

Maryland Lottery and Gaming Control Agency

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DATE: February 24, 2025
BILL NO: Senate Bill 708
BILL TITLE: Sports Wagering - Independent Evaluation of Sports Wagering Content - Required
COMMITTEE: Budget and Taxation
POSITION: Information

The Maryland Lottery and Gaming Control Agency (Agency) provides the following information regarding Senate Bill (SB) 708, Sports Wagering - Independent Evaluation of Sports Wagering Content - Required

Bill Summary:

SB 708 changes the language in State Government Article (SG) § 9-1E-17 (d) from “may” to “shall”. This change would require a sports wagering licensee or sports wagering operator that advertises in the State to contract with an independent evaluator licensed under subsection (b). The independent evaluator would evaluate and rate the sports wagering licensee’s sports wagering content, sports wagering experts, sports wagering influencers, and content partners.

Background:

The Agency qualifies and then licenses a number of entities as sports wagering contractors. The Agency does not require any licensee or operator to use any particular sports wagering contractor. SB 708 would require each licensee and operator that advertises in the State to use an independent evaluator who would have to be licensed as a sports wagering contractor by the Agency pursuant to SG § 9-1E-17(b)(1) and COMAR 36.10.06.04.K.

Rationale:

Changing “may” to “shall” could be interpreted as making other provisions that exist in SG § 9-1E-17 as being contradictory.

Requiring sports wagering licensees or sports wagering operators to contract with an independent evaluator seems to necessitate that there would be some payment to the independent evaluator from the licensee. However, SG § 9-1E-17(b)(4)(ii) makes it discretionary as to whether an independent evaluator may be compensated. Additionally, SG § 9-1E-17(b)(2)(iv) - (vi) identifies how the two entities are not to be connected financially.

Additionally, while SB 708 requires the licensees to use the evaluator, other entities (media, social media, etc.) that may have broader audiences would not be required to use the evaluator, so the benefit of the service is questionable.

There are no licensed independent evaluators known to the Agency and to date, there have not been any entities that have applied to the Commission to become an independent evaluator. Furthermore, the Agency is aware of only one entity that engages in this service.

The Agency submits this information for your consideration as you debate SB 708.