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Pursuant to State Government Article, §7-206, Annotated Code of Maryland, this issue contains all previously unpublished documents required to be published, and filed on or before December 13, 2021, 5 p.m.

Pursuant to State Government Article, §7-206, Annotated Code of Maryland, I hereby certify that this issue contains all documents required to be codified as of December 13, 2021.

Gail S. Klakring
Administrator, Division of State Documents
Office of the Secretary of State



Title 30

MARYLAND INSTITUTE FOR EMERGENCY MEDICAL SERVICES SYSTEMS (MIEMSS)

Subtitle 09 COMMERCIAL AMBULANCE SERVICES

30.09.04 Eligibility, Application, and License Renewal

Authority: Education Article, §§13-508 and 13-515, Annotated Code of Maryland

Notice of Final Action

[21-131-F]

On December 14, 2021, the Maryland Emergency Medical Services Board adopted amendments to Regulation .08 under **COMAR 30.08.04 Eligibility, Application, and License Renewal**. This action, which was proposed for adoption in 48:19 Md. R. 829—830 (September 10, 2021), has been adopted as proposed.

Effective Date: January 13, 2022.

THEODORE R. DELBRIDGE, M.D.
Executive Director

Title 33

STATE BOARD OF ELECTIONS

Notice of Final Action

[21-144-F]

On December 16, 2021, the State Board of Elections adopted amendments to:

- (1) Regulation .01 under **COMAR 33.01.01 Definitions**;
- (2) Regulation .02 under **COMAR 33.05.04 Processing VRAs and Other Requests**;
- (3) Regulation .01 under **COMAR 33.11.02 Applications**;
- (4) Regulation .08 under **COMAR 33.11.03 Issuance and Return**; and
- (5) Regulation .01 under **COMAR 33.17.05 Election Judges**.

This action, which was proposed for adoption in 48:20 Md. R. 867—868 (September 24, 2021), has been adopted as proposed.

Effective Date: January 13, 2022.

LINDA H. LAMONE
State Administrator of Elections

Title 36

MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY

Notice of Final Action

[21-108-F]

On December 2, 2021, the Maryland State Lottery and Gaming Control Agency adopted:

- (1) Amend Regulations .01 and .05 under **COMAR 36.01.01 General**;
- (2) Amend Regulations .04—06 under **COMAR 36.01.02 Administrative Procedures**; and
- (3) Adopt under a new subtitle, **Subtitle 10 Sports Wagering Provisions**:
 - (a) New Regulations .01—02 under a new chapter, **COMAR 36.10.01 General**;
 - (b) New Regulations .01—14 under a new chapter, **COMAR 36.10.02 All Applicants and Licensees — Applications and Investigations**;
 - (c) New Regulations .01—06 under a new chapter, **COMAR 36.10.03 All Applicants and Licensees — Qualification Requirements**;
 - (d) New Regulations .01—11 under a new chapter, **COMAR 36.10.04 Specific Requirements for Sports Wagering Facility Licensees**;
 - (e) New Regulations .01—05 under a new chapter, **COMAR 36.10.05 Specific Requirements for Mobile Sports Wagering Licenses**;
 - (f) New Regulations .01—11 under a new chapter, **COMAR 36.10.06 Specific Requirements for Other Licenses Required for Sports Wagering**;
 - (g) New Regulations .01—06 under a new chapter, **COMAR 36.10.07 License Denial Procedures**;
 - (h) New Regulations .01—11 under a new chapter, **COMAR 36.10.08 Enforcement**;
 - (i) New Regulations .01—03 under a new chapter, **COMAR 36.10.09 Unannounced Inspections**;
 - (j) New Regulations .01—03 under a new chapter, **COMAR 36.10.10 Enforcement of Voluntary Exclusion Program**;
 - (k) New Regulations .01—09 under a new chapter, **COMAR 36.10.11 Mandatory Exclusion**;
 - (l) New Regulations .01—04 under a new chapter, **COMAR 36.10.12 Collection of Taxes, Fees, and Penalties**;
 - (m) New Regulations .01—44 under a new chapter, **COMAR 36.10.13 Sports Wagering Licensee Minimum Internal Control Standards**;
 - (n) New Regulations .01—07 under a new chapter, **COMAR 36.10.14 Sports Wagering Requirements and Limitations**;
 - (o) New Regulations .01—04 under a new chapter, **COMAR 36.10.15 Sports Wagering Licensee Facility Standards**;
 - (p) New Regulations .01—06 under a new chapter, **COMAR 36.10.16 Wagering Using Online, Web-Based, or Mobile Applications**;
 - (q) New Regulations .01—03 under a new chapter, **COMAR 36.10.17 Sports Wagering Equipment**; and
 - (r) New Regulations .01—06 under a new chapter, **COMAR 36.10.18 Sports Wagering Technical Standards**.

This action, which was proposed for adoption in 48:18 Md. R. 718—781 (August 27, 2021), has been adopted with the nonsubstantive changes shown below.

Effective Date: January 13, 2022.

Attorney General's Certification

In accordance with State Government Article, §10-113, Annotated Code of Maryland, the Attorney General certifies that the following changes do not differ substantively from the proposed text. The nature of the changes and the basis for this conclusion are as follows:

The proposed regulations establish requirements for the State's new sports wagering industry. The Maryland Lottery and Gaming Control Agency ("Agency"), which promulgated the regulations, received over 600 written public comments on the proposed regulations, and held a public meeting where the public provided the Agency with verbal comments. Public comment, and to a lesser degree, Agency Staff input, influenced the nonsubstantive changes at hand.

36.10.01. General

Regulation .02B(15): For internal consistency, this revision deletes "online wagering system," not a term defined in COMAR 36.10.01, and replaces it with the defined term "sports wagering platform" or "platform." There are several instances of this replacement; for brevity, this explanation is not repeated.

Regulation .02B(29): This revision replaces the reference to sports "book" with sports "wagering" to comport with references to "sports wagering" throughout State Government Article ("SG"), §9-1E-01, Annotated Code of Maryland, and the Commission's regulations. There are several instances of this replacement; for brevity, this explanation is not repeated.

Regulation .02B(29)(f): "Won" is replaced with the more accurate term "settled."

Regulation .02B(29)(g): "System" is replaced with "platform."

Regulation .02B(29)(h): "Book" is replaced with "wagering."

Regulation .02B(29)(j): This paragraph is deleted because it would unnecessarily require bettors who are not prohibited from wagering to register with the Commission; subsequent paragraphs are adjusted accordingly.

Regulation .02B(44)(a) and (c): As written, Regulation .44 may be interpreted in a way that would require use of multiple factors to establish a better's identity, or which the better's phone may be one. In keeping with industry standard, the revision requires use of the phone "and" other factors to establish identity. Accordingly, "and" is added to paragraph (a), and paragraph (c) is deleted.

Regulation .02B(46): "Online gaming system" is replaced with "sports wagering platform."

Regulation .02B(53) and (53)(a): These revisions clarify that an individual's name may be used alone, or in combination with other specified items, to establish identity.

Regulation .02B(55): The revision clarifies that a better's winnings in a pool wager "may" depend on the number of other bettors' wagers on the event.

Regulation .02B(56)(b)(i): An individual younger than 21 years old may participate in a sporting event (e.g., Olympics). As written, subparagraph (i) defines "predatory marketing practice" to include an advertisement that "uses or depicts an individual who is, or appears to be, younger than 21 years old." At the end of this subparagraph, the addition of "and is not a participant in the sporting event" acknowledges that athletes in a sporting event may be younger than 21 years old, so their depiction would not be a predatory marketing practice solely on the basis of age.

Regulation .02B(61): Unchanged, the regulation would prevent a sports wagering licensee from tracking the activity of a sports better without the better affirmatively opting in to a sports better tracking

system. This limitation would prohibit a sports wagering licensee from monitoring better wagering activity to identify and report suspicious and unusual wagering activity, as required by the internal control regulations at COMAR 36.10.13.03(B)(29). By changing the regulation to clarify the definition of "registered better" to mean a person who has registered with a licensee "to make wagers," this limitation is removed.

