

Department of Legislative Services  
Maryland General Assembly  
2022 Session

FISCAL AND POLICY NOTE  
First Reader

House Bill 490  
Ways and Means

(Delegate Cardin)

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Election Law - Campaign Contributions - Alterations and Prohibition on Sports  
Wagering Licensees

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This bill expands an existing prohibition against campaign contributions to nonfederal candidates in the State by specified persons associated with a video lottery operation license. The bill expands the prohibition by also applying the prohibition to specified persons associated with online sports wagering or a sports wagering license, and, further, applying it to an executive officer employed by a video lottery operator or sports wagering licensee in the State.

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Fiscal Summary

**State Effect:** The bill is not expected to materially affect State finances.

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

**Small Business Effect:** None.

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Analysis

**Bill Summary:** The bill expands the existing prohibition to apply to (1) an applicant for, or holder of, a sports wagering license; (2) a person who owns an interest in the operation of online sports wagering or a sports wagering facility in the State; and (3) an executive officer employed by a video lottery operator or sports wagering licensee in the State. Under the prohibition, those persons 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.

**Current Law:** 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.

Chapter 492 of 2020, a constitutional amendment approved by the voters at the November 2020 general election, authorized sports and event wagering, contingent upon implementing legislation passed by the General Assembly. Chapter 356 of 2021 established the operational and regulatory framework for sports wagering in the State.

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### **Additional Information**

**Prior Introductions:** HB 136 of 2021 received a hearing in the House Ways and Means Committee, but no further action was taken.

**Designated Cross File:** None.

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

**Fiscal Note History:** First Reader - February 11, 2022  
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