

**DECISION OF THE MARYLAND LOTTERY AND  
GAMING CONTROL COMMISSION**

**Application for a Sports Wagering Facility License  
Long Shot's Hagerstown, LLC**

**License Applicant No. SW-2022-23**

**Qualification Hearing before  
the Maryland Lottery and Gaming Control Commission  
October 27, 2022**

On October 27 2022, the Maryland Lottery and Gaming Control Commission ("Commission") held a meeting during which it conducted a hearing to determine whether Long Shot's Hagerstown, LLC ("Applicant") is qualified for a sports wagering facility license under Maryland's Sports Wagering Law.

**FINDINGS OF FACT**

**Background Process**

1. Sports wagering in Maryland is governed by the Sports Wagering Law, found in State Government Article ("SG"), Title 9, Subtitle 1E, Annotated Code of Maryland, and the regulations of the Commission, found in the Code of Maryland Regulations ("COMAR") 36.10. The Sports Wagering Law also incorporates the Gaming Law, which governs casino operations in Maryland, found in SG, Title 9, Subtitle 1A, and COMAR 36.03.

2. The Commission is authorized to issue licenses necessary for sports wagering in the State, one of which is a sports wagering facility license. Unless a person holds a valid sports wagering facility license issued by the Commission, the person may not conduct, offer, or operate in-person sports wagering at a location in the State.

3. An applicant for a sports wagering-related license must submit an application to the Commission. Before it can be issued a license, an applicant must meet all applicable qualification

requirements in the Sports Wagering Law, and prove to the Commission, by clear and convincing evidence, that it is qualified under SG § 9-1E-07(e) and COMAR 36.10.03.02, and 36.10.04 and not disqualified under SG § 9-1E-07(g)(1). The Commission is required to deny the license application of an applicant that does not meet qualification requirements.

4. An applicant must submit to the Commission all information that is necessary for the Commission to determine its qualifications, and those of its principals, its principal entities, and any other necessary qualifiers.

5. The Commission may establish an abbreviated process for qualifying and licensing an applicant that holds a valid license in this State or another state, if the Commission determines that the licensing standards of the issuing agency in the other state are comprehensive and thorough, and provide similar safeguards to those in the Sports Wagering Law. SG § 9-1E-05(c); COMAR 36.10.02.12.

6. The Commission has approved 16 states with acceptable licensing standards: Arkansas, Colorado, Illinois, Kansas, Louisiana, Massachusetts, Michigan, Mississippi, Missouri, Nevada, New Jersey, New York, Pennsylvania, Rhode Island, Virginia and Wisconsin. Because Maryland's licensing standards for all sports wagering-related licenses and casino-related licenses are identical, or specifically incorporated into the Sports Wagering Law, they are clearly sufficient for qualifying an applicant for a different sports wagering license on those bases.

7. In accordance with the alternative licensing process, an applicant may be qualified for a license before the Maryland Lottery and Gaming Control Agency ("Agency") conducts a full background investigation.

8. The Commission's decision to abbreviate an applicant's licensing process on the basis of alternative licensing standards is discretionary. The Commission may deny an applicant's

request or grant a request to apply alternative licensing standards. If the Commission grants a request, it may place conditions on a license, or take any other necessary action to protect the State's interests.

9. The Commission has delegated to Staff of the Agency the authority to decide whether to grant an applicant's request to apply alternative licensing standards.

10. Staff applies alternative licensing standards if the applicant holds a current, valid Maryland sports wagering-related license issued by the Commission because Maryland's qualification standards for all sports-wagering related licenses are identical and are clearly sufficient for qualifying an applicant for a sports wagering facility license on that basis.

11. Staff applies alternative licensing standards if the applicant holds a current, valid Maryland issued casino-related license issued by the Commission because Maryland's qualification standards for casino-related licenses are identical to, and specifically incorporated in, the Sports Wagering Law and are clearly sufficient for qualifying an applicant for a sports wagering facility license on that basis.

