

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 1612
Ways and Means

(Delegate Ebersole)

Budget and Taxation

Gaming - Campaign Financing Contributions and Study on Independent
Evaluation of Sports Wagering

This bill repeals, beginning January 1, 2027, the prohibition against an applicant for, or a holder of, a video lottery operation license, or a person who owns an interest in the operation of a video lottery facility in the State, making a contribution, directly or indirectly, to (1) the campaign finance entity of a candidate for any nonfederal public office in the State or (2) any other campaign finance entity organized in support of a candidate for any nonfederal public office in the State. In addition, by January 1, 2027, the State Lottery and Gaming Control Agency (SLGCA) must study and report to the Governor and the General Assembly on independent evaluators that evaluate sports wagering content as specified. **The bill takes effect July 1, 2026, though a provision of the bill takes effect January 1, 2027.**

Fiscal Summary

State Effect: The bill does not materially affect State finances. SLGCA can study and report on independent evaluators of sports wagering content with existing budgeted resources.

Local Effect: The bill is not anticipated to materially affect local government finances.

Small Business Effect: None.

Analysis

Current Law:

Campaign Finance Entities and Contributions

Unless otherwise expressly authorized by law, all campaign finance activity for an election under the Election Law Article must be conducted through a campaign finance entity (defined as a political committee established under Title 13 of the Election Law Article). An individual may not file a certificate of candidacy or a declaration of intent until the individual establishes, or causes to be established, an authorized candidate campaign committee (a campaign finance entity authorized by the candidate to promote the candidate's candidacy).

Generally, a person may not make, either directly or indirectly, aggregate contributions of more than \$6,000 to any one campaign finance entity in a four-year election cycle. Contributions by two or more business entities are considered as being made by one contributor if (1) one business entity is a wholly owned subsidiary of another or (2) the business entities are owned or controlled by at least 80% of the same individuals or business entities. "Business entity" includes a corporation, a sole proprietorship, a general partnership, a limited partnership, a limited liability company, a real estate investment trust, or other entity.

The contribution limit does not apply to contributions to ballot issue committees (campaign finance entities formed to promote the success or defeat of a ballot question or prospective ballot question).

Video Lottery Contribution Prohibition

Under State campaign finance law, an applicant for, or holder of, a video lottery operation license under Title 9, Subtitle 1A ("Video Lottery Terminals") of the State Government Article, or a person who owns an interest in the operation of a video lottery facility (under Subtitle 1A) in this State, may not, directly or indirectly, make a contribution to (1) the campaign finance entity of a candidate for any nonfederal public office in the State or (2) any other campaign finance entity organized in support of a candidate for any nonfederal public office in the State. "Own" means having a beneficial or proprietary interest of at least 5% in the property or business of an applicant or licensee. This prohibition was enacted under Chapter 1 of the second special session of 2012, which expanded commercial gaming in the State.

State Board of Elections regulations establish that a person may not make any contributions to a political committee organized in support of a nonfederal candidate for the rest of the election cycle once that person holds or controls at least a 5% interest in a property or

business that is an applicant for, or holder of, a video lottery operation license. If the person is a corporation, any wholly owned direct or indirect subsidiary or any other entity owned or controlled by persons owning at least 80% of the ownership interests in the corporation, at any time during the election cycle, may not make any contributions to a political committee organized in support of a nonfederal candidate for the rest of the election cycle. If the person is an individual, the prohibition does not apply to any legal entity owned or controlled by that individual if the legal entity (1) is organized for legitimate business purposes unrelated to gaming and (2) does not have a direct interest or ownership in the property or business of an applicant or holder of a video lottery operation license.

Independent Evaluators

Chapter 638 of 2023 requires the State Lottery and Gaming Control Commission to license independent evaluators to evaluate and rate sports wagering content provided by sports wagering experts, sports wagering influencers, and content partners. In order to be licensed, an independent evaluator must meet specified criteria. A sports wagering licensee or sports wagering operator that advertises in the State may contract with a licensed independent evaluator. An independent evaluator and its principals and employees may not wager on a sporting event. An independent evaluator may not be compensated by a sports wagering licensee or sports wagering operator that uses the evaluator's evaluation services solely for marketing materials but may be compensated for its evaluation and rating of sports wagering content.

Under COMAR 36.10.06.04, SLGCA may issue a license for a Tier 1 contractor that is an independent evaluator. For a Tier 1 sports wagering contractor, the application fee is \$1,500, the license fee is \$2,500, and the background investigation deposit is \$2,000.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See HB 160 of 2025; HB 132 of 2024; and HB 54 of 2023.

Designated Cross File: SB 970 (Senators Zucker and Ferguson) - Budget and Taxation.

Information Source(s): Maryland State Lottery and Gaming Control Agency; Department of Legislative Services

Fiscal Note History:
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Analysis by: Heather N. MacDonagh

Direct Inquiries to:
(410) 946-5510
(301) 970-5510