

**Testimony in Support of HB940**  
**(With Proposed Amendments Attached)**

Gaming - Regulation of Fantasy Gaming Competitions and Implementation of Sports Wagering  
*Before the Ways and Means Committee – February 25, 2021*

House Bill (HB) 940 would legalize sports betting in Maryland. Under this bill, Maryland would create a comprehensive licensing scheme for sports betting and generate revenue to fund necessary resources for Maryland’s public schools.

As written, HB 940 lacks consumer protection measures. According to the World Health Organization, 350 million people display problematic gambling behaviors each year.<sup>1</sup> In Maryland alone, 150,000 adults are estimated to be problem gamblers.<sup>2</sup> Problem gambling is a form of addiction. As such, any bill that increases access to gambling in the State should also increase support for gambling addiction prevention, treatment programs, and research. While these programs presumably would be created under the regulatory authority established by HB 940, the bill would be significantly stronger if amended to require that any sports betting licensee establish a responsible gaming plan before operation and that the State Lottery and Gaming Control Commission complete regular research and reporting on the status of sports betting in the State.

**Supporting Responsible Gambling**

Responsible gambling programs protect all parties involved in gambling legislation by making a reasonable attempt to prevent harmful gambling addiction and to provide treatment for those who do become addicted. Currently, Maryland regulations require video lottery facilities to establish a responsible gaming plan before beginning operations and provide a report on the implementation of that plan each year.<sup>3</sup> HB 940 should contain a provision that requires the State Lottery and Gaming Control Commission to enact similar regulatory requirements for sports wagering licensees. A high-quality responsible gaming program should include employee training, awareness campaigns, responsible advertising, and the ability for gamblers to self-exclude or self-restrict their access to gambling.<sup>4</sup> Explicitly requiring licensees to adopt plans

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<sup>1</sup> *Addictive Behaviours*, WORLD HEALTH ORG., [https://www.who.int/health-topics/addictive-behaviours#tab=tab\\_2](https://www.who.int/health-topics/addictive-behaviours#tab=tab_2) (last visited Feb. 17, 2021).

<sup>2</sup> FAQs for the Press, MD. CTR. OF EXCELLENCE ON PROBLEM GAMBLING, <https://www.mdproblemgambling.com/public-awareness/faqs/> (last accessed Feb. 19, 2021).

<sup>3</sup> COMAR 36.03.06.02.

<sup>4</sup> *Responsible Gaming Principles for Sports Gambling Legislation*, NAT’L COUNCIL ON PROBLEM GAMBLING (Mar. 2018), <https://158bvz3v7mohkq9oid5904e0-wpengine.netdna-ssl.com/wp-content/uploads/2018/03/Responsible-Gaming-Principles-for-Sports-Gambling-Legislation.pdf>.

with these elements and provide an annual report on their impact encourages best practices and responsible behavior among licensees, while simultaneously making it clear to anyone making wagers that treatment is available to them if they wish to pursue it.<sup>5</sup> Requiring these measures or something similar to be adopted in regulation would help to create a safer environment for all gamblers in the State.

### **Supporting Research**

Problem gambling is currently understudied, and researchers lack a comprehensive picture of current and past prevalence.<sup>6</sup> In order to remedy this problem, HB 940 should be amended to require the State Lottery and Gaming Control Commission to provide the Governor and General Assembly with a biannual report on the status of sports wagering in the State. This report would create a consistent source of information that would allow them to better understand the specific public health challenges that sports wagering presents in Maryland and help regulators determine any measures that would mitigate those challenges. Knowledge is a powerful tool when fighting addiction, and therefore, HB 940 should be amended to provide opportunities to study and learn about gambling in the State.

### **Conclusion**

When expanding access to gambling in Maryland, it is critical that the General Assembly also expands the resources available to members of our community who struggle with problem gambling. Employing the strategies described above will ensure that the State can reap the benefits of sports betting without harming local communities.

*This testimony is submitted on behalf of the Public Health Law Clinic at the University of Maryland Carey School of Law and not by the School of Law, the University of Maryland, Baltimore, or the University of Maryland System.*

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<sup>5</sup> *Sports Betting Principles*, AMERICAN GAMING ASS'N (July 2020), <https://www.americangaming.org/wp-content/uploads/2020/07/AGA-Sports-Betting-Principles-Final.pdf>.

<sup>6</sup> *Addictive Behaviours*, *supra* note 1.

### Proposed Changes to House Bill 940

Page 13; Before line 5

This amendment would specifically require the State Lottery and Gaming Control Commission to adopt regulations requiring sports wagering licensees to implement and maintain a responsible gaming program.

(B) IN ACCORDANCE WITH THIS SUBTITLE, THE COMMISSION SHALL ADOPT REGULATIONS THAT ESTABLISH:

(...)

(7) REQUIREMENTS THAT EACH SPORTS BETTING LICENSEE IMPLEMENT RESPONSIBLE GAMING PROGRAMS AND PROVIDE AN ANNUAL REPORT ON THESE PROGRAMS; AND

~~(7)~~(8) ANY OTHER REGULATION NECESSARY TO CARRY OUT THE PROVISIONS OF THIS SUBTITLE.

Page 27; After line 29

This amendment would require the State Lottery and Gaming Control Commission to provide the Governor and General Assembly a report on sports wagering in Maryland on a biannual basis. It would also allow the Commission to adopt regulations to address any problems found in that report.

(B)(1) ON OR BEFORE DECEMBER 1, 2021 AND EVERY SECOND YEAR THEREAFTER, THE COMMISSION SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THIS ARTICLE, TO THE GENERAL ASSEMBLY ON THE STATE OF SPORTS WAGERING IN MARYLAND, INCLUDING BUT NOT LIMITED TO INFORMATION RELATED TO GAMBLING, PROBLEM GAMBLING, AND USE OF PROBLEM GAMBLING TREATMENT PROGRAMS.

(2) THE LOTTERY AND GAMING CONTROL COMMISSION SHALL ADOPT REGULATIONS TO IMPLEMENT REMEDIAL MEASURES, IF NECESSARY AND TO THE EXTENT PERMITTED BY STATE AND FEDERAL LAW, BASED ON THE FINDINGS OF THE REPORT.