

STAFF AGENDA MEMORANDUM

DATE OF MEETING: December 17, 2020

AGENDA ITEM: **Request for the Waiver of COMAR 36.03.10.36.F.(2)
Limitation on Free Promotional Play**

PRESENTER: James Logue, Managing Director, Gaming

ISSUE SUMMARY: Horseshoe Casino Baltimore, on behalf of Horseshoe, MGM National Harbor Casino, Ocean Downs Casino, Rocky Gap Casino and Hollywood Casino Perryville, has submitted a request to waive COMAR 36.03.10.36.F.(2), Limitation on Free Promotional Play.

COMAR 36.03.10.36.F.(2) states that the amount of money given away as free promotional play in a fiscal year may not exceed 20% of the facility's total VLT and table game proceeds generated in the "prior fiscal year." As a result of the Covid-19 pandemic and subsequent state of emergency during FY 2020 the casinos in Maryland have been required to close for over 3 months and have operated under restricted occupancy capacity and other restrictions for over 6 months. These closures and restrictions adversely impacted FY2020 proceeds, so the free promotional play amount would be greatly reduced.

Therefore, the five aforementioned casinos are requesting a one-time waiver of COMAR 36.03.10.36.F.(2) for FY2021, so that the 20% of total video lottery terminal and table game proceeds allowed to be given away as free promotional play will be based on the proceeds of FY2019, rather than the "prior fiscal year" of FY2020.

COMMISSION ACTION REQUIRED/REQUESTED:

- As to the five requesting casinos, approval of the request to waive COMAR 36.03.10.36.F.(2) to allow for the use of FY2019 proceeds as the "prior fiscal year" upon which FY2021's promotional play percentage will be based.

STAFF RECOMMENDATIONS: Staff recommends approval.