

## MARYLAND LOTTERY AND GAMING CONTROL COMMISSION SEPTEMBER MINUTES

DATE: September 28, 2023

TIME: 10:00 a.m.

PLACE: Maryland Lottery and Gaming Headquarters  
Studio in person and via video conference call

PRESENT: Chair E. Randolph Marriner  
Vice Chair George L. Doetsch, Jr.  
Commissioner F. Vernon Boozer  
Commissioner Diane M. Croghan  
Commissioner Harold E. Hodges  
Commissioner James J. Stakem  
Commissioner Jerry E. Williams

John Martin, Director  
James Nielsen, Deputy Director, Chief Operating Officer  
James Butler, Assistant Deputy Director, Chief of Staff  
Michael Eaton, Managing Director, Gaming  
John Mooney, Managing Director, Regulatory Oversight  
Solomon Ramsey, Managing Director, Sales and Marketing  
Paula Yocum, Managing Director, Chief Financial Officer  
Seth Elkin, Managing Director, Communications  
Holly Citko, Principal Counsel, Attorney General's Office  
Jennifer Tosky, Deputy Counsel, Attorney General's Office  
Kathy Lingo, Executive Assistant

OTHERS: Representative from Hollywood Casino Perryville  
Representative from Ocean Downs Casino  
Representative from Live! Casino  
Representative from Rocky Gap Casino Resort  
Representative from Horseshoe Casino Baltimore  
Representative from MGM National Harbor  
Representative from Scientific Games  
Representative from Pollard Banknote  
Representative from International Game Technology (IGT)  
Representative from NeoGames  
Representatives from Aristocrat Leisure Limited  
Representatives from MSF Sports, Inc.  
MLGCA Licensing Staff

## **QUORUM ESTABLISHED**

Chair Marriner announced that there was a quorum present for the meeting. Also present in person were: Commissioners Vernon Boozer, and Diane Croghan. Present via video conference were Vice Chair George Doetsch and Commissioners James Stakem, Jerry Williams and Harold Hodges.

## **CALL TO ORDER**

Chair Marriner called the meeting of the Maryland Lottery and Gaming Control Commission to order at 10:00 a.m.

## **APPROVAL OF THE AGENDA**

Chair Marriner reported that the Commissioners were provided with a copy of the agenda. Chair Marriner asked for a motion to approve the revised agenda. Vice Chair Doetsch motioned to approve, Commissioner Williams seconded, and the motion was unanimously approved.

## **APPROVAL OF THE MINUTES**

Chair Marriner asked if there were any comments or corrections to the minutes of the August 24, 2023, Open Session. There being none, Chair Marriner asked for a motion to approve the minutes. Vice Chair Doetsch motioned to approve, Commissioner Williams seconded, and the motion was unanimously approved.

Chair Marriner made an announcement that Commissioner Vernon Boozer's term has ended. He presented Commissioner Boozer with a Governor's Citation. Commissioner Boozer thanked the Commission and lottery staff for the work they have done during his tenure.

## **CONSENT AGENDA**

Chair Marriner said the Consent Agenda contains:

1. Five new instant ticket games for the Commission's approval: #672 (\$1) *5X The Cash*; #673 (\$2) *10X The Cash*; #674 (\$5) *20X The Cash*; #675 (\$10) *50X The Cash*; #676 (\$20) *100X The Cash*;
2. EGD Games and Component Testing: Certified Lab Software, Hardware and Game Certifications: VLTs, Table Game Components, Instant Bingo Machines, Sports Wagering Systems and Kiosks (8/22/23 – 9/26/23);
3. Consent Agreements – Regulatory Violations
  - a. Hollywood Casino – April and May 2023;
  - b. Horseshoe Casino – May 2023;
  - c. MGM National Harbor – April 2023;
4. Consent Agreements – Mobile Sports Wagering Violations
  - a. BetMGM – February 2023
  - b. Long Shot's-Betfred – April 2023;
5. Consent Agreements – Sports Wagering Violations
  - a. Bingo World – May 2023;
6. Consent Agreements – Underage Violations
  - a. Horseshoe Casino – Case Nos. 2023-05-004 to -006;
  - b. Live! Casino – Case Nos. 2022-03-022; 2023-03-001 to -008;
7. Gaming License Application Denials/Revocations; and
8. Staff Reports: James Nielsen, Deputy Director, Chief Operating Officer; James Butler, Assistant Deputy Director, Chief of Staff; Michael Eaton, Managing Director, Gaming; John Mooney, Managing Director, Regulatory Oversight; Solomon Ramsey, Managing Director,

Sales and Marketing; Paula Yocum, Managing Director, Chief Financial Officer; Seth Elkin, Managing Director, Communications; and Holly Citko, Principal Counsel, Office of the Attorney General.

