SENATE BILL 621

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3lr1930 CF 3lr3106

By: **Senators Zucker and Hettleman** Introduced and read first time: February 6, 2023 Assigned to: Budget and Taxation

Committee Report: Favorable with amendments Senate action: Adopted Read second time: March 12, 2023

CHAPTER _____

1 AN ACT concerning

Gaming – Sports Wagering – Independent Evaluation of Sports Wagering Content <u>and Sports Wagering Facility Application Amendments</u>

- 4 FOR the purpose of requiring the Maryland Lottery and Gaming Control Commission to $\mathbf{5}$ identify and accredit license certain independent evaluators to evaluate and rate 6 certain sports wagering content provided by certain sports wagering experts, sports 7 wagering influencers, and content partners; requiring the Commission to establish 8 standards of practice governing sports wagering content; requiring authorizing 9 certain sports wagering licensees and sports wagering operators to contract with 10 certain independent evaluators for certain purposes under certain circumstances; 11 authorizing the Maryland Lottery and Gaming Control Commission and the Sports 12 Wagering Application Review Commission to consider certain requests for certain 13application amendments received on or before a certain date; and generally relating to sports wagering and the evaluation of sports wagering content. 14
- 15 BY adding to
- 16 Article State Government
- 17 Section 9–1E–17
- 18 Annotated Code of Maryland
- 19 (2021 Replacement Volume and 2022 Supplement)
- 20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 21 That the Laws of Maryland read as follows:
- 21 That the Laws of Maryland read as fo
- 22

Article – State Government

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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



1 **9–1E–17.**

2 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS 3 INDICATED.

4 (2) "CONTENT PARTNER" MEANS AN INDIVIDUAL WHO OR A 5 PLATFORM THAT CREATES SPORTS WAGERING CONTENT FOR A SPORTS WAGERING 6 LICENSEE THROUGH CONTRACTED WORK, AFFILIATION, OR OTHER PARTNERSHIP.

7 (3) "SPORTS WAGERING CONTENT" MEANS PREDICTIONS OF 8 SPORTING EVENT OUTCOMES, INCLUDING MONEYLINES, AGAINST THE SPREAD, 9 TOTALS, FUTURES, PARLAYS, AND OTHER OUTCOMES, WHETHER PROVIDED AT NO 10 COST OR THROUGH A SUBSCRIPTION OR OTHER PARTNERSHIP.

11 (4) "SPORTS WAGERING EXPERT" OR "SPORTS WAGERING 12 INFLUENCER" MEANS A PERSON WHO CREATES SPORTS WAGERING CONTENT FOR A 13 SPORTS WAGERING LICENSEE, A CONTENT PARTNER, OR THE PERSON'S OWN 14 BENEFIT.

15 **(B) (1)** ON OR BEFORE DECEMBER 31, 2023, THE COMMISSION SHALL 16 HDENTIFY AND ACCREDIT LICENSE INDEPENDENT EVALUATORS TO EVALUATE AND 17 RATE SPORTS WAGERING CONTENT PROVIDED BY SPORTS WAGERING EXPERTS, 18 SPORTS WAGERING INFLUENCERS, AND CONTENT PARTNERS.

19(2)IN ORDER TO BE ACCREDITED LICENSED UNDER PARAGRAPH (1)20OF THIS SUBSECTION, AN INDEPENDENT EVALUATOR:

21(I)SHALL HAVE DEMONSTRATED EXPERIENCE AND EXPERTISE22IN EVALUATING AND RATING SPORTS WAGERING CONTENT;

23(II) SHALL HAVE AN AUDIT PROCESS CONSTRUCTED AND24MAINTAINED BY IN-HOUSE, LICENSED CERTIFIED PUBLIC ACCOUNTANTS;

(III) SHALL HAVE EVALUATION AND RATING PROCEDURES THAT
ARE UNABLE TO BE ADJUSTED, DUPLICATED, OR ALTERED BY THE PERSONS
SUBJECT TO EVALUATION;

(IV) MAY NOT HAVE AN OFFICIAL RELATIONSHIP WITH A SPORTS
WAGERING LICENSEE OR SPORTS WAGERING OPERATOR;

30(V) MAY NOT HAVE ANY DIRECT OR INDIRECT FINANCIAL31INTEREST, OWNERSHIP, OR MANAGEMENT, INCLUDING HOLDING ANY STOCKS,

1 BONDS, OR OTHER SIMILAR FINANCIAL INTERESTS IN ANY SPORTS WAGERING 2 ACTIVITIES;

3 (VI) MAY NOT RECEIVE OR SHARE IN, DIRECTLY OR INDIRECTLY,
 4 THE RECEIPTS OR PROCEEDS OF ANY SPORTS WAGERING ACTIVITIES; AND

5 (VII) MAY NOT HAVE ANY REVENUE-SHARING RELATIONSHIP
6 WITH OR OTHER FINANCIAL INTEREST IN A SPORTS WAGERING LICENSEE OR SPORTS
7 WAGERING OPERATOR.

8 (3) AN INDEPENDENT EVALUATOR MAY BE COMPENSATED BY A 9 SPORTS WAGERING LICENSEE OR SPORTS WAGERING OPERATOR THAT UTILIZES 10 THE INDEPENDENT EVALUATOR'S EVALUATIONS IN ITS MARKETING MATERIALS.

11(4) THE COMMISSION MAY ESTABLISH ADDITIONAL QUALIFICATIONS12FOR THE ACCREDITATION LICENSING OF INDEPENDENT EVALUATORS IN13ACCORDANCE WITH THIS SUBSECTION.

14 (C) THE COMMISSION SHALL ESTABLISH STANDARDS OF PRACTICE 15 GOVERNING SPORTS WAGERING CONTENT.

16 (D) ON OR BEFORE APRIL 1, 2024, A A SPORTS WAGERING LICENSEE OR 17 SPORTS WAGERING OPERATOR THAT ADVERTISES IN THE STATE SHALL MAY 18 CONTRACT WITH AN INDEPENDENT EVALUATOR ACCREDITED LICENSED UNDER 19 SUBSECTION (B) OF THIS SECTION TO EVALUATE AND RATE THE SPORTS WAGERING 20 LICENSEE'S SPORTS WAGERING CONTENT, SPORTS WAGERING EXPERTS, SPORTS 21 WAGERING INFLUENCERS, AND CONTENT PARTNERS.

SECTION 2. AND BE IT FURTHER ENACTED, That the State Lottery and Gaming
 Control Commission and the Sports Wagering Application Review Commission may
 consider a request to amend a Class B-2 sports wagering facility license application for the
 purpose of altering the proposed location of the sports wagering facility if:

- 26(1)a sports wagering facility license was awarded to the applicant on or27before February 15, 2023; and
- <u>a written request to amend the application is received by the State</u>
 <u>Lottery and Gaming Control Commission and the State Wagering Application Review</u>
 <u>Commission on or before December 31, 2023.</u>
- 31 SECTION 2. <u>3.</u> AND BE IT FURTHER ENACTED, That this Act shall take effect 32 July 1, 2023.