMING OR GAMING OPERATION LICENSE IN THIS STATE OR ~~ANOTHER STATE AT LEAST THREE OTHER STATES~~ AND THE COMMISSION DETERMINES THAT THE LICENSING STANDARDS OF THE ISSUING AGENCY ARE COMPREHENSIVE AND THOROUGH AND PROVIDE SIMILAR AND ADEQUATE SAFEGUARDS TO THOSE PROVIDED IN THIS SUBTITLE, THE COMMISSION MAY:

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

~~(2)~~ (2) ISSUE A LICENSE TO THAT APPLICANT.

~~(2) (1) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION, ON THE REQUEST OF AN APPLICANT, THE COMMISSION MAY GRANT AN EXEMPTION OR A WAIVER OF A LICENSING REQUIREMENT OR GROUNDS FOR DENIAL OF A LICENSE IF THE COMMISSION DETERMINES THAT THE REQUIREMENT OR GROUNDS FOR DENIAL OF A LICENSE AS APPLIED TO THE APPLICANT ARE NOT~~

~~NECESSARY TO PROTECT THE PUBLIC INTEREST OR ACCOMPLISH THE POLICIES
ESTABLISHED BY THIS SUBTITLE.~~

~~(H) ON GRANTING AN APPLICANT AN EXEMPTION OR A WAIVER
UNDER THIS PARAGRAPH, OR AT ANY TIME AFTER AN EXEMPTION OR A WAIVER HAS
BEEN GRANTED, THE COMMISSION MAY:~~

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

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

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

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

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

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

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

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

9-1F-04.

(A) AN INTERNET GAMING LICENSEE:

(1) SHALL:

(I) COMPLY WITH ALL STATE AND FEDERAL DATA PRIVACY AND SECURITY LAWS; AND

(II) MAINTAIN ALL INTERNET GAMING DATA SECURELY FOR AT LEAST 5 YEARS;

(III) ONLY AUTHORIZE INDIVIDUALS WHO ARE AT LEAST 21 YEARS OF AGE TO ENGAGE IN INTERNET GAMING; AND

(IV) VERIFY AN INDIVIDUAL'S AGE AND IDENTITY AT THE TIME THE INDIVIDUAL ESTABLISHES AN INTERNET GAMING ACCOUNT AND PERIODICALLY REVERIFY THE INDIVIDUAL'S IDENTITY; AND

(2) MAY NOT:

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

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

(III) ENGAGE IN ANY FALSE OR DECEPTIVE ADVERTISING.

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

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

(3) (I) WITHIN 6 MONTHS AFTER THE ISSUANCE OF AN INTERNET GAMING LICENSE UNDER THIS SUBTITLE, THE GOVERNOR'S OFFICE OF SMALL, MINORITY, AND WOMEN BUSINESS AFFAIRS, IN CONSULTATION WITH THE OFFICE OF THE ATTORNEY GENERAL AND THE INTERNET GAMING LICENSEE, SHALL ESTABLISH A CLEAR PLAN FOR SETTING REASONABLE AND APPROPRIATE MINORITY BUSINESS ENTERPRISE PARTICIPATION GOALS AND PROCEDURES FOR THE 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, OR AN ENTITY THAT OPERATES A LIVE DEALER STUDIO ON BEHALF OF AN INTERNET GAMING LICENSEE SHALL PRODUCE INFORMATION, DOCUMENTATION, AND ASSURANCES TO ESTABLISH BY CLEAR AND CONVINCING EVIDENCE THAT:

(1) UNLESS THE APPLICANT ~~OR LICENSEE~~, LICENSEE, OR LIVE DEALER STUDIO OPERATOR ALREADY HAS A COLLECTIVE BARGAINING AGREEMENT, ~~THE APPLICANT OR LICENSEE, LICENSEE, OR LIVE DEALER STUDIO OPERATOR~~ 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; AND

(4) THE APPLICANT, LICENSEE, OR LIVE DEALER STUDIO OPERATOR INTENDS TO MAINTAIN A NEUTRAL POSITION ON THE UNIONIZATION OF ANY