Regulation .02B(70): The change clarifies that "sports wagering account" may also be called "better account," as the terms are used interchangeably in the regulations.

Regulations .02B(73)(d): This revision replaces sports wagering "systems" with "platforms."

Regulation .02B(74)(b): This revision replaces sports wagering "systems" with "platforms."

Regulation .02B(75)(a): This revision replaces the "licensee" with the proper term "license."

Regulation .02B(76): For clarification and accuracy, this revision adds "software" to the definition of "sports wagering equipment."

Regulation .02B(80): "Sports wagering interactive website" and its definition are changed from "'Sports wagering interactive website' means the interactive wagering application..." to "'Sports wagering website' means the website or interactive wagering application..." The Agency agrees with public comment that the changes clarify that the website may be partnered with an accompanying mobile application.

Regulation .02B(83): In paragraph (d), deleting "online," and replacing "system" with "platform" correctly refers to the definition of "sports wagering platform."

36.10.03 All Applicants and Licensees—Qualification Requirements

Regulation 04:

§C(2): This revision changes the date from which a licensee must maintain sports wagering data from "license issuance or renewal" to the date of "the wager," for clarification, and for consistency with other references to a licensee not being, for example, permitted to accept wagers until it has paid all fees (e.g., SG §9-1E-06(d)).

§D(2): Section D provides that a licensee may not "[t]arget advertising" to individuals prohibited from sports wagering. The Agency agrees with public comment that should be modified "target" with "knowingly," to avoid, for example, a licensee violating this requirement with its first instance of accidentally mailing wagering advertising to an excluded individual.

§F(1): The revisions correct an incorrect reference to SG §9-1E-07(i), to reflect that the 3-year time limitation on the sale or transfer of a license applies only to Class B-1 and B-2 licenses.

36.10.04 Specific Requirements for Sports Wagering Facility Licensees

Regulation .01D: This revision replaces an incorrect statutory reference to §11-524 of the Business Regulation Article with the correct reference to the State Government Article, §9-1E-09(a)(1)(ii).

Regulation .02D(8): Deletes the incorrect reference to "system."

Regulation .04B(2)(a): The revision replaces "or" with "and," to correctly reflect that SG §9-1E-09(a)(1) allows a certain applicant that obtains a sports wagering facility license for Laurel Park to conduct sports wagering at both Laurel Park and Pimlico.

Regulation .08C and C(1): The revision to §C clarifies the license type by modifying "license" with "facility." The revision to §C(1) replaces "Conduct" with "Offer or conduct" for internal consistency.

36.10.05 Specific Requirements for Mobile Sports Wagering Licensees

Regulation .02G: Deletes the incorrect reference to "system."

Regulation .04A(1): As written, this paragraph may be construed to mean that a bettor cannot review his accounts from out of state, so the Agency agrees with public comment suggestion to delete “access to its.”

Regulation .04A(1)(b): Delete “Maryland’s Mapping & GIS Data Portal;” this term modifies “MD iMAP,” to avoid confusion.

Regulation .04A(6): Revision replaces “licensure or most recent renewal” with “the wager,” for internal consistency.

Regulation .04B(2): Revisions correct the references to “sports wagering platform.”

36.10.06 Specific Requirements for Other Licenses Required for Sports Wagering

Regulations .02F(7) and .03F(7): Revisions correct the references to “sports wagering platform.”

Regulation .10C(1): Addition clarifies that sports wagering employees must wear identification cards at all times while working at a sports wagering facility or a Maryland data center.

Regulation .11M(1) and (2): Revisions reduce the frequency of reporting requirements from “monthly” to “quarterly.”

36.10.08 Enforcement

Regulation.02B(4)(c): Deletes the incorrect and redundant “interactive” from “sports wagering website.”

36.10.10 Enforcement of Voluntary Exclusion Program

Regulation .02A(14)(b): The Agency agrees with public comment to increase from 5 to 7 days the amount of time after a bettor’s placement on the Voluntary Exclusion List that a licensee must return the bettor’s funds.

Regulation .03B(2): Deletes the incorrect and redundant “interactive” from “sports wagering websites.”

Regulation .03B(4), (5), and (6): Revisions to all 3 paragraphs correct the COMAR reference from “36.06” to “36.10.13.43.”

Regulation .03B(9): Corrects the COMAR reference from “36.12.02” to “36.10.10.02.”

36.10.11 Mandatory Exclusion

Regulation .04E(1)(g), (h), and (i): The Agency agrees with public comment to, in new subparagraph (i), add “Social security number or other government issued identification number” to the list of required information that may be used to identify an excluded individual in a new subparagraph; subparagraphs (h) and (i) are changed to delete and add “and,” respectively.

Regulation .09A(1): As written, this subsection could be construed to require a sports wagering licensee to develop a plan for excluding “individuals who may be eligible for placement on the mandatory exclusion list,” potentially in the future, or for some unknowable reason. This was not the Agency’s intention, and it agrees with public comment to delete “may” from (1)(b), and move (1)(a)’s “excluded individuals to (1).

36.10.12 Collection of Taxes, Fees, and Penalties

Regulation .01: This revision replaces “gross gaming receipts” with “proceeds,” which is defined in SG§ 9-1E-01 and used in the Sports Wagering Law.

36.10.13 Sports Wagering License Minimum Internal Control Standards

Regulation .03B:

Delete unnecessary language from paragraph (14), leaving the defined term “dormant account;”

Delete from paragraph (27) the reference to verification of a bettor’s location, as geolocation requirements are set forth in 36.10.18.04;

Move from paragraph (28) to (27) the requirement to implement measures to “deter, detect, and prevent cheating;” and

Move the contents of paragraph (29) into (28), and renumber subsequent paragraphs accordingly.

Regulation .04G: As written, paragraph (5) requires a licensee to maintain a “log of all changes or amendments in approved internal

controls which includes the initial approval date and the effective date of any change or amendment approved by the Commission.” The revision deletes paragraph (5) as unnecessary, because a licensee must submit all changes to internal controls to the Commission for approval. Paragraph (6) is renumbered accordingly.

Regulation .06N: As written, this section requires providing the Commission with a “copy” of each Suspicious Activity Report filed with FINCEN. However, industry standard is that a licensee provides the regulator with only “access” to SARS reports; the revision comports with industry standard.

Regulation .07E: Revisions to paragraph (3)(c) add to “vouchers” to the requirement that all sports wagering tickets redeemed at a sports wagering facility be retained for a minimum of 30 days, except for tickets redeemed through a ticket redemption unit (TRDU) or kiosk. Paragraph (4) is deleted, which means that ticket redemption units and kiosks are not subject to a retention requirement. TRDUs and kiosks typically scan – and do not accept – tickets, so it would be impossible for a facility to comply with a retention requirement for tickets redeemed using TRDUs or kiosks. It is noted that this exception is limited specifically to TRDUs and kiosks, and does not apply broadly to sports wagering facilities.

Regulation .20F: This revision adds as new paragraph (10) “sports wagering platform,” to the departments that shall be subjected to at least annual audits. This revision is entirely consistent with requirements pertaining to sports wagering platforms throughout these regulations.

Regulation .21: The title of this regulation replaces sports wagering “system” with “platform. As written, §A(8) prohibits access to the platform and associated equipment from the internet; however, the Commission needs to retain authority to approve a third party’s access to a platform for a legitimate business purpose, on a case-by-case basis. To clarify that the Agency retains this authority, the Agency adds to the general prohibition in paragraph (8) the qualifier “unless the Commission exercises its discretion to approve the third-party access as sufficiently secured and monitored by the sports wagering licensee.”

Regulation .30: The title of this regulation is “Sports Wagering Ticket,” after which the Agency adds “or Voucher,” consistent with similar references in Subtitle 10. Term “or voucher” or “or vouchers” is added after “sports wagering ticket” in §§ A; B (“voucher issuance”); C(1), (2), and (3); D; E; F(1); and F(2)(a), (b) (c), and (d).

Regulation .30F is changed:

In §F(1), to delete paragraph (g) in its entirety. Paragraph (g) contained a requirement that a ticket contain at least one anti-counterfeiting requirement on at least one side of a sports wagering ticket. On consideration of public comment and in line with industry standards, the Agency deletes (g); At least one anticounterfeiting measure, which appears on one or both sides of the sports wagering ticket .

