

HOUSE BILL 291

C7

(PRE-FILED)

6lr0010

CF SB 102

By: Chair, Ways and Means Committee (By Request – Departmental – Lottery and Gaming Control Agency)

Requested: September 16, 2025

Introduced and read first time: January 14, 2026

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sports Wagering Proceeds – Promotional Play Exclusion – Limitation**

3 FOR the purpose of authorizing the State Lottery and Gaming Control Commission to
4 establish a certain limit, by regulation, on the amount of money given away as free
5 promotional play by a sports wagering licensee that may be excluded from sports
6 wagering proceeds; and generally relating to proceeds from sports wagering.

7 BY repealing and reenacting, without amendments,

8 Article – State Government

9 Section 9–1E–01(a)

10 Annotated Code of Maryland

11 (2021 Replacement Volume and 2025 Supplement)

12 BY repealing and reenacting, with amendments,

13 Article – State Government

14 Section 9–1E–01(h)

15 Annotated Code of Maryland

16 (2021 Replacement Volume and 2025 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

18 That the Laws of Maryland read as follows:

19 **Article – State Government**

20 9–1E–01.

21 (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.



1 (h) **(1)** “Proceeds” means the amount of money wagered on a sporting event,
2 less:

3 [(1)] **(I)** the amount returned to successful bettors;

4 [(2)] **(II)** the cash equivalents of any merchandise or thing of value
5 awarded as a prize to successful bettors; **AND**

6 [(3) free bets and promotional credits redeemed by bettors; and

7 (4)] **(III)** all excise taxes paid by a sports wagering licensee in accordance
8 with federal law.

9 **(2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,**
10 “PROCEEDS” DOES NOT INCLUDE MONEY GIVEN AWAY BY A SPORTS WAGERING
11 LICENSEE AS FREE PROMOTIONAL PLAY AND USED BY PLAYERS TO BET ON A
12 SPORTING EVENT.

13 **(II) AFTER THE FIRST FULL FISCAL YEAR OF OPERATIONS, THE**
14 EXCLUSION SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH MAY NOT
15 EXCEED A PERCENTAGE, ESTABLISHED BY THE COMMISSION BY REGULATION, OF:

16 1. THE TOTAL SPORTS WAGERING PROCEEDS RETAINED
17 BY THE SPORTS WAGERING FACILITY LICENSEE IN THE PRIOR FISCAL YEAR UNDER
18 § 9–1E–12(B)(1)(II) OR (III) OF THIS SUBTITLE; OR

19 2. THE TOTAL ONLINE SPORTS WAGERING PROCEEDS
20 RETAINED BY THE MOBILE SPORTS WAGERING LICENSEE IN THE PRIOR FISCAL YEAR
21 UNDER § 9–1E–12(B)(1)(IV) OF THIS SUBTITLE.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
23 1, 2026.