EMPLOYEES OF THE APPLICANT, LICENSEE, OR OPERATOR, INCLUDING BY
REFRAINING FROM MAKING ANY STATEMENT OR IMPLICATION THAT THE
APPLICANT, LICENSEE, OR OPERATOR:

(I) OPPOSES THE SELECTION OR DESELECTION OF A
COLLECTIVE BARGAINING AGENT; OR

(II) SUPPORTS OR OPPOSES THE SELECTION OF A PARTICULAR
LABOR ORGANIZATION AS A COLLECTIVE BARGAINING AGENT.

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~~ DAILY 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.~~

(II) A LICENSEE SHALL RETAIN:

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

2. 45% OF THE PROCEEDS RECEIVED BY THE LICENSEE
FROM ALL OTHER INTERNET GAMING.

(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:

1 **(I) FOR THE FIRST 12 MONTHS THAT INTERNET GAMING IS IN**
2 **OPERATION IN THE STATE, UP TO \$10,000,000 TO THE VIDEO LOTTERY FACILITY**
3 **EMPLOYEE DISPLACEMENT FUND ESTABLISHED UNDER § 9-1F-13 OF THIS**
4 **SUBTITLE;**

5 **(II) TO JURISDICTIONS WITH VIDEO LOTTERY FACILITIES**
6 **BASED ON EACH JURISDICTION'S PERCENTAGE OF OVERALL GROSS REVENUES**
7 **FROM VIDEO LOTTERY TERMINALS FOR THE PURPOSES DESCRIBED UNDER §**
8 **~~9-1A-27(B)~~ 9-1A-31(B) OF THIS TITLE;**

- 9 **1. \$6,500,000 IN FISCAL YEAR 2026;**
- 10 **2. \$8,300,000 IN FISCAL YEAR 2027;**
- 11 **3. \$10,000,000 IN FISCAL YEAR 2028;**
- 12 **4. \$11,300,000 IN FISCAL YEAR 2029; AND**
- 13 **5. \$11,400,000 IN FISCAL YEAR 2030;**

14 **~~(III)~~ (III) TO THE PURSE DEDICATION ACCOUNT ESTABLISHED**
15 **UNDER § 9-1A-28 OF THIS TITLE;**

- 16 **1. \$4,900,000 IN FISCAL YEAR 2026;**
- 17 **2. \$6,300,000 IN FISCAL YEAR 2027;**
- 18 **3. \$7,600,000 IN FISCAL YEAR 2028;**
- 19 **4. \$8,600,000 IN FISCAL YEAR 2029; AND**
- 20 **5. \$8,700,000 IN FISCAL YEAR 2030;**

21 **~~(III)~~ (IV) TO THE RACETRACK FACILITY RENEWAL ACCOUNT**
22 **ESTABLISHED UNDER § 9-1A-29 OF THIS TITLE;**

- 23 **1. \$900,000 IN FISCAL YEAR 2026;**
- 24 **2. \$1,000,000 IN FISCAL YEAR 2027;**
- 25 **3. \$1,200,000 IN FISCAL YEAR 2028; AND**
- 26 **4. \$700,000 IN EACH OF FISCAL YEARS 2029 AND 2030;**

~~(IV)~~ (V) TO THE SMALL, MINORITY, AND WOMEN-OWNED
BUSINESSES ACCOUNT ESTABLISHED UNDER § 5-1501 OF THE ECONOMIC
DEVELOPMENT ARTICLE:

1. \$1,300,000 IN FISCAL YEAR 2026;

2. \$1,600,000 IN FISCAL YEAR 2027;

3. \$1,900,000 IN FISCAL YEAR 2028; AND

4. \$2,200,000 IN EACH OF FISCAL YEARS 2029 AND 2030;