In §F(1)[new (g)], to change “sports wagering facility” to “sports wagering facilities;” and

In §F(2)(b)(ii), to clarify that a licensee is required to retain unredeemed sports wagering tickets or vouchers from the date of “the sporting event or” issuance of a ticket or voucher, to allow research into or confirmation that a voucher was not redeemed.

Regulations .31 and .32, after “ticket redemption unit” “or kiosk.” “Kiosk” is defined in 36.10.01.02. Public comments correctly noted the similar functionality of TRDUs and kiosks in issuing and redeeming sports wagering tickets and vouchers, so there are several additions of “kiosk” to these regulations. Consistent with the addition to Regulation .30 adding “voucher,” this term is also added. In the interest of brevity, these changes are set forth without repeating the explanation.

Regulation .31: Change the title to “Ticket Redemption Unit” “or Kiosk.”

In §§A, B, C, and D, after “ticket redemption unit, add “kiosk,” or “or kiosk.

In §C(1)(a) and (b): “Voucher” is added after “sports wagering ticket.”

In §E(4)(a), “or vouchers” is added to subparagraph (i), and “or voucher identification number” is added to subparagraph (ii).

In §E(4)(b), “Total amount of sports wagering vouchers accepted” is added as new subparagraph (vi).

In §E(4)(c), “Total amount of sports wagering vouchers accepted” is added as new subparagraph (vii), and “Total count of sports wagering vouchers accepted” is added as new subparagraph (viii).

Regulation .32B(2): “or voucher” is added after “sports wagering ticket.”

Regulations .34I and .35D: erroneous references to “table games” are deleted.

Regulation .36: These revisions are made to §F(3), F(3)(c), G, and I: As Regulation .36 sets forth requirements for count room equipment processing winning sports wagers, “sports wagering tickets” is modified and clarified with “winning,” and “sports wagering vouchers” is added to the list of items to be processed in the count room.

In §F(3)(c), the addition of sports wagering “platform and point of sale” system clarifies the count systems on which integrity checks must be performed.

In §I(1)(b), the same additions are made as in §F(3)(c).

Regulation .40: As originally proposed, §D set forth specific requirements for the security of funds and data, and specific restrictions on corporate entities’ segregated accounts. The Agency agrees with public comment that this section is unnecessarily restrictive, incompatible with sports wagering, and inconsistent with industry standards. Section D is entirely stricken, and replaced with a single sentence that is far less restrictive, and that is nearly identical to §E (which is stricken as duplicative).

New §E retains all of former §F, except paragraph (6), which a public comment noted would allow a bettor to close an account by “any means,” which may allow a better too much latitude in choosing how to close an account, including means that are unworkable and impractical. The Agency changed the sentence to “any reasonable means.”

New §H required a licensee to report a bettor’s account that remained unclaimed for 3 years, thus presumed abandoned, to the State. The Agency agrees with public comment that 3 years should be 5 years, as it is less disadvantageous to a bettor.

Regulation .41:

In §A(1) sets withdrawal limits from “an account.” The Agency agrees with public comment to change this to “a bank account,” to clarify that the withdrawal limit does not refer to sports wagering account.

In §A(2), the incorrect reference to “Sports Wagering Platform System” is replaced with “sports wagering platform.”

In §B, the Agency agrees with public comment requesting the time for a licensee to submit a promotion to the Commission before implementation be less than the proposed 7 days; it is changed to 2 days.

In §D, the Agency changed to clarify that terms and conditions of promotions may be communicated to bettors by providing “a link” to the terms and conditions.

Regulation .42A is changed to replace sports “book” with sports “wagering.”

36.10.14 Sports Wagering Requirements and Limitations

Regulation .01: The change corrects the duplicate of “C” to “D,” before “Wagers.”

Regulation .02: “on behalf of a sports wagering licensee” is deleted because it is repeated, and the typographical error of including “the” before “any of the following types” is corrected.

Regulation .02C: “pool” is added as (6) in the list of bet types because it is specifically enumerated in the statutory definition of “sports wagering” in SG §9-1E-01(j), and successive numbering is adjusted accordingly.

Regulation .03:

In §B, the phrase “that the licensee knew or should have known” is added to modify the types of wagers that a licensee may not accept. As pointed out in public comment, this modification is consistent with industry standard, and allows for the reality that a licensee may inadvertently accept a prohibited wager, despite the licensee’s best efforts to avoid this. The changes to §B(1) through (5) are grammatical adjustments necessitated by adding the new clause to §B.

As suggested by public comment, the Agency moved: 36.10.14.05F into Regulation .03 as new §D, as it is topically a better fit in Regulation .03 than it was in Regulation .05, Funding Wagers; and 36.10.14.05G into Regulation .03 as new §E, as it is topically a better fit in Regulation .03, and corrected the cross-reference from “§F(4)” to “§D(4).”

Regulation .04:

§A(2), the Agency removed the requirement for a licensee to establish the responsible wagering limit on “amount of money lost,” and replaced it with “amount wagered.” The Agency agrees with public comment that requiring a limit on “money lost” is excessively onerous and not in keeping with industry standard, which is more in line with §A(1) as proposed, and §A(2) as changed.

§C is changed to clarify that a limit established in §A of this regulation “may not become effective until after the time period of the previous limit has expired.”

§D is similarly changed to clarify that “a limit established in §A of this regulation may become effective only after the time period of the previous limit has expired.”

New §E states that which is perhaps obvious, but is helpful to clarify: “A self-imposed limitation established by a bettor may not replace or override a more restrictive limitation imposed by a licensee or these regulations.”

Regulation .05: As described above, §§F and G were moved to Regulation .03, so the remaining sections of .03 are renumbered accordingly.

Regulation .06: The Agency deleted subparagraph (1), which included “Funds held by the sports wagering licensee in bettor accounts” from the formula for establishing the \$500,000 amount required to be in the licensee’s cash reserve. The Agency is required under SG §9-1E-04(b)(6)(iv) to establish by regulation the amount of cash reserves that a sports wagering licensee is required to maintain to cover winning wagers. This change to Regulation .06 does not change the originally proposed \$500,000 reserve amount. The subsequent provisions are renumbered accordingly.

In §D, the Agency adds language to clarify that reserves may include cash held on premise, as opposed to being held in financial institutions by adding “in cash held on facility premises.”

36.10.15 Sports Wagering Licensee Facility Standards

Regulation .03A(3): The Agency agrees with public comment to change this paragraph to better refer to, and align with, terms defined and used in these regulations, and changes “computerized sports wagering platform, player management system surveillance system” to “sports wagering platform, promotional play system, point of sale system, or surveillance system.”

36.10.16 Wagering Using Online, Web-Based, or Mobile Applications

Regulation .02: The Agency agrees with public comment that this regulation should acknowledge that a mobile application may

have an accompanying website component, so the revision clarifies that a mobile sports wagering licensee may utilize only one individually branded website “and an accompanying application” to accept and pay sports wagers.

36.10.18 Sports Wagering Technical Standards

Regulation .01: Revision changes the incorrect 36.10.16, to the correct citation of 36.10.18.

Adds new §§C “Sports wagering facility license” and D “Sports wagering facility operator license” to correctly identify the four sports wagering licenses required under SG §9-1E-05(a)(1) and (2), and COMAR 36.10.04 and 36.10.06.03.

Regulation .03Q(3): Revision corrects the cross-reference from “§P(2)” to “Q(2).”

Regulation .03R: Revision clarifies that a licensee is required to give the Commission “read only” access to its platform, in a manner the Commission requires.

Regulation .05B(2): Revision adds “bettor or” to clarify that, when a bettor account is created, either the “bettor or” the sports wagering licensee may establish a username and password.

Regulation .05J: Revision adjusts from 5 to 7 the number of days from when a bettor requests withdrawal of funds that a licensee must complete the withdrawal.

Regulation .05Q: Revision adjusts from 5 to 7 the number of days from when a licensee receives notice from the bettor of the bettor’s intent to close the account, to refund the bettor’s remaining account balance.