12. If an applicant does not hold a current, valid Maryland license, Staff applies alternative licensing standards if the applicant has a current, valid sports wagering-related license in at least 3 of the 16 Commission-approved states that have licensing standards which are comprehensive and thorough, and provide similar and adequate safeguards to those in the Sports Wagering Law.

### **Application of Alternative Licensing Standards**

13. The Applicant submitted a written request for the Commission to find it qualified for a sports wagering facility license under the alternative licensing process. Along with the request, the Applicant submitted an Affidavit in Support of Applicant's Request to Apply

Alternative Licensing Standards, in which the Applicant acknowledged that Staff will conduct a full background investigation, and that Staff may take enforcement action against the license if it determines that the Applicant (or licensee, if licensed), does not meet a Commission requirement. Enforcement action may include license suspension or revocation.

14. Staff granted the Applicant's request to apply alternative licensing standards to determine the Applicant's qualifications.

**Qualification Hearing – October 27, 2022**

15. Staff of the Agency's Licensing Division provided the Applicant with written notice of the hearing. Alyse L. Cohen was present virtually for the Applicant in the hearing. In advance of the hearing, John J. Mooney, MLGCA's Managing Director of Regulatory Oversight, provided the Commission with the executive summary of the background investigation and Staff's recommendations, which was also made publicly available.

**Applicant's Regulatory History and Ownership**

16. Long Shot's Hagerstown, LLC was incorporated in Maryland on September 8, 2022, for the sole purpose of holding a sports wagering facility license.

17. On December 2, 2021, the parent company of the Applicant, Long Shot's LLC, was found qualified by the Commission for a Sports Wagering Facility License after undergoing a full background investigation by the Agency. The Applicant is currently undergoing further regulatory review in preparation of the issuance of its Sports Wagering Facility License.

18. Since Long Shot's LLC was found qualified by the Commission for a Sports Wagering Facility License at its Frederick County, Maryland location there have been no ownership changes.

19. The Applicant is wholly-owned by Ms. Cohen who is licensed as a Principal Employee by the Commission.

20. Any additional Principal and Principal Entity who becomes involved in the Applicant's in-person sports wagering must submit the appropriate application for qualification and licensure.

### **Licensing Inquiry**

21. The Applicant's Request for Application of Alternative Licensing Standards in support of its request for a B-2 Sports Wagering Facility License identified the Maryland Sports Wagering Facility License that it was qualified for by the Commission on December 2, 2021 after undergoing a full background investigation by the Agency.

### **Sports Wagering Facility License Application**

22. In addition to the Request for Application of Alternative Licensing Standards and Affidavit, the Applicant submitted: a completed Sports Wagering Facility License Application; an affidavit attesting to the minority- and women-owned interests of the Applicant, adequate proof of bond, and all required fees.

23. Staff is not aware of information that would indicate Long Shot's Hagerstown LLC fails to meet the Commission's qualification requirements.

24. Staff recommends that the Commission determine the Applicant has established that it is qualified for a B-2 Sports Wagering Facility License based on the alternative licensing standards provisions of the Sports Wagering Law by clear and convincing evidence.

## **CONCLUSIONS OF LAW**

1. The Applicant has established by application of the alternative licensing

standards provisions of the Sports Wagering Law that it is qualified for, and is not disqualified from, a B-2 Sports Wagering Facility License by clear and convincing evidence.

2. The Applicant remains under an ongoing obligation to comply with all qualification requirements and to notify the Commission if any of the information submitted to the Commission or Agency changes.

3. The Applicant will undergo a full background investigation by the Agency, and if Staff determines that the Applicant or licensee, if licensed, does not meet a Commission standard, the Commission may take enforcement action, up to and including revocation of the license.

4. The Secretary of the Commission will transmit this decision statement to the Sports Wagering Application Review Commission.

### REVIEW RIGHTS

A party aggrieved by this final administrative Decision may file a petition for judicial review with the circuit court for the county where any party resides or has a principal place of business within thirty days of the date of this Decision. SG § 10-222; Maryland Rules 7-201 – 7-211.



E. Randolph Marriner, Chair

10-27-23

Date