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

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

~~(III)~~ ~~(VII)~~ (VIII) 1% OF ALL PROCEEDS TO ~~LOCAL~~
~~JURISDICTIONS~~ COUNTY GOVERNING BODIES, DISTRIBUTED TO EACH COUNTY
BASED ON THE COUNTY'S ~~SCHOOL-AGE POPULATION~~ CURRENT FISCAL YEAR
ENROLLMENT COUNT, AS DEFINED IN § 5-201 OF THE EDUCATION ARTICLE, TO BE
USED ~~FOR FUNDING EDUCATION~~ TO ASSIST COUNTIES IN MEETING THEIR
EDUCATION FUNDING REQUIREMENTS UNDER § 5-235(A) OF THE EDUCATION
ARTICLE; AND

~~(IV)~~ ~~(VIII)~~ (IX) 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:~~

~~(H)~~ REQUIRE AN INTERNET GAMING ACCOUNT HOLDER TO ESTABLISH 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 AND MAKE ADDITIONAL DEPOSITS IF THE ACCOUNT HOLDER REACHES THE ESTABLISHED DEPOSIT LIMIT; AND

~~(H)~~ (3) PROVIDE A MECHANISM BY WHICH AN INTERNET GAMING ACCOUNT HOLDER MAY ESTABLISH A TEMPORARY SUSPENSION OF INTERNET GAMING ACTIVITY THROUGH THE ACCOUNT FOR ANY NUMBER OF HOURS OR DAYS;

~~(3)~~ (4) DEFINE THE PERMISSIBLE PROHIBIT THE USE OF CREDIT CARDS FOR ANY INTERNET GAMING-RELATED TRANSACTIONS; AND

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

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

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

(B) IF A SUSPENSION OF INTERNET GAMING ACTIVITY UNDER SUBSECTION ~~(A)(2)(H)~~ (A)(3) OF THIS SECTION IS IMPOSED BY THE ACCOUNT HOLDER FOR AT LEAST 72 HOURS, THE INTERNET GAMING LICENSEE MAY NOT SEND GAMING-RELATED ELECTRONIC MAIL TO THE ACCOUNT HOLDER UNTIL THE SUSPENSION EXPIRES.

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

(2) IF THE ACCOUNT IS SUSPENDED BY THE ACCOUNT HOLDER UNDER SUBSECTION ~~(A)(2)(H)~~ (A)(3) OF THIS SECTION, THE ACCOUNT HOLDER MAY NOT CHANGE GAMING CONTROLS UNTIL THE SUSPENSION EXPIRES.

1 (3) IF AN INDIVIDUAL SEEKS TO INCREASE THE LIMIT ON THE
2 AMOUNT OF MONEY THAT THE INDIVIDUAL MAY DEPOSIT WITHIN A PERIOD OF TIME
3 SPECIFIED UNDER SUBSECTION (A)(2) OF THIS SUBSECTION, THE INTERNET
4 GAMING LICENSEE MAY NOT REFLECT THE INCREASED LIMIT FOR AT LEAST 24
5 HOURS.

6 (D) NOTWITHSTANDING A TEMPORARY SUSPENSION OF INTERNET GAMING
7 ACTIVITY IMPOSED BY AN ACCOUNT HOLDER UNDER SUBSECTION ~~(A)(2)(II)~~ (A)(3)
8 OF THIS SECTION, THE ACCOUNT HOLDER MAY CONTINUE TO HAVE ACCESS TO THE
9 ACCOUNT AND IS AUTHORIZED TO WITHDRAW FUNDS FROM THE ACCOUNT ON
10 PROPER APPLICATION TO THE INTERNET GAMING LICENSEE.

11 (E) (1) THE COMMISSION SHALL ADOPT REGULATIONS THAT ARE
12 INTENDED TO REDUCE OR MITIGATE THE EFFECTS OF PROBLEM GAMBLING.