Chair Marriner asked if any Commissioners cared to remove and discuss any items on the Consent Agenda. There being no discussion or requests, Chair Marriner asked for a motion to approve the consent agenda. Vice Chair Doetsch motioned to approve, Commissioner Williams seconded, and the motion was unanimously approved.

## **OPERATOR REPORTS**

### **Hollywood Casino**

Ms. Amy Brennan, General Manager, reported that revenue for August was down 4.2% year-over-year, with an increase in revenue in slot machines and table games, and a decrease in sportsbook and poker, with hold issues in those segments. September is trending the same. In August, former Baltimore Oriole, Adam Jones was at the property and at the Barstool restaurant for a meet and greet. The casino had several promotions including man cave and she-shed giveaways. The casino hosted the 98 Rock Morning Show. Hollywood offered a Commercial Driver's License (CDL) Club promotion with truck parking available and food tickets for truckers. Great Wolf Lodge guests were also given food tickets. The casino held a cash cube event for team members with \$7,000 given away. Ms. Brennan has started "Ante Up with Amy" where team members can meet with her to discuss concerns and questions. The senior staff continue to "Walk A Mile" to visit different areas of the casino and speak with team members. In the community, Hollywood Casino participated in the teacher supply drive and provided lunch for teachers at a local school in Perryville. The casino was a sponsor for the Susquehanna Wine and Seafood Festival.

### **Ocean Downs Casino**

Ms. Bobbi Jones, Interim General Manager, reported that August coin-in was down 2%, and net win was down 4%. Table game drop was down 8%; table game hold was up 5.5%; and net table game revenue was up 18%, mostly driven by Blackjack. Promotions at the casino include Pillars of Cash where guests can win free play or cash, and an entry to come back for a drawing. On September 26, the casino held the Pillars of Cash drawing and gave away \$10,000; this was the highest winning day of the month. A mailer promotion, which included a food offer for the Poseidon Restaurant, to an area in Delaware brought in 240 guests. In the community, the casino raised over \$2,000 with a charity slots tournament benefiting Village of Hope and collected \$35,000 worth of school supplies. Ocean Downs had a successful racing month with Texas Strip Riders, BMX Expedition, and a Mario Cart Tournament.

### **Live! Casino**

Mr. Ryan Eller, General Manager, reported that August gaming revenue was \$56.1 million, down 1.8% from last year. Slot machine revenue was slightly up at \$40.5 million. Table game revenue was \$14.1 million, slightly down 3%. Poker revenue was \$1.3 million, slightly down as well. In the retail sportsbook, there was a surge in handle up over prior month, \$200,000; however, down year over year with the onset of mobile sports betting. The casino had three shows in August including the O'Jays, a Queen cover band, and a Vietnamese Concert: Lovers in the Night. Live! Casino held a \$120,000 Baccarat Hot Seat Tournament in August; a \$15,000 second chance jackpot drawing, which will be held monthly; a designer sunglasses giveaway; a \$100,000 Football Fanatics promotion; and gave away an Acura hybrid. In the community, team members donated over 3,000 items for a school supply drive, provided a food-truck and served lunch to 500 people at a

backpack giveaway; and supported the Central Maryland Chamber of Commerce in August. Former Governor Hogan attended the grand opening of Koho, a Korean Barbeque House.

### **Rocky Gap Casino**

Mr. Brian Kurtz, General Manager, reported that August gaming revenue was 5.3 million, down 6.9% year-over-year, with a 6.6% decrease in coin-in on the slots, down in hold as well. Table game revenue was up 2.6%, flat drop with a better hold year-over-year. A new Players Club will launch in November. The nongaming outlets have shown an improvement year-over-year, up 7%, with occupancy flat. For promotions in August, the casino continued Senior Days, had several giveaways, including a blackjack giveaway with a finale that included a chance to win up to \$300 in chips. Entertainment in August included a Bonkerz Comedy Show and entertainment on the patio at the Signatures Bar and Grill. In the community, the casino worked with United Way to "Stuff the Bus" with 522 donated items. Rocky Gap donated a shuttle bus to Allegany County's Human Resources Development Commission (HRDC) to help with transportation efforts. Team members were provided with a picnic in the park, food trucks and ice cream.

