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Maryland Enacts Sports Betting Legislation, 'Stripped-Down' Due to COVID-19

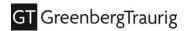
On March 18, 2020, the Maryland legislature passed sports betting legislation (Senate Bill 4) that was much changed (reported as "stripped down" or "gutted") from the version of the bill that had unanimously passed the Senate less than two weeks earlier. An earlier version of the bill that passed the Senate would have authorized the licensing of sports betting at four Maryland casinos, three racetracks and, under certain circumstances, the stadium and practice facility of the Washington Redskins. It also would have established licensing fees and tax rates (25% at satellite simulcast facilities, and 20% otherwise). The enacted version of the bill, however, leaves to the legislature for resolution in a later bill the issues of tax rates, who is eligible for licenses and where sports betting may be conducted.

Like the prior version, the enacted bill makes sports betting in Maryland subject to voter approval in a state-wide voter referendum to be held November 2020.

The final bill became law without the governor's signature on May 8, 2020.1

As reported by Legal Sports Report: "The House opted to get the issue on the ballot in November and figure out the rest later. If Marylanders pass the referendum in November, the legislature will have to pass

¹ Pursuant to Article II, Section 17(c) of the Maryland Constitution, "Any Bill presented to the Governor within six days (Sundays excepted), prior to the adjournment of any session of the General Assembly, or after such adjournment, shall become law without the Governor's signature unless it is vetoed by the Governor within 30 days after its presentment."



another bill outlining how sports betting will operate next year." Asked what the bill does now, Maryland State Senator J.B. Jennings answered, "Not much."

Pursuant to the enacted bill, if voters vote to authorize sports betting, then in subsequent legislation to be enacted, the Maryland legislature may authorize the State Lottery and Gaming Control Commission to issue licenses to offer sports and event wagering in the state, such legislation to include the criteria for license eligibility and specifications of the permissible forms, means of conduct, and premises of sports betting. (SB 4, as enacted on March 18, 2020, Section 1.)

Regarding the referendum's likelihood of passage, Ron Fritz of gambling.com reported:

A voter referendum is not a sure bet in Maryland. A February poll of Maryland residents by Goucher College in Baltimore showed 47% supported expanding gambling to allow sports betting online in Maryland and 43% opposed it. In addition, 45% supported expanding gambling to allow sports betting at race tracks, casinos or stadiums in Maryland, while 49% were opposed.

If voters approve sports betting in Maryland, State Senator Craig Zucker expects that the Maryland legislature could pass a bill implementing sports betting in the state in March 2021. Maryland's 2021 legislative session begins the second week of January and concludes the second week of April 2021.

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