13 (2) THE REGULATIONS SHALL:

14 (I) INCLUDE ESTABLISHMENT OF A VOLUNTARY EXCLUSION
15 LIST OF INDIVIDUALS WITH GAMBLING PROBLEMS WHO HAVE REQUESTED TO BE
16 EXCLUDED FROM ANY INTERNET GAMING LICENSED UNDER THIS SUBTITLE; AND

17 (II) PROVIDE A SIMPLE MECHANISM FOR AN INDIVIDUAL WHO IS
18 SOBER AND INFORMED TO REQUEST PLACEMENT ON THE VOLUNTARY EXCLUSION
19 LIST FOR A SPECIFIED PERIOD OF TIME.

20 (3) UNLESS AN INDIVIDUAL REQUESTING PLACEMENT ON THE
21 VOLUNTARY EXCLUSION LIST AFFIRMATIVELY DECLINES THE PROVISION OF THE
22 INDIVIDUAL'S CONTACT INFORMATION TO THE MARYLAND CENTER FOR
23 EXCELLENCE ON PROBLEM GAMBLING, THE COMMISSION SHALL PROVIDE THE
24 INDIVIDUAL'S CONTACT INFORMATION TO THE CENTER FOR THE PURPOSE OF
25 PROVIDING THE INDIVIDUAL INFORMATION ABOUT FREE AND CONFIDENTIAL
26 RESPONSIBLE GAMBLING ASSISTANCE.

27 (4) AN INTERNET GAMING LICENSEE:

28 (I) MAY NOT PERMIT AN INDIVIDUAL ON THE VOLUNTARY
29 EXCLUSION LIST TO ESTABLISH AN INTERNET GAMING ACCOUNT OR ENGAGE IN
30 INTERNET GAMING; AND

31 (II) MAY ONLY PERMIT AN INDIVIDUAL ON THE VOLUNTARY
32 EXCLUSION LIST WHO PREVIOUSLY ESTABLISHED AN INTERNET GAMING ACCOUNT
33 TO ACCESS THE ACCOUNT FOR THE PURPOSE OF VIEWING AND DOWNLOADING THE
34 INDIVIDUAL'S TRANSACTION HISTORY.

1 **(5) THE COMMISSION MAY IMPOSE SANCTIONS ON A LICENSEE IN**
2 **ACCORDANCE WITH THIS SUBTITLE IF THE LICENSEE KNOWINGLY FAILS TO**
3 **EXCLUDE AN INDIVIDUAL ON THE VOLUNTARY EXCLUSION LIST FROM ENGAGING IN**
4 **INTERNET GAMING.**

5 **(F) AT LEAST ONCE EACH YEAR, EACH INTERNET GAMING LICENSEE SHALL**
6 **REPORT TO THE COMMISSION ON:**

7 **(1) THE NUMBER OF PLAYERS THAT THE INTERNET GAMING**
8 **LICENSEE HAS IDENTIFIED AS ENGAGING IN ERRATIC OR INCREASED GAMBLING**
9 **BEHAVIOR; AND**

10 **(2) THE NUMBER AND LENGTH OF ANY BANS OR SUSPENSIONS IN**
11 **RESPONSE TO THE BEHAVIOR DESCRIBED UNDER ITEM (1) OF THIS SUBSECTION.**

12 **9-1F-07.**

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

15 **(1) TAMPERS WITH SOFTWARE, COMPUTERS, OR OTHER EQUIPMENT**
16 **USED TO CONDUCT INTERNET GAMING TO ALTER THE ODDS OR THE PAYOUT OF A**
17 **GAME OR DISABLE THE GAME FROM OPERATING ACCORDING TO THE RULES OF THE**
18 **GAME AS ADOPTED BY THE COMMISSION; OR**

19 **(2) OFFERS OR ALLOWS TO BE OFFERED ANY INTERNET GAME THAT**
20 **HAS BEEN TAMPHERED WITH IN A WAY THAT AFFECTS THE ODDS OR THE PAYOUT OF**
21 **A GAME OR HAS BEEN DISABLED FROM OPERATING ACCORDING TO THE RULES OF**
22 **THE GAME AS ADOPTED BY THE COMMISSION.**

