

SENATE BILL 620

F2, C7

3lr1159
CF HB 802

By: **Senators Hettleman and Zucker**

Introduced and read first time: February 6, 2023

Assigned to: Education, Energy, and the Environment

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 5, 2023

CHAPTER _____

1 AN ACT concerning

2 **Institutions of Higher Education – Sports Wagering Contracts – Prohibition**

3 FOR the purpose of prohibiting institutions of higher education from entering into a
4 contract with a certain regulated gaming entity or a certain agent of a regulated
5 gaming entity if the institution of higher education receives certain compensation for
6 student participation in certain sports wagering; prohibiting institutions of higher
7 education from entering into a contract with a sports marketing entity if the sports
8 marketing entity or the institution of higher education receives certain compensation
9 for student participation in certain sports wagering; providing that a certain contract
10 formed by a public institution of higher education is subject to public inspection in
11 accordance with the Maryland Public Information Act; and generally relating to
12 institutions of higher education and sports wagering.

13 BY repealing and reenacting, without amendments,

14 Article – Education

15 Section 10–101(a) and (h)

16 Annotated Code of Maryland

17 (2022 Replacement Volume)

18 BY adding to

19 Article – Education

20 Section 26–801 to be under the new subtitle “Subtitle 8. Sports Wagering Contracts”

21 Annotated Code of Maryland

22 (2022 Replacement Volume)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



BY repealing and reenacting, without amendments,
Article – State Government
Section 9–1E–01(a), (e), (f), (g), (j), and (m)
Annotated Code of Maryland
(2021 Replacement Volume and 2022 Supplement)

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

Article – Education

10–101.

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

(h) (1) “Institution of higher education” means an institution of postsecondary education that generally limits enrollment to graduates of secondary schools, and awards degrees at either the associate, baccalaureate, or graduate level.

(2) “Institution of higher education” includes public, private nonprofit, and for-profit institutions of higher education.

SUBTITLE 8. SPORTS WAGERING CONTRACTS.

26–801.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “AGENT OF A REGULATED GAMING ENTITY” INCLUDES A MARKETING FIRM OR OTHER SIMILAR ENTITY CONTRACTED TO PERFORM GAMING-RELATED SERVICES FOR A REGULATED GAMING ENTITY.

(3) “INSTITUTION OF HIGHER EDUCATION” HAS THE MEANING STATED IN § 10–101 OF THIS ARTICLE.

(4) “MOBILE SPORTS WAGERING LICENSEE” HAS THE MEANING STATED IN § 9–1E–01 OF THE STATE GOVERNMENT ARTICLE.

(5) “ONLINE SPORTS WAGERING” HAS THE MEANING STATED IN § 9–1E–01 OF THE STATE GOVERNMENT ARTICLE.

(6) “ONLINE SPORTS WAGERING OPERATOR” HAS THE MEANING STATED IN § 9–1E–01 OF THE STATE GOVERNMENT ARTICLE.

(7) “REGULATED GAMING ENTITY” MEANS:

(I) A MOBILE SPORTS WAGERING LICENSEE;

(II) AN ONLINE SPORTS WAGERING OPERATOR; OR

(III) A SPORTS WAGERING LICENSEE.

(8) "SPORTS WAGERING" HAS THE MEANING STATED IN § 9-1E-01 OF THE STATE GOVERNMENT ARTICLE.

(9) "SPORTS WAGERING LICENSEE" HAS THE MEANING STATED IN § 9-1E-01 OF THE STATE GOVERNMENT ARTICLE.

(B) AN INSTITUTION OF HIGHER EDUCATION MAY NOT ENTER INTO A CONTRACT WITH A REGULATED GAMING ENTITY OR AN AGENT OF A REGULATED GAMING ENTITY IF, UNDER THE TERMS OF THE CONTRACT, THE INSTITUTION OF HIGHER EDUCATION RECEIVES A COMMISSION, A BONUS, OR ANY OTHER INCENTIVE PAYMENT BASED ON THE SUCCESS OF SECURING STUDENT PARTICIPATION IN SPORTS WAGERING OR ONLINE SPORTS WAGERING.

(C) AN INSTITUTION OF HIGHER EDUCATION MAY NOT ENTER INTO A CONTRACT WITH A SPORTS MARKETING ENTITY THAT ENTERS INTO A CONTRACT WITH A REGULATED GAMING ENTITY OR AN AGENT OF A REGULATED GAMING ENTITY IF, UNDER THE TERMS OF THE CONTRACT, EITHER THE SPORTS MARKETING ENTITY OR THE INSTITUTION OF HIGHER EDUCATION RECEIVES A COMMISSION, BONUS, OR ANY OTHER INCENTIVE PAYMENT BASED ON THE SUCCESS OF SECURING STUDENT PARTICIPATION IN SPORTS WAGERING OR ONLINE SPORTS WAGERING.

~~(C)~~ (D) (1) EXCEPT AS PROVIDED IN ~~SUBSECTION (B)~~ SUBSECTIONS (B) AND (C) OF THIS SECTION, THIS SECTION DOES NOT PRECLUDE CONTRACT FORMATION BETWEEN AN INSTITUTION OF HIGHER EDUCATION AND A REGULATED GAMING ENTITY ~~OR~~, AN AGENT OF A REGULATED GAMING ENTITY, OR A SPORTS MARKETING ENTITY.

(2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A CONTRACT FORMED IN ACCORDANCE WITH THIS SUBSECTION BY A PUBLIC INSTITUTION OF HIGHER EDUCATION IS SUBJECT TO PUBLIC INSPECTION IN ACCORDANCE WITH THE MARYLAND PUBLIC INFORMATION ACT.

Article – State Government

9-1E-01.

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

(e) “Mobile sports wagering licensee” means a sports wagering licensee who is authorized to conduct and operate online sports wagering.

(f) “Online sports wagering” means sports wagering through an online gaming system:

(1) on a computer, a mobile device, or any other interactive device; and

(2) that is accepted by a sports wagering licensee or an online sports wagering operator.

(g) “Online sports wagering operator” means an entity registered with a state to do business within a jurisdiction of the United States that holds a license issued by the Commission under this subtitle to operate online sports wagering on behalf of a sports wagering licensee.

(j) “Sports wagering” means the business of accepting wagers on any sporting event by any system or method of wagering, including single-game bets, teaser bets, parlays, over-under, moneyline, pools, exchange wagering, in-game wagering, in-play bets, proposition bets, and straight bets.

(m) “Sports wagering licensee” means the holder of a sports wagering license.

SECTION 2. AND BE IT FURTHER ENACTED, That a presently existing obligation or contract right may not be impaired in any way by this Act.

SECTION 2. 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2023.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.