Regulation .05S(1) and (2): Revision replaces “disable” and “disabled” with “lock” and “locked” (respectively), in terms of restricting access to a bettor’s account after failed log in attempts. The Agency agrees with public comment that suggested “disabling” an account may be construed as a permanent action against the account, which is not the intent of the regulation, so “lock” is more appropriate.

Regulation .06B(2): Revision corrects an inaccurate reference, from “.02B” to “.03B” of this chapter.

Subtitle 01 GENERAL PROVISIONS

36.01.02 Administrative Procedures

Authority: General Provisions Article, §§3-101—3-501 and 4-101—4-601; State Government Article, §§9-108—9-111, 9-1A-04, 9-1E-04, 10-201, 10-226, and 10-301—10-305, [10-501—10-512, and 10-611—10-630]; Annotated Code of Maryland

Subtitle 10 SPORTS WAGERING PROVISIONS

36.10.01 General

Authority: Business Regulation Article, §§11-101, 11-524, 11-815 — 11-832; Criminal Law Article, §§12-301.1 and 12-308; State Government Article, §§9-110, 9-1A-01, 9-1A-04, 9-1A-05, 9-1A-11, 9-1A-14, 9-1A-24, 9-1E-01, and 9-1E-05, Annotated Code of Maryland; Ch. 603, §6, Acts of 2012, and Ch. 10, §23, Acts of 2018

.02 Definitions.

A. (proposed text unchanged)

B. *Terms Defined.*

(1)—(14) (proposed text unchanged)

(15) “Client software” means any software or application installed or operating on a bettor’s device for the purpose of interacting with [[an online]] a sports wagering [[system]] platform and conducting online sports wagering.

(16)—(28) (proposed text unchanged)

(29) “House rules” means a sports [[book]] wagering licensee’s Commission-approved requirements for its sports wagering operation that are in addition to the Commission’s regulations, and that shall include:

(a)—(e) (proposed text unchanged)

(f) A method of notifying bettors that a winning ticket expires 182 days after the wager is [[won]] settled;

(g) If the sports wagering [[system]] platform allows the bettor to place a wager that pays more than the stated maximum amount, the licensee’s policy and methods for:

(i)—(ii) (proposed text unchanged)

(h) A method of contacting the sports [[book]] wagering licensee with questions and complaints;

(i) (proposed text unchanged)

(j) A [[process for any employee of a sports governing body or member team who is not prohibited from wagering to register with the Commission prior to placing a sports wager;

(k) A [[method of funding a sports wager; and

[[l]](k) Any other item required by the Commission to be addressed in the licensee’s house rules.

(30)—(43) (proposed text unchanged)

(44) “Multi-factor authentication” means a procedure that requires more than one method to verify a bettor’s identity through a combination of two or more independent credentials, including:

(a) Information known only to the bettor, such as a password, pattern or answers to challenge questions; and

(b) A bettor’s biometric data, such as fingerprints, facial or voice recognition, to the extent this data does not violate privacy laws~~[[~~; and

(c) Using something the bettor has, such as the bettor’s phone~~]].~~

(45) (proposed text unchanged)

(46) “Online sports wagering” means sports wagering that is conducted through [[an online gaming system]] a sports wagering platform that:

(a)—(b) (proposed text unchanged)

(47)—(52) (proposed text unchanged)

(53) “Personally identifiable information” means a person’s name in addition to other data or information that may be used, alone or combined with other data or information, to identify, contact, or locate a registered bettor, including:

(a) [[Name, initials]] Initials, or personal mark;

(b)—(i) (proposed text unchanged)

(54) (proposed text unchanged)

(55) “Pool wager” means a wager with a fixed entry cost where the bettor’s winnings may depend on the number of other bettors wagering on the sporting event.

(56) Predatory Marketing Practice.

(a) “Predatory marketing practice” means an advertisement or promotion of an activity, product, or service related to sports wagering that is:

(i)—(ii) (proposed text unchanged)

(iii) Knowingly directed to an individual who is younger than 21 years old and is not a participant in the sporting event;

(iv)—(v) (proposed text unchanged)

(b) (proposed text unchanged)

(57)—(60) (proposed text unchanged)

(61) “Registered bettor” means a person who has registered with a sports wagering licensee to make wagers or for inclusion in the licensee’s bettor tracking system.

(62)—(69) (proposed text unchanged)

(70) “Sports wagering account” or “bettor account” means an electronic account that may be established by a bettor for the purpose of sports wagering, including making deposits and

withdrawals, placing wagers, and receiving payouts on winning wagers.

(71)—(72) (proposed text unchanged)

(73) “Sports wagering contractor—Tier 1” or “Tier 1 contractor” means a sports wagering contractor that provides sports wagering equipment or services and:

(a)—(c) (proposed text unchanged)

(d) May have contact with, or access to, sports wagering equipment or sports wagering platforms;

(e)—(g) (proposed text unchanged)

(74) “Sports wagering contractor—Tier 2” or “Tier 2 contractor” means a sports wagering contractor that supplies equipment or services related to a sports wagering licensee’s sports wagering operations, and:

(a) (proposed text unchanged)

(b) Has no contact with, or access to, sports wagering equipment or sports wagering platforms; and

(c) (proposed text unchanged)

(75) “Sports wagering employee” or “wagering employee” means an individual who:

(a) Is or is seeking to be employed by an applicant for or holder of a sports wagering license, whose duties relate, or may relate to the operation of a sports wagering facility or sports wagering, and who performs or supervises or may perform or supervise the performance of:

(i)—(v) (proposed text unchanged)

(b)—(c) (proposed text unchanged)

(76) “Sports wagering equipment” means any mechanical, electronic or other device, mechanism, software or equipment, and related supplies used or consumed in the operation of sports wagering, including a self-service kiosk on the premises of a sports wagering facility.

(77)—(79) (proposed text unchanged)

(80) “Sports wagering interactive website” means the website or interactive wagering application through which a sports wagering licensee makes authorized mobile sports wagering available.

(81)—(82) (proposed text unchanged)

(83) “Sports wagering operation” or “sports wagering operations” means the entirety of a sports wagering licensee’s business of conducting sports wagering and related activities, including:

(a)—(c) (proposed text unchanged)

(d) Securing an online a sports wagering system platform;

(e)—(i) (proposed text unchanged)

(84)—(95) (proposed text unchanged)

36.10.03 All Applicants and Licensees—Qualification Requirements

Authority: State Government Article, §§9-1A-02 — 9-1A-04, 9-1A-07, 9-1A-08, 9-1A-14, 9-1A-18 — 9-1A-20, 9-1A-24, 9-1A-25, and 9-1E-01 — 9-1E-15, Annotated Code of Maryland

.04 Ongoing Requirements and Continuing Obligations for All Licensees.

A.—B. (proposed text unchanged)

C. A licensee shall:

(1) (proposed text unchanged)

(2) Maintain all sports wagering data securely for at least 5 years from the date of license issuance or renewal the wager.

D. A licensee may not:

(1) (proposed text unchanged)

(2) Knowingly target advertising to individuals who are prohibited from participating in sports wagering and other at-risk individuals; or

(3) (proposed text unchanged)

E. (proposed text unchanged)

F. Other than an individual, a sports wagering licensee may sell or transfer an interest in the ownership of the license, if:

(1) The licensee, if a Class B or Mobile licensee, was actively engaged in operating sports wagering authorized under its license in the State for at least 36 months 3 years from the commencement of its sports wagering operations;

(2)—(3) (proposed text unchanged)

G. (proposed text unchanged)

36.10.04 Specific Requirements for Sports Wagering Facility Licensees

Authority: State Government Article, §§9-1E-01—9-1E-15, Annotated Code of Maryland.

.01 General.

A.—C. (proposed text unchanged)

D. Except as designated in Business Regulation Article, §11-524 State Government Article, §9-1E-09(a)(1)(ii) Annotated Code of Maryland, a sports wagering facility license authorizes the licensee to conduct, offer, or operate sports wagering at a single facility in the State.

E.—F. (proposed text unchanged)

.02 Process for Obtaining a Sports Wagering Facility License.