23 **(B) IN ADDITION TO ANY PENALTIES IMPOSED UNDER SUBSECTION (A) OF**
24 **THIS SECTION, THE COMMISSION MAY SUSPEND, FOR NOT LESS THAN 30 DAYS, THE**
25 **LICENSE OF AN INTERNET GAMING LICENSEE OR ANY OTHER PERSON REQUIRED TO**
26 **BE LICENSED UNDER THIS SUBTITLE WHO IS IN VIOLATION OF SUBSECTION (A) OF**
27 **THIS SECTION.**

28 **9-1F-08.**

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

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

(2) THE EFFECTIVENESS OF THE STATUTORY AND REGULATORY CONTROLS IN PLACE TO ENSURE THE ~~INTEGRITY OF INTERNET GAMING OPERATIONS~~ EFFECTIVENESS OF MEASURES TO PROTECT VULNERABLE AND PROBLEM GAMBLERS.

9-1F-09.

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

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

9-1F-10.

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

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

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

(II) "LIVE DEALER GAME" INCLUDES A LIVE CARD GAME, A LIVE TABLE GAME, AND ANY OTHER LIVE AUTHORIZED INTERACTIVE GAME.

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

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

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

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

(III) MONITORS GAME PACE AND PLAY.

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

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

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

(1) SHALL BE LOCATED WITHIN THE STATE; ~~AND OR~~

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

(2) IF THE INTERNET GAMING LICENSEE IS A VIDEO LOTTERY OPERATOR, SHALL BE LOCATED WITHIN THE COUNTY WITHIN WHICH THE VIDEO LOTTERY FACILITY IS LOCATED.

9-1F-11.

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

1 **(B) ON RECOMMENDATION OF THE COMMISSION, THE GOVERNOR, ON**
2 **BEHALF OF THE STATE, IS AUTHORIZED TO:**

3 **(1) ENTER INTO AN AGREEMENT WITH OTHER GOVERNMENTS,**
4 **SUBJECT TO THE LIMITATIONS OF THIS SECTION, THAT ALLOWS AND PROVIDES FOR**
5 **PARTICIPATION IN MULTIJURISDICTIONAL INTERNET GAMING BY INDIVIDUALS**
6 **WHO ARE PHYSICALLY LOCATED IN JURISDICTIONS OVER WHICH THE**
7 **GOVERNMENTS THAT ARE A PARTY TO THE AGREEMENT EXERCISE LEGAL**
8 **AUTHORITY; AND**

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

11 **(C) THE COMMISSION MAY ADOPT REGULATIONS UNDER THIS SECTION**
12 **THAT PROVIDE FOR:**

13 **(1) THE FORM, LENGTH, AND TERMS OF AN AGREEMENT AUTHORIZED**
14 **UNDER THIS SECTION;**

15 **(2) MATTERS RELATING TO THE TAXATION OF INTERNET GAMING**
16 **REVENUE BY THE PARTIES TO THE AGREEMENT;**

17 **(3) THE SHARING AND DISTRIBUTION OF INTERNET GAMING**
18 **REVENUE AMONG THE PARTIES TO THE AGREEMENT;**

19 **(4) RESOLUTION OF PLAYER DISPUTES;**

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

22 **(6) THE MANNER AND PROCEDURE FOR HEARINGS CONDUCTED BY**
23 **THE COMMISSION WITH RESPECT TO ANY AGREEMENT AUTHORIZED UNDER THIS**
24 **SECTION;**

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

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

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

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

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

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

(I) UNDER THIS SUBTITLE; OR

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

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

(5) PROHIBITING ANY SUBORDINATE OR SIDE AGREEMENTS, EXCEPT WITH RESPECT TO SHARING OF REVENUES, AMONG ANY SUBSET OF THE GOVERNMENTS THAT ARE PARTIES TO THE AGREEMENT; AND

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

9-1F-12.

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

(1) THE OPERATION OF INTERNET GAMING IN THE STATE; AND

1 (2) THE IMPACT OF INTERNET GAMING ON VIDEO LOTTERY
2 FACILITIES, OTHER GAMING VENUES, AND ANCILLARY BUSINESSES THAT
3 SURROUND THOSE VIDEO LOTTERY FACILITIES AND GAMING VENUES.