### **Horseshoe Casino**

Mr. Randy Conroy, Vice President and General Manager, reported that August slot machine revenue was \$10.7 million, and \$4.7 million in table game revenue. With a loss in sports wagering of \$21 million, the taxable win was \$0. September is trending better. On September 12, a table game winner had a \$5 progressive bet that paid \$1,017,000, the largest jackpot payout in Horseshoe Casino's history. In August, promotions included a Suitcase Man promotion with a car giveaway, and a Ravens themed gifts giveaway. Horseshoe Casino continues the weekly baccarat and blackjack tournaments, and in September had a Run Good Poker Tournament. In support of the Asian community the casino had a Harvest Moon Festival. The Central Intercollegiate Athletic Association's (CIAA) commitment to Baltimore City continues. That tournament will be held next February, and the casino will be hosting the President's reception. In the community, Horseshoe Casino is a sponsor for the American Cancer Society Taste for Life event, and donated \$14,000 to the Maryland Department of Veteran Affairs. Team members were treated to an ice cream social. Training has been provided to staff on responsible gaming and compliance.

Mr. Conroy read a statement regarding a Cyber Security Event at Caesars. Suspicious activity was detected on September 14, 2023, in its Information Technology (IT) network resulting from a social engineering attack on an outsourced IT support vendor that Caesars Entertainment uses. After detecting the suspicious activity, Caesars Entertainment activated its incident response protocols and implemented containment and remediation measures to reinforce security of its information technology network. Caesars Entertainment continues to investigate the matter and has engaged leading cyber security firms to assist. Caesars Entertainment is taking appropriate steps to harden its systems to protect against future incidents and is in the process of making the required notifications to those impacted. The investigation is continuing and although Mr. Conroy is not able to answer questions, he can connect any of the Commissioners with the compliance team if there are questions.

### **MGM National Harbor**

Mr. Jeffrey Shrader, Vice President and Legal Counsel reported that MGM recently identified a cyber security issue. Mr. Shrader then read a statement from MGM. After detecting the issue, MGM did an investigation with the assistance of leading cyber security experts and law enforcement. The investigation is ongoing and MGM is working to resolve the matter. Mr. Shrader is not in a position to provide additional details at this time, but can meet with the Commissioners

individually, if needed. Mr. Shrader thanked Director Martin and his staff for their cooperation and assistance as MGM is working through this process. Chair Marriner thanked Mr. Shrader for keeping the Commissioners informed.

Mr. Shrader then moved on to his report. Gaming revenue was down 5% year-over-year. Slot machine revenue was down 3%, and table game revenue was down 10%. Poker had an increase of 30%, retail sportsbook wrote over 25,000 tickets with over \$5.6 million in handle, down significantly as expected due to online betting. For promotions, MGM National Harbor held a Mega Gold Mine with entries into 2 drawings, and hosted several kiosk games and giveaways in August, a kiosk game that included a chance to win up to \$10,000 in free play, and \$15,000 in free play. Entertainment at the casino included Donny Osmond, comedian Russell Peters, Long Island Medium: Theresa Caputo and Ru Paul's Drag Race. Boxing is back at the casino with Rodriguez versus Lopez. In the community, the casino partnered with the Washington Commanders to hold a backpack drive. The casino donated to the Nourish Now and St. Paul's Church of Oxon Hill providing food for families in need.

Chair Marriner stated that he was going to miss Kerry Watson. Mr. Shrader stated that Mr. Watson has joined the Baltimore Orioles organization and will be missed.

## **VENDOR REPORTS**

### **Scientific Games**

Mr. Jeff Hale, General Manager, reported that this past weekend Scientific Games did updates to the software in the warehouse, for packing instant tickets. Scientific Games has also put in a release for hardware for debit transactions, and have been installing new hardware in the field which will take several months. Mr. Hale said Scientific Games is working with the Communication staff on a healthy play initiative to support the Lottery's responsible gaming. Design specs for a new game are in the works for launch in Spring 2024.

### **Pollard Banknote**

Mr. Travis Priest, Director of Lottery Marketing, reported since the last report in June, four scratch games have been put into production, with seven launched into market since that time. In the prior quarter, 13 games were put into production, so a little correction in the leveling out on the deliverables front. This Fiscal Year 2024 to date, the overall sales for scratch-offs was \$220.5 million compared to \$219.4 million last year, which is a \$1.1 million or one-half percent growth rate. Heading into the second quarter of the fiscal year, which includes the holiday season, Maryland Lottery is poised to launch a very strong holiday game price-point line up in October that includes \$1, \$2, \$3, \$5 and \$10 tickets. Pollard believes this holiday campaign has the opportunity to support and grow other parts of the portfolio, especially the \$5 and \$10 games which continue to make up a 50% share. Year to date, the \$50 game launched in February 2023, and continues to be successful grossing \$93.4 million, with 11% share of overall sales in the calendar 2023 year. Fiscal Year 2024 to date, there has been \$23 million in sales, achieving \$1.9 million per week on average. The average ticket selling price now at \$7.76 compared to last year at \$7.29. Looking outside of Maryland at other US lotteries, those jurisdictions have a fiscal year to date growth of -2.6%. When observing top 10 performance of US lotteries, there is a growth rate average of 7.6% with most jurisdictions benefiting from \$50, \$30, and \$20 tickets in their portfolios. In the mature market, there continues to be new price point introductions as a means to generate growth. On the collaboration front, Pollard is poised to have time to schedule going over trends and practices resonating across the US, especially in higher price point strategies that will be most beneficial in maximizing incremental growth.

