

SENATE BILL 557

C7

6lr2414

By: **Senator Beidle**

Introduced and read first time: February 4, 2026

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Gaming – Definition of “Own” – Alterations**

3 FOR the purpose of altering the definition of “own” for purposes of certain provisions of law
4 governing the regulation of video lottery facilities and sports wagering to exclude a
5 certain interest in the property or business of a certain applicant or licensee under
6 certain circumstances; and generally relating to the regulation of video lottery
7 facilities and sports wagering in the State.

8 BY repealing and reenacting, without amendments,
9 Article – State Government
10 Section 9–1A–01(a), 9–1A–05(b) and (d)(1) through (3), 9–1A–08(a)(5), (6), and (10)
11 and (d)(1), 9–1A–12, and 9–1E–03(a)(1)
12 Annotated Code of Maryland
13 (2021 Replacement Volume and 2025 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – State Government
16 Section 9–1A–01(s)
17 Annotated Code of Maryland
18 (2021 Replacement Volume and 2025 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
20 That the Laws of Maryland read as follows:

21 **Article – State Government**

22 9–1A–01.

23 (a) In this subtitle the following words have the meanings indicated.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(s) (1) "Own" means having a beneficial or proprietary interest of at least 5% in the property or business of an applicant or licensee.

(2) "OWN" DOES NOT INCLUDE HAVING A BENEFICIAL OR PROPRIETARY INTEREST OF 25% OR LESS IN THE PROPERTY OR BUSINESS OF AN APPLICANT OR LICENSEE, IF THE INTEREST:

(I) DOES NOT CONFER ANY VOTING RIGHTS; AND

(II) 1. IS HELD DIRECTLY BY A PERSON; OR

2. IS HELD IN TRUST FOR THE BENEFIT OF A PERSON, PROVIDED THAT THE TRUSTEE DOES NOT EXERCISE ANY VOTING RIGHTS OR CONTROL OVER THE APPLICANT OR LICENSEE.

9-1A-05.

(b) An owner or operator of a video lottery destination location described under § 9-1A-01 of this subtitle may submit an application for a video lottery operation license.

(d) (1) In this subsection, "owner" includes any type of owner or beneficiary of a business entity, including an officer, director, principal employee, partner, investor, stockholder, or beneficial owner of the business entity and, notwithstanding any other provisions of this subtitle, including a person having any ownership interest regardless of the percentage of ownership interest.

(2) An individual or business entity may not own an interest in more than one video lottery facility.

(3) A member of the Senate of Maryland or the House of Delegates may not be an owner or an employee of any business entity that holds a video lottery operation license.

9-1A-08.

(a) In addition to other information required by this subtitle, a business entity applying for a video lottery operation license shall provide the following information:

(5) the rights and privileges acquired by the holders of different classes of authorized securities, partnership interests, or other similar ownership interests of the business entity and its holding, intermediary, and subsidiary companies or other similar business entities;

(6) the terms on which the securities, partnership interests, or other similar ownership interests have been or are to be offered;

1 (10) the names of persons who own or control the business entity;

2 (d) The Commission shall disqualify an applicant for a video lottery operation
3 license on the basis of any of the following criteria:

4 (1) failure of the applicant to prove by clear and convincing evidence that
5 the applicant and each person who owns or controls the application are qualified under the
6 provisions of this subtitle;

7 9-1A-12.

8 If a video lottery operation licensee contracts with another person other than an
9 employee of the video lottery operation licensee to provide any of the services related to
10 operating a video lottery facility, each person and each other person who owns or controls
11 the person or management and supervisory personnel and other principal employees of the
12 person shall qualify under the standards and provisions set forth in §§ 9-1A-07 and
13 9-1A-08 of this subtitle for video lottery operation licensees.

14 9-1E-03.

15 (a) (1) Unless the context requires otherwise, the requirements under §§
16 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,
17 and 9-1A-25 of this title apply to the authority, duties, and responsibilities of the
18 Commission, a sports wagering licensee, and an employee or a contractor of a sports
19 wagering licensee under this subtitle.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 2026.