4 (B) THE COMMISSION SHALL:

5 (1) STUDY THE IMPACTS OF OTHER ONLINE FORMS OF
6 UNAUTHORIZED GAMING CONTENT THAT IS SIMILAR TO INTERNET GAMING, SUCH
7 AS PLATFORMS THAT USE MICROTRANSACTIONS OR ONLINE SWEEPSTAKES; AND

8 (2) ON OR BEFORE DECEMBER 1, 2027, REPORT TO THE GOVERNOR
9 AND, IN ACCORDANCE WITH § 2-1257 OF THIS ARTICLE, TO THE GENERAL
10 ASSEMBLY ON ITS FINDINGS AND ANY RECOMMENDATIONS.

11 9-1F-13.

12 (A) IN THIS SECTION, "FUND" MEANS THE VIDEO LOTTERY FACILITY
13 EMPLOYEE DISPLACEMENT FUND.

14 (B) THERE IS A VIDEO LOTTERY FACILITY EMPLOYEE DISPLACEMENT
15 FUND.

16 (C) THE PURPOSE OF THE FUND IS TO SUPPORT VIDEO LOTTERY FACILITY
17 EMPLOYEES THAT ARE DISPLACED BY THE IMPLEMENTATION OF INTERNET
18 GAMING.

19 (D) THE MARYLAND DEPARTMENT OF LABOR SHALL ADMINISTER THE
20 FUND.

21 (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
22 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

23 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
24 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

25 (F) THE FUND CONSISTS OF:

26 (1) REVENUE DISTRIBUTED TO THE FUND UNDER § 9-1F-05(B)(2)(I)
27 OF THIS SUBTITLE;

28 (2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND; AND

29 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
30 THE BENEFIT OF THE FUND.

(G) THE FUND MAY BE USED ONLY:

(1) FOR ADMINISTRATIVE EXPENSES RELATED TO ADMINISTRATION OF THE FUND;

(2) FOR GRANTS TO FORMER VIDEO LOTTERY FACILITY EMPLOYEES DISPLACED BY THE IMPLEMENTATION OF INTERNET GAMING TO OFFSET ANY REDUCTION IN THE TAKE HOME PAY OF THE FORMER EMPLOYEES;

(3) TO SUPPLEMENT UNEMPLOYMENT INSURANCE PAYMENTS RECEIVED BY FORMER VIDEO LOTTERY FACILITY EMPLOYEES DISPLACED BY THE IMPLEMENTATION OF INTERNET GAMING;

(4) TO ESTABLISH JOB TRAINING PROGRAMS FOR FORMER VIDEO LOTTERY FACILITY EMPLOYEES DISPLACED BY THE IMPLEMENTATION OF INTERNET GAMING; AND

(5) FOR ANY OTHER PROGRAM ESTABLISHED BY THE MARYLAND DEPARTMENT OF LABOR TO ASSIST FORMER VIDEO LOTTERY FACILITY EMPLOYEES DISPLACED BY THE IMPLEMENTATION OF INTERNET GAMING.

(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE GENERAL FUND OF THE STATE.

(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

(J) THE MARYLAND DEPARTMENT OF LABOR SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That § 5-235(a) of the Education Article, as enacted by Section 1 of this Act, may not be construed to reduce overall funding appropriated by a county governing body based on that section of law as it existed before the enactment of this Act.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That:

(a) In accordance with Article XIX, § 1(e) of the Maryland Constitution, before this Act, which authorizes additional forms or expansion of commercial gaming, becomes effective, a question substantially similar to the following shall be submitted to a

1 referendum of the qualified voters of the State at the general election to be held in
2 November 2024:

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

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

11 SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That, subject to the provisions
12 of Section ~~2~~ 3 of this Act and for the sole purpose of providing for the referendum required
13 by Section ~~2~~ 3 of this Act, this Act shall take effect July 1, 2024.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.