## **International Game Technology (IGT)**

Mr. Gary Cherwinski, Senior Director and Account Development Manager, reported that operationally things are going well. IGT has completed the annual network penetration test and the SOC audit. There is a software maintenance patch that is scheduled to be deployed into production on October 3, 2023, which will be followed by an upgrade to the internal ticketing system on October 18, 2023.

## **DIRECTOR'S REPORT**

### *Director's Report — John Martin, Director*

Director Martin thanked Commissioner Boozer for his years of service on the Commission. MLGCA celebrated the culmination of the 50<sup>th</sup> Anniversary with a Cash Bash Finale at the Maryland State Fair on Friday, September 8<sup>th</sup>, where ten players were selected from 3.3 million entries to come for a live event, where one person had the opportunity to play for a cash prize of \$100,000 to \$5 million. Virginia Mayo Holland of Berlin, Maryland was the winner of \$100,000.

In August, total for the month exceeded last August primarily due to growth in both Mega Millions and Powerball jackpots in that reporting period. The Florida winner of the August 8, 2023, \$1.6 billion Mega Millions jackpot came forth in the last 48 hours to claim their prize. Powerball has grown to \$925 million, which is the 4<sup>th</sup> largest Powerball jackpot in history. Last night, a \$1 million Powerball winner was hit in Snow Hill Maryland, and a \$50,000 winner at Wesley's in Elkton. Year over year, there is a 3.4% growth in sales on the Lottery side, and 6.9% growth on the profit side. The revenue contribution from casinos in aggregate is -3.6%, with total casino contributions to the State at -4.8% year-over-year. Sports wagering handle year to date is \$511 million, with contributions at \$5.8 million. There are currently 12 retail and 12 mobile licenses, and those numbers should increase next month.

## **COMMISSION ACTION ITEMS**

### *Managing Director, Regulatory Oversight — John Mooney*

Mr. Mooney reported that there would be two hearings today, the qualification and approval of the proposed acquisition of NeoGroup S.A. by Aristocrat Leisure Limited, and the qualification of MSF Sports, Inc., a subsidiary of the Maryland State Fair and Agricultural Society, Inc. for a Sports Wagering Facility License.

Chair Marriner read the procedure for the hearings and then collectively administered the oath to anyone who may testify or answer a question in either of the hearings. The individuals sworn in included: MLGCA Staff – John Mooney, Phil Metz, Ray Jones, Mike Pfisterer, Mark Ermer; representatives for Aristocrat Leisure Limited – Michael Nalder, Vice President, Regulatory Compliance; and Adam Berger, Outside Counsel. Other individuals present for representatives, but not sworn in at that time included: Scott Leopold, Outside Counsel; representative from NeoGames – Greg Bailey, Counsel; and representatives for MSF Sports, Inc. - David Gordon, Assistant General Manager; and Ward Classen, Vice President/General Counsel.

Mr. Mooney stated that he would summarize the reports that were sent to the Commissioners. At the end of the hearing, Staff recommends that the Commission entertain applicable motions.

## **Commission Action Item – Acquisition Agreement between Neo Group Ltd, Gaming Contractor and Aristocrat Leisure Limited, Gaming Manufacturer**

Mr. Mooney reported MLGCA is conducting a hearing on the proposed acquisition of NeoGames S.A. by Aristocrat Leisure Limited (“Aristocrat”).

For this hearing, the Commission must determine: Whether Aristocrat Leisure Limited has proven, by clear and convincing evidence, its qualifications; and whether the proposed acquisition of NeoGames S.A. by Aristocrat Leisure Limited and transfer of a licensee’s interests meets, and is consistent with the policies and intent of the Gaming and Sports Wagering Law.

The Commission was provided notice of the proposed purchase of NeoGames by Aristocrat in accordance with SG § 9-1A-19(b)(1)(i) and as applied to the Sports Wagering Law by SG § 9-1E-03(a)(1). On May 15, 2023, NeoGames S.A., Aristocrat Leisure Limited, and Anaxi Investments Limited, entered into a Business Combination Agreement (the “Agreement