

Sports Wagering Application Review Commission

Overview of Sports Wagering Operation Compliance Obligations for Class B Sports Wagering Facility Licenses and Mobile Sports Wagering Licenses

Please note that, except as specified in statute, the following cost categories are based on regulations proposed by the Maryland Lottery and Gaming Control Commission (MLGCC) that, as of September 21, 2021, are still subject to public comment. In addition, the draft regulations authorize MLGCC to modify certain regulatory requirements for Class B sports wagering facility licensees on a case-by-case basis, including based on the size of the applicant's business.

- License application fees, as specified under § 9-1E-06 of the State Government Article:
 - Class B-1 – \$250,000;
 - Class B-2 – \$50,000;
 - Mobile – \$500,000; and
 - if the licensee engages a sports wagering facility operator, that operator must obtain a sports wagering facility operator license (COMAR 36.10.06.02 and .03).
- Background investigation costs for investigations of the licensee and its principals, officers, directors, and owners (COMAR 36.10.02).
- Licensing costs for the licensee's employees (COMAR 36.10.06.05).
- Performance bond costs (COMAR 36.10.04.05 and .06 and 36.10.05.01).
- Cash reserves (COMAR 36.10.14.06).
- Surveillance equipment and technology, including technology to adequately monitor sports wagering conducted at the licensee's facility (COMAR 36.10.13, .15, and .16).
- Recordkeeping infrastructure and accounting controls, including obtaining annual audited financial statements (COMAR 36.10.13).
- Security costs (COMAR 36.10.13, .17, and .18).

The Sports Wagering Application Review Commission (SWARC) is committed to seeking racial, ethnic, and gender diversity within the sports wagering industry and encouraging applicants who qualify as a minority business enterprise or who are small, minority-, or women-owned businesses to apply for these licenses. SWARC will work with our consultants to establish programs, mechanisms, or partnerships that might mitigate potential costs for licensees.