A.—F. (proposed text unchanged)

G. Commission staff shall determine whether the awardee has met applicable technical and operational requirements in this chapter for a Class A-1, A-2, B-1, or B-2 sports wagering facility license, and determine whether it meets the Commission’s requirements for:

(1)—(7) (proposed text unchanged)

(8) Sports wagering system platform;

(9)—(16) (proposed text unchanged)

H.—I. (proposed text unchanged)

.04 Class A-2 Sports Wagering Facility License.

A. (proposed text unchanged)

B. A Class A-2 Sports Wagering Facility License may only be issued to:

(1) (proposed text unchanged)

(2) A horse racing licensee under Business Regulation Article, §11-510(b) that is licensed by the Racing Commission to hold racing at:

(a) A race track located at Laurel Park; and

(b) Pimlico Race Course.

C.—D. (proposed text unchanged)

.08 In-person Wagering at Sports Wagering Facilities.

A.—B. (proposed text unchanged)

C. Unless a sports wagering facility licensee has obtained a mobile sports wagering license, a sports wagering facility licensee may:

(1) (proposed text unchanged)

(2) Conduct Offer or conduct sports wagering at its facility, or otherwise on its premises, by using an in-house WiFi network only on devices provided by the sports wagering licensee for use on the gaming or wagering floor.

D. (proposed text unchanged)

36.10.05 Specific Requirements for Mobile Sports Wagering Licenses

Authority: State Government Article, §§9-1E-01—9-1E-15, Annotated Code of Maryland

.02 Process for Obtaining a Mobile Sports Wagering License.

A.—F. (proposed text unchanged)

G. Commission staff shall determine whether the awardee has met applicable technical and operational requirements in this chapter for a mobile sports wagering license, and determine whether it meets the Commission's requirements for:

- (1)—(6) (proposed text unchanged)
- (7) Sports wagering [[system]] platform;
- (8)—(15) (proposed text unchanged)

H.—I. (proposed text unchanged)

.04 Ongoing Requirements for a Mobile Sports Wagering Licensee.

A. A mobile sports wagering licensee shall:

(1) Use technical and operational measures to prevent [[access to its]] online wagering by individuals who are underage or physically located outside the State, including:

- (a) Age verification procedures, which may require the use of a third party acceptable to Commission staff that is in the business of verifying an individual's personally identifiable information; and
- (b) Geolocation technology to accurately verify a bettor's geographic location within the State as determined by MD iMAP^{[[} Maryland's Mapping & GIS Data Portal^{]]};

(2)—(5) (proposed text unchanged)

(6) Maintain all sports wagering data securely for at least 5 years from date of [[licensure or most recent renewal]] the wager.

B. A mobile sports wagering licensee may enter into a contract with only one online sports wagering operator at a time.

(1) (proposed text unchanged)

(2) Except for a person conducting testing of a licensee's [[online]] sports wagering [[system]] platform, as required by the Commission, only a person to which the Commission has issued a mobile sports wagering license, or an online sports wagering operator license with which the mobile sports wagering licensee has a current contract, may access the online sports wagering operating system or associated equipment.

C. (proposed text unchanged)

36.10.06 Specific Requirements for Other Licenses Required for Sports Wagering

Authority: State Government Article, §§9-1E-01—9-1E-15, Annotated Code of Maryland

.02 Online Sports Wagering Operator License.

A.—E. (proposed text unchanged)

F. Commission staff shall determine whether the applicant has met applicable technical and operational requirements for a license, and determine whether it meets the Commission's requirements for:

- (1)—(6) (proposed text unchanged)
- (7) Sports wagering [[system]] platform;
- (8)—(14) (proposed text unchanged)

G.—I. (proposed text unchanged)

.03 Sports Wagering Facility Operator License.

A.—E. (proposed text unchanged)

F. Commission staff shall determine whether the applicant has met applicable technical and operational requirements, and determine whether it meets the Commission's requirements for:

- (1)—(6) (proposed text unchanged)
- (7) Sports wagering [[system]] platform;

(8)—(14) (proposed text unchanged)

G.—J. (proposed text unchanged)

.10 Identification Cards for Sports Wagering Employees.

A.—B. (proposed text unchanged)

C. Licensee Obligations. A licensee:

(1) Unless otherwise approved by the Commission for a specific date and time, shall wear or otherwise prominently display the licensee's identification card at all times while working in a sports wagering facility or a data center located in Maryland;

(2)—(4) (proposed text unchanged)

D.—I. (proposed text unchanged)

11. Sports Wagering Vendor Registration and Certification.

A.—L. (proposed text unchanged)

M. A sports wagering facility, mobile sports wagering licensee, online sports wagering operator, sports wagering facility operator, or sports wagering contractor Applicant or Licensee shall:

(1) Submit to the Commission a [[monthly]] quarterly sports wagering vendor payments report in a format prescribed by the Commission; and

(2) Ensure that a sports wagering vendor appearing on its [[monthly]] quarterly sports wagering vendor payments report is:

(a)—(c) (proposed text unchanged)

36.10.08 Enforcement

Authority: State Government Article, §§9-1A-02, 9-1A-04, 9-1A-20, 9-1A-25, and 9-1E-01—9-1E-15, Annotated Code of Maryland

.02 Violations.

A licensee may not:

A. (proposed text unchanged)

B. Take, or attempt to take, any action that is:

- (1)—(3) (proposed text unchanged)
- (4) Interfere with the regular operation of:
 - (a)—(b) (proposed text unchanged)
 - (c) A sports wagering [[interactive]] website; or

C. (proposed text unchanged)

36.10.10 Enforcement of Voluntary Exclusion Program

Authority: State Government Article, §§9-1A-24 and 9-1E-01—9-1E-15, Annotated Code of Maryland

.02 Responsible Gaming Plan.

A. A sports wagering licensee shall establish a responsible gaming plan that sets forth its plan for addressing problem gambling that shall include at least the following elements of the plan:

(1)—(13) (proposed text unchanged)

(14) The sports wagering licensee's procedures for returning to a bettor the funds in the bettor's account that were placed by the bettor prior to the bettor's application for voluntary exclusion, including the requirement that:

(a) (proposed text unchanged)

(b) The sports wagering licensee return the funds to the bettor within [[5]] 7 days of the bettor's placement on the voluntary exclusion list, by:

(i)—(ii) (proposed text unchanged)

(15) (proposed text unchanged)

B.—D. (proposed text unchanged)

.03 Requirements.

A. (proposed text unchanged)

B. A sports wagering licensee shall:

(1) (proposed text unchanged)

(2) Include banners or other notifications on the sports wagering ~~[[interactive]]~~ websites that bear the gambling assistance message and the underage warning message;

(3) (proposed text unchanged)

(4) Ensure that a printed advertisement bears the gambling assistance message and meets requirements of COMAR ~~[[36.03.06]] 36.10.13.43 and 36.03.03.08;~~

(5) Ensure that a billboard bearing a printed advertisement bears the gambling assistance message and meets requirements of COMAR ~~[[36.03.06]] 36.10.13.43 and 36.03.03.08;~~

(6) Ensure that a radio, television, video, online, or social media advertisement bears the gambling assistance message and meets requirements of COMAR ~~[[36.03.06]] 36.10.13.43 and 36.03.03.08;~~

(7)—(8) (proposed text unchanged)

(9) Place in the sports wagering facility and sports wagering platform responsible gambling awareness information according to its responsible gaming plan required under ~~[[36.10.12.02]] COMAR 36.10.10.02.~~

36.10.11 Mandatory Exclusion

Authority: State Government Article, §§9-1A-24, 9-1E-04, and 9-1E-01—9-1E-15, Annotated Code of Maryland

.04 Mandatory Exclusion List.

A.—D. (proposed text unchanged)

E. The information used to identify an excluded individual may include:

(1) The individual's:

(a)—(f) (proposed text unchanged)

(g) For non-United States citizens, country of origin;~~[[and]]~~

(h) Photograph; and

(i) Social security number or other government issued identification number;

(2)-(4) (proposed text unchanged)

F. (proposed text unchanged)

.09 Sports Wagering Licensee's Mandatory Exclusion Plan.

A. A sports wagering licensee shall establish a plan for identifying and:

(1) Excluding or ejecting excluded individuals from a sports wagering facility or from participating in sports wagering~~[[[:]; and~~

[[a) Excluded individuals; and

(b) Individuals who may be eligible for placement on the mandatory exclusion list; and]]

(2) (proposed text unchanged)

B.—C. (proposed text unchanged)

36.10.12 Collection of Taxes, Fees, and Penalties

Authority: State Government Article, §§9-1A-02, 9-1A-04, 9-1A-33, and 9-1E-01—9-1E-15, Annotated Code of Maryland

.01 General.

This chapter establishes the manner and method by which the Commission may collect from an applicant or licensee a tax, fee or civil penalty established under State Government Article, Title 9, Subtitle 1E, Annotated Code of Maryland, and the manner by which a sports wagering licensee may reconcile ~~[[gross gaming receipts]] proceeds~~ under State Government Article, §9-1E-07, Annotated Code of Maryland.

36.10.13 Sports Wagering Licensee Minimum Internal Control Standards

Authority: State Government Article, §§9-1E-01—9-1E-15, Annotated Code of Maryland

.03 Content of Internal Controls.

A. (proposed text unchanged)

B. Each procedure or control submission shall, at a minimum, include both narrative and diagrammatic representations of the system to be utilized including the following:

(1)—(13) (proposed text unchanged)

(14) Procedures for suspending or terminating a dormant ~~[[sports wagering]]~~ account and the return of any funds remaining in the dormant ~~[[sports wagering]]~~ account to the registered bettor;

(15)—(26) (proposed text unchanged)

(27) Procedures ~~[[to verify each registered bettor's physical location:]]~~ and appropriate measures implemented to deter, detect and prevent cheating;

[[a) Each time a registered bettor logs into their bettor account; and

(b) In near real-time as the application is being used;

(28) Procedures and appropriate measures implemented to deter, detect and prevent cheating;]]

[[((29))](28) Procedures for identifying and reporting fraudulent, suspicious, or unusual wagering activity;

[[30]](29)—[[37]](36) (proposed text unchanged)

C.—F. (proposed text unchanged)

.04 Review of Internal Controls.

A.—F. (proposed text unchanged)

G. The process developed by the Commission under §F of this regulation shall, at a minimum, require the sports wagering licensee to:

(1) Submit a redlined copy of any section of the approved internal controls to be changed or amended with added text underlined and deleted text lined out;

(2) Document on the redlined copy the date the Commission approved the section to be changed or amended and the date the revision was submitted to the Commission for review;

(3) Submit a narrative explaining the reason for the change or amendment which includes the sports wagering licensee's target date for implementation;

(4) Submit the written representations required in §B(1) and (2) of this regulation with regard to the proposed change or amendment; and

[[5) Maintain a log of all changes or amendments in approved internal controls which includes the initial approval date and the effective date of any change or amendment approved by the Commission; and]]

[[6)](5) (proposed text unchanged)

.06 Annual Audit and Other Regulatory Reports.

A.—M. (proposed text unchanged)

N. No later than 7 days after the date of filing with the Financial Crimes Enforcement Network, a sports wagering licensee shall ~~[[file with]]~~ provide the Commission [[a copy]] with access to each Suspicious Activity Report filed under 31 CFR §103.21.

O.—R. (proposed text unchanged)

.07 Record Retention.

A.—D. (proposed text unchanged)

E. Exceptions. The following exceptions apply to the retention period in §D of this regulation:

(1)—(2) (proposed text unchanged)

(3) A minimum retention period of 30 days shall apply to:

(a)—(b) (proposed text unchanged)

(c) Sports wagering tickets and vouchers redeemed at a facility other than through a ticket redemption unit or kiosk ~~[[; and~~

(4) A minimum retention period of 7 days shall apply to sports wagering tickets redeemed at a ticket redemption unit or kiosk~~]].~~

F.—M. (proposed text unchanged)

.20 Internal Audit Department Standards.

A.—E. (proposed text unchanged)

F. If applicable, the audit department shall audit at least annually:

(1)—(7) (proposed text unchanged)

(8) Surveillance department~~[[and]]~~

(9) Bettor tracking system~~[[.]]~~; and

(10) Sports wagering platform.

G. (proposed text unchanged)

.21 Access to Sports Wagering ~~[[Systems]]~~ Platforms.

A. The sports wagering licensee shall limit and control administrative access to the sports wagering platform and associated equipment by ensuring the following:

(1)—(7) (proposed text unchanged)

(8) Ensure remote access to a sports wagering licensee's sports wagering platform and associated equipment is only permitted from within the local network and not directly accessible from the internet unless secured and monitored and approved by the MLGCC on a case-by-case basis.

B. (proposed text unchanged)

.30 Sports Wagering Ticket or Voucher.

A. A sports wagering licensee may issue a sports wagering ticket or voucher and utilize a sports wagering ticket system meeting the requirements of this subtitle.

B. A sports wagering licensee shall issue a sports wagering ticket or voucher which expires 182 days after the date of the sporting event or voucher issuance.

C. Except for mobile sports wagering, a sports wagering licensee shall:

(1) Configure its sports wagering ticket system to:

(a) (proposed text unchanged)

(b) Require sports wagering tickets or vouchers of \$3,000 or more to be redeemed only at the cashiers' cage;

(2) Configure a ticket redemption unit under Regulation .31 of this chapter to:

(a) Redeem only a sports wagering ticket or voucher of less than \$3,000; and

(b) Direct a bettor attempting to redeem a sports wagering ticket or voucher of \$3,000 or more to the cashiers' cage; and

(3) Redeem at its cashiers' cage a sports wagering ticket or voucher of \$3,000 or more by:

(a)—(b) (proposed text unchanged)

D. A sports wagering licensee shall immediately report to the Commission evidence that a sports wagering ticket or voucher has been counterfeited, tampered with, or altered in any way which would affect the integrity, fairness, or reliability of the sports wagering ticket.

E. A sports wagering licensee shall develop and include in the internal controls submitted to and approved by the Commission under Regulation .04 of this chapter procedures addressing the issuance and redemption of a sports wagering ticket or voucher.

F. A sports wagering licensee's internal controls shall:

(1) Require a sports wagering ticket or voucher to include:

(a)—(f) (proposed text unchanged)

[[g) At least one anti-counterfeiting measure, which appears on one or both sides of the sports wagering ticket;]]

[[h]] (g) Sports wagering ~~[[facility's]]~~ facilities where the sports wagering ticket may be redeemed and any restrictions applicable to redemption;

[[i]] (h)—[[j]] (i) (proposed text unchanged)

(2) Include procedures and controls which:

(a) Require a sports wagering ticket system to perform the following prior to payment:

(i) Verify the validity of the ticket number and amount of the sports wagering ticket or voucher; and

(ii) Electronically cancel the sports wagering ticket or voucher;

(b) Require the sports wagering ticket system to be configured to:

(i) Permit access to the complete ticket number of an unredeemed sports wagering ticket or voucher only to sports wagering ticket system administrative employees and accounting department employees not assigned to the cashiers' cage; and

(ii) Maintain a record of all unredeemed sports wagering tickets or vouchers for a minimum of 2 years from the date of the sporting event or issuance of the sports wagering ~~[[ticket]]~~ voucher unless a request to remove or relocate system records is submitted in writing and approved in writing by the Commission;

(c) Address the following events:

(i) Calculation and transmittal by the sports wagering licensee of its outstanding expired unredeemed sports wagering ticket or voucher balance to the State; and

(ii) An election by a sports wagering licensee to pay a sports wagering ticket or voucher when the sports wagering ticket system is inoperable or otherwise unable to verify the validity of the sports wagering ticket at the time of payment; and

(d) Require generation, at the conclusion of each wagering day, of reports detailing:

(i) Sports wagering tickets or vouchers issued;

(ii) Sports wagering tickets or vouchers redeemed and cancelled by redemption facility;

(iii) Unredeemed liability for sports wagering tickets or vouchers; and

(iv) Any exceptions.

.31 Ticket Redemption Unit or Kiosk.

A. A sports wagering licensee may utilize a ticket redemption unit or kiosk meeting the requirements of this subtitle.

B. A sports wagering licensee shall locate a ticket redemption unit or kiosk in the sports wagering facility subject to the surveillance coverage requirements of Regulation .11 of this chapter.

C. A ticket redemption unit or kiosk:

(1) Shall, in accordance with this regulation, be configured to:

(a) Redeem a sports wagering ticket or voucher of less than \$3,000; and

(b) Direct a bettor attempting to redeem a sports wagering ticket or voucher of \$3,000 or more to the cashiers' cage; and

(2) (proposed text unchanged)

D. A sports wagering licensee shall develop and include in the internal controls submitted under Regulation .04 of this chapter, procedures addressing a ticket redemption unit or kiosk.

E. A sports wagering licensee's internal controls shall address:

(1)—(3) (proposed text unchanged)

(4) Generation of the following reports by a ticket redemption unit or ancillary system or application for the reconciliation period, which may be by wagering day, shift, or drop cycle:

(a) A sports wagering ticket transaction report which details:

(i) Disposition, as paid, partially paid, or unpaid, of sports wagering tickets or vouchers accepted by a ticket redemption unit;

(ii) *Sports wagering ticket validation number or voucher identification number*;

(iii)—(v) (proposed text unchanged)

(b) *A reconciliation report which details:*

(i)—(iii) (proposed text unchanged)

(iv) *Total number of bills accepted by denomination;*

[[and]]

(v) *Total amount of sports wagering tickets accepted; and*

(vi) *Total amount of sports wagering vouchers accepted;*

and

(c) *A sports wagering ticket and currency storage box report which details the following data whenever a storage box is removed from the ticket redemption unit:*

(i)—(vi) (proposed text unchanged)

(vii) *Total count of sports wagering tickets accepted;*

[[and]]

(viii) *Total amount of sports wagering vouchers*

accepted;

(ix) *Total count of sports wagering vouchers accepted;*

and

[[(viii)]] (x) *Details required to be included in the sports wagering ticket transaction report required under §E(4)(a) of this regulation; and*

(5) (proposed text unchanged)

.32 Wager Payouts.

A. (proposed text unchanged)

B. *A sports wagering licensee shall pay a sports wager payout of \$50,000 or more:*

(1) (proposed text unchanged)

(2) *On the request of a bettor, any combination of cash, sports wagering ticket or voucher, check, or other method of payment approved by the Commission.*

C.—E. (proposed text unchanged)

.34 Collection of Cash Storage and Drop Boxes.

A.—H. (proposed text unchanged)

I. *Immediately prior to the commencement of the count process, the security department may issue its key to the storage cabinet or trolley required under §G of this regulation to a count room supervisor for the purpose of allowing count room personnel to gain access to the cash storage [[or table game]] drop boxes to be counted.*

J. (proposed text unchanged)

.35 Count Room Design Standards.

A.—D. (proposed text unchanged)

D. *A sports wagering licensee shall install in its count room a table constructed of clear glass or similar transparent material to be used for the emptying, counting, and recording of the contents of cash storage [[and table game]] drop boxes.*

.36 Accounting Controls for a Count Room.

A.—E. (proposed text unchanged)

F. *Internal Controls. A sports wagering licensee's internal controls shall:*

(1)—(2) (proposed text unchanged)

(3) *Require equipment utilized to count and strap currency, winning sports wagering tickets, sports wagering vouchers, and promotional play instruments to:*

(a)—(b) (proposed text unchanged)

(c) *If a sports wagering [[system]] platform, point of sale system, or promotional play system is utilized to obtain the amount of a winning sports wagering ticket, sports wagering voucher or promotional play instrument, require the system to perform a calculation or integrity check to ensure that the amount of a sports*

wagering ticket or promotional play instrument has not been altered in the system in any manner since the time of issuance; and

(4) (proposed text unchanged)

G. *A winning sports wagering ticket, sports wagering voucher or promotional play instrument accepted by a cash storage drop box shall be counted and included in the calculation of proceeds without regard to the validity of the sports wagering ticket or promotional play instrument.*

H. (proposed text unchanged)

I. *Within 72 hours of the count, a licensee shall report in writing to the Commission:*

(1) *Any variance between:*

(a) *The actual count of cash, winning sports wagering tickets, sports wagering vouchers and promotional play instruments in a cash storage box as determined in the count room; and*

(b) *The amount for the cash storage box recorded on the sports wagering licensee's sports wagering [[system]] platform or point of sale system;*

(2)—(3) (proposed text unchanged)

.40 Security of Funds and Data.

A.—C. (proposed text unchanged)

D. *[[A corporate entity that maintains a special purpose segregated account shall:*

(1) *Require a unanimous vote of all corporate directors to file bankruptcy and have articles of incorporation that prohibit commingling of funds with those of the sports wagering licensee except as necessary to reconcile the accounts of a bettor with sums owed by those bettors to the sports wagering licensee;*

(2) *Be restricted from incurring debt other than to bettors pursuant to the rules that govern their user accounts;*

(3) *Be restricted from taking on obligations of the sports wagering licensee other than obligations to bettors pursuant to the rules that govern their user accounts; and*

(4) *Be prohibited from dissolving, merging, or consolidating with another company, other than a special-purpose corporate entity established by another sports wagering licensee that meets the requirements of this section, while there are unsatisfied obligations to bettors.]] A sports wagering licensee shall maintain a reserve in the form of cash, cash equivalents, an irrevocable letter of credit, bond, or a combination of these in an amount approved by the Commission and sufficient to pay all winnings and awards offered to a winning bettor as described in 36.10.14.06.*

[[E. A sports wagering licensee shall maintain a reserve in the form of cash, cash equivalents, an irrevocable letter of credit, bond, or a combination of these in an amount approved by the Commission and sufficient to pay all winnings and awards offered to a winning bettor.]]

[[F.]] E. *A sports wagering licensee shall implement and prominently publish the following on its platform:*

(1)—(5) (proposed text unchanged)

(6) *Procedures that allow a bettor to permanently close a user account at any time and for any reason. The procedures shall allow for closing by any reasonable means, including by a bettor on any platform used by that bettor to make deposits into a segregated account.*

[[G.]] F.—[[H.]] G. (proposed text unchanged)

[[I.]] H. *If a bettor's segregated account remains unclaimed for [[5]] 3 years after the balances are payable or deliverable to the bettor, the sports wagering licensee shall presume the account to be abandoned and shall report and remit all segregated accounts presumed abandoned to the State Comptroller.*

[[J.]] I.—[[K.]] J. (proposed text unchanged)

.41 Consumer Protection.

A. Automated Teller Machines.

(1) *Withdrawal Limits.* Exclusive of transaction fees or surcharges, the maximum amount that a bettor may withdraw from ~~[[an]]~~ a bank account by using an automated teller machine at the location is no more than \$2,500 per sports wagering day.

(2) *Temporary Cash Assistance Prohibited.* An automated teller machine or online ~~[[Sports Wagering System]]~~ sports wagering platform may not accept an electronic benefit card, debit card, or similar instrument issued by the Department of Human Services for the purpose of accessing temporary cash assistance.

B. Promotional Offers. A sports wagering licensee shall, at least ~~[[7]]~~ 2 days prior to implementing a promotion, submit terms and conditions of each promotion to the Commission and shall include, at a minimum, all of the following:

(1)—(14) (proposed text unchanged)

C. (proposed text unchanged)

D. ~~[[The]]~~ A link to the terms and conditions of all promotions communicated to bettors shall be posted on the sports wagering licensee's home website as well as any websites the sports wagering contractor operates on behalf of a sports wagering licensee.

E.—K. (proposed text unchanged)

.42 House Rules.

A sports ~~[[book]]~~ wagering licensee shall ensure that its house rules are:

A.—D. (proposed text unchanged)

36.10.14 Sports Wagering Requirements and Limitations

Authority: State Government Article, §§9-1E-01—9-1E-15, Annotated Code of Maryland

.01 Authorized Wagers.

A.—C. (proposed text unchanged)

~~[[C.]]~~ D. (proposed text unchanged)

.02 Commission Approval of Specific Bet Types.

A.—B. (proposed text unchanged)

C. The Commission may permit a sports wagering licensee ~~[[on behalf of a sports wagering licensee]]~~ to offer ~~[[the]]~~ any of the following types of wagers on the events contained in §B of this regulation:

(1)—(4) (proposed text unchanged)

(5) *Straight wagers; ~~[[and]]~~*

(6) Pools; and

~~[[6]]~~ (7) Other types of wagers as approved by the Commission.

D.—E. (proposed text unchanged)

.03 Prohibited Wagers.

A. (proposed text unchanged)

B. A sports wagering licensee may not accept a wager that the licensee knew or should have known:

(1) ~~[[That involves]]~~ Involves cheating;

(2) ~~[[From]]~~ Was made by an athlete on an athletic event of the type in which the athlete participates or an athletic event governed by the same governing entity under which the athlete competes;

(3) ~~[[From]]~~ Was made by a person who holds a position of authority or influence over the participants in a sporting event or is professionally connected to an athletic event or governing entity, including a:

(a)—(h) (proposed text unchanged)

(4) ~~[[From]]~~ Was made by a person who is placing a wager on behalf, or for the benefit, of a person that is prohibited from

participating in sports wagering under applicable law or regulation; or

(5) ~~[[That encourages]]~~ Encourages or instructs a bettor to structure a wager to circumvent applicable law or regulation.

C. (proposed text unchanged)

D. A sports wagering licensee may not accept or facilitate a wager:

(1) On a sporting event not approved by the Commission under this regulation;

(2) From an excluded individual;

(3) From a person who is placing the wager in violation of applicable law or regulation; or

(4) From any employee of a sports wagering licensee or sports wagering operator, on the premises or platform of the employee's employer, that may not participate in sports wagering because the person:

(a) Is licensed by the Commission under State Government Article, Title 9, Subtitles 9-1A or 9-1E, Annotated Code of Maryland; or

(b) Is an affiliate or agent of a sports wagering licensee or online sports wagering operator.

E. The prohibition under §D(4) of this regulation is not applicable to persons who are registered or certified as a vendor under COMAR 36.10.06.11.

.04 Limits on Accepting Wagers.

A. A sports wagering platform shall be capable of allowing a registered bettor to establish the following responsible wagering limits:

(1) (proposed text unchanged)

(2) A limit on the amount ~~[[of]]~~ wagered or money lost within a daily, weekly or monthly basis that:

(a)—(b) (proposed text unchanged)

(3)—(7) (proposed text unchanged)

B. (proposed text unchanged)

C. An increase to financial limits in §A of this regulation ~~[[may not be effective later than the registered bettor's next login]]~~ may not become effective until after the time period of the previous limit has expired.

D. A decrease to the chronological limits in §A of this regulation ~~[[shall become effective only after the time period of the previous limit has expired]]~~ may not be effective later than the registered bettor's next login.

E. A self-imposed limitation established by a bettor may not replace or override a more restrictive limitation imposed by a licensee or these regulations.

.05 Funding Wagers.

A.—D. (proposed text unchanged)

E. The sports wagering licensee shall update bettor account balances after each ~~[[game cycle]]~~ bet settles to reflect the funds available for any future wagers the bettor may choose to place.

[[F. A sports wagering licensee may not accept or facilitate a wager:

(1) On a sporting event not approved by the Commission under §A(1) of this regulation;

(2) From an excluded individual;

(3) From a person who is placing the wager in violation of applicable law or regulation; or

(4) From a person that may not participate in sports wagering because the person:

(a) Is licensed by the Commission under State Government Article, Title 9, Subtitles 9-1A or 9-1E, Annotated Code of Maryland; or

(b) Is an affiliate or agent of a sports wagering licensee or online sports wagering operator.

G. The prohibition under §F(4) of this regulation is not applicable to persons who are registered or certified as a vendor under COMAR 36.10.06.12.]]

[[H.]]E.—[[I.]]G. (proposed text unchanged)

.06 Reserve.

A.—B. (proposed text unchanged)

C. The amount in the reserve shall be at least \$500,000 and equal or exceed the aggregate sum of:

[[(1) Funds held by the sports wagering licensee in bettor accounts;]]

[[(2)]][(1) —[[(3)]][(2) (proposed text unchanged)

D. A sports wagering licensee shall ensure that the reserve is held:

(1) [[by]] By a financial institution insured by the Federal Deposit Insurance Corporation and licensed to transact business in the State; or

(2) For sports wagering facility licensee, in cash held on facility premises.

E. (proposed text unchanged)

36.10.15 Sports Wagering Licensee Facility Standards

Authority: State Government Article, §§9-1E-01—9-1E-15, Annotated Code of Maryland

.03 Facility Design Standards.

The holder of a Class A or Class B license shall, at its own expense, construct its facility in accordance with specifications established by the Commission, including:

A. For any sports wagering licensee that does not currently hold a video lottery facility operator's license, at least 100 square feet of office space or an amount approved by the Commission that is available for use by the Commission staff and equipped with:

(1)—(2) (proposed text unchanged)

(3) Computer terminals permitting read only access by authorized Commission staff to any [[computerized]] sports wagering platform, [[player management system]] promotional play system, point of sale system, or surveillance system [[or bettor tracking system]] used by the sports wagering licensee;

B.—F. (proposed text unchanged)

36.10.16 Wagering Using Online, Web-Based, or Mobile Applications

Authority: State Government Article, §§9-1E-01—9-1E-15, Annotated Code of Maryland

.02 One Website.

A mobile sports wagering licensee may utilize only one individually branded website and an accompanying application to accept and pay sports wagers.

36.10.18 Sports Wagering Technical Standards

Authority: State Government Article, §§9-1E-01—9-1E-15, Annotated Code of Maryland

.01 General.

Unless context or the individual regulation dictates otherwise, for purposes of [[COMAR 36.10.16]] COMAR 36.10.18, "sports wagering licensee" includes:

A. Mobile sports wagering licensee; [[and]]

B. Online sports wagering operator licensee;

C. Sports wagering facility licensee; and

D. Sports wagering facility operator licensee.

.03 Sports Wagering Platform Requirements.

A.—P. (proposed text unchanged)

Q. Data Feeds.

(1)—(2) (proposed text unchanged)

(3) The sports wagering licensee shall maintain the information required by [[§P(2)]] §Q(2) for a minimum period of 2 years.

R. A sports wagering licensee that provides a sports wagering platform shall grant the Commission read only access to the platform in the manner required by the Commission.

S.—T. (proposed text unchanged)

.05 Bettor Accounts.

A.—E. (proposed text unchanged)

F. Creation of a Bettor Account.

(1) (proposed text unchanged)

(2) When a bettor account is created, the bettor or sports wagering licensee shall establish a unique username and password for the bettor authorized to use the bettor account that prevents unauthorized access to the bettor account by an individual other than the bettor.

G.—I. (proposed text unchanged)

J. Within [[5]] 7 days of a bettor request for withdrawal of funds, the sports wagering licensee shall complete the withdrawal unless there is a pending:

(1) Unresolved bettor dispute; or

(2) Investigation prompted by a bettor dispute or the Commission.

K.—P. (proposed text unchanged)

Q. A sports wagering licensee shall:

(1) Offer an easily accessible method for a bettor to close the bettor's account; and

(2) Refund the balance remaining in a bettor's account:

(a) Pursuant to the sports wagering licensee's internal control standards; and

(b) No later than [[5]] 7 days after receiving notice from the bettor of the intent to close the bettor's account.

R. (proposed text unchanged)

S. A sports wagering licensee shall:

(1) [[Disable]] Lock a bettor's account after 3 failed log-in attempts; and

(2) Require multi-factor authentication to recover or reset a password or username after being [[disabled]] locked.

T.—V. (proposed text unchanged)

.06 Information Security.

A. (proposed text unchanged)

B. A sports wagering licensee shall:

(1) (proposed text unchanged)

(2) Have the testing set forth in §B(1) of this regulation conducted by a Commission approved third party as set forth in Regulation [[.02B]] .03B of this chapter.

C.—D. (proposed text unchanged)

JOHN MARTIN
Director