

SCOPE OF PROPOSED SPORTS WAGERING REGULATIONS

DATE OF MEETING: July 15, 2021

SUMMARY: The Maryland Lottery and Gaming Control Commission will hold a meeting on July 15, 2021 to consider these proposed operational and licensing regulations required for the new Sports Wagering program. These all new proposed regulations have been drafted by Staff and will be submitted as both emergency and permanent regulations. The full text of the draft regulations will be posted on the Commission’s website prior to the meeting.

TITLE 36

MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY Subtitle 10 SPORTS WAGERING PROVISIONS

Chapter 01 General

Scope.

Definitions.

Chapter 02 Applications and Investigations

Scope.

General.

Process.

Background Information.

Consent for Investigation.

Organizational Documents.

Ownership of Applicant.

Directors, Officers, and Partners.

Principal Entity.

Outside Interests.

Alternative Licensing Standards.

Exemption or Waiver of License Requirement.

Bonds.

Chapter 03 Qualification Requirements for All License Applicants and Licensees

Scope.

Qualification Requirements for All Applicants.

Issuance of a License.

License Renewal; Fee.

Chapter 04 License Denial Procedures.

Applicability.

Application Review Process.

Reconsideration Process.

Additional Review Process for a Sports Wagering License, Sports Wagering Facility Operator License, and Sports Wagering Operator License.

Hearings.

Petition for Judicial Review.

Chapter 05 Sports Wagering Licenses

General.

Sports Wagering Licenses and Requirements.

Chapter 06 All Sports Wagering Facility Licensees

Scope.

License Categories; Licensing.

Video Lottery Operator as Sports Wagering Facility Operator.

Fees.

Class A-1 Sports Wagering Facility License.

Class A-2 Sports Wagering Facility License.

Class B-1 Sports Wagering Facility License.

Class B-2 Sports Wagering Facility License.

Class B-1 and B-2 Sports Wagering Facility Licenses.

In-person Wagering at Specified Sports Wagering Facilities.

Mobile Sports Wagering License.

Chapter 07 Other Licenses Required for Sports Wagering

Scope.

Online Sports Wagering Operator License.

Sports Wagering Facility Operator License.

Chapter 08 Sports Wagering Contractor Licenses

General.

Qualification Requirements.

Background Investigation Costs.

Application and License Fees.

Term; Renewal; Fees.

Exemptions from Certain Requirements.

Chapter 09 Sports Wagering Employee Licenses

General.

License Categories.

Employment of a Sports Wagering Licensee.

Restrictions on Wagering.

Identification Cards for Sports Wagering Employees.

Sports Wagering Vendor Registration and Certification.

Bonds.

Chapter 10 Enforcement

General.

Violations.

Notice of Violation.

Corrective Action Plan.

Settlement.

Commission Proceedings.

Emergency Suspension.

Hearings.

Petition for Judicial Review.

Imposition of Sanctions.

Commission Action.

Chapter 11 Unannounced Inspections

General.

Inspections.

Records and Reports.

Chapter 12 Enforcement of Voluntary Exclusion Program

Enforcement.

Responsible Gaming Plan.

Requirements.

Chapter 13 Mandatory Exclusion

General.

Prohibitions.

Mandatory Exclusion List.

Inclusion on Mandatory Exclusion List.

Removal from Mandatory Exclusion List.

Judicial Review.

Enforcement.

Sports Wagering Licensee Exclusion Plan.

Chapter 14 Collection of Taxes, Fees, and Penalties

General.

Definitions.

Obligation to Pay.

Collection and Deposit of Payments.

Chapter 15 Sports Wagering Licensee Minimum Internal Control Standards

Accounting Records.

Forms and Documents.

Content of Internal Controls.

Review of Internal Controls.

Standard Financial and Statistical Reports.

Annual Audit and Other Regulatory Reports.

Record Retention.

Complimentary Services.

Table of Organization.

Surveillance System Design Standards for Class A and Class B (1) Sports Wagering Licensees.

Surveillance Department Operating Procedures for Class A and Class B (1) Sports Wagering Licensees.

Surveillance Department Minimum Staffing for Class A and Class B (1) Sports Wagering Licensees.

Surveillance System Design Standards for Class B Sports Wagering Licensees.

Surveillance Department Operating Procedures for Class B Sports Wagering Licensees.

Surveillance System Design Standards for Mobile Sports Wagering Licensees.

Surveillance Department Operating Procedures for Mobile Sports Wagering Licensees.

Security Department Operating Procedures for Class A and Class B (1) Sports Wagering Licensees.

Security Department Minimum Staffing for Class A and Class B (1) Sports Wagering Licensees.

Security Department Operating Procedures for Class B Sports Wagering Licensees.

Internal Audit Department Standards.

Access to Sports Wagering Systems.

Cashiers' Cage Design Standards.

Accounting Controls for a Cashiers' Cage.

Checks Accepted from a Sports Bettor.

Wire Transfers.

Cash Equivalents.

Sports Bettor Deposits.

Prohibition on Use of Credit.

Sports Bettor Tracking System.

Sports Wagering Ticket.

Ticket Redemption Unit.

Wager Payouts.

Access to Bill Validators, Cash Storage, and Drop Boxes.

Collection of Cash Storage and Drop Boxes.

Count Room Design Standards.

Accounting Controls for a Count Room.

Sports Bettor Complaints.

Acceptance of Tips or Gratuities.

Promotional Play.

Security of Funds and Data.

Consumer Protection.

Predatory Marketing Prohibited.

Underage Betting Prohibited.

Chapter 16 Sports Wagering Requirements and Limitations

Authorized Wagers.

Commission Approval of Specific Bet Types.

Prohibited Wagers.

Limits on Accepting Wagers.

Funding Wagers.

Reserve.

Chapter 17 Sports Wagering Licensee Facility Standards

Applicability.

Hours of Operation.

Facility Design Standards.

Sports Wagering Facility Plan.

Chapter 18 Wagering Made Through Online, Web-based, or Mobile Applications

One Website.

Geolocation Requirements.

Periodic Review of Systems.

Age Verification.

Security Mechanisms.

Chapter 19 Sports Wagering Equipment

Registration.

Testing.

Request for Authorization.

Chapter 20 Sports Wagering Technical Standards

Sports Wagering Platform Requirements.

Geolocation Systems.

Bettor Accounts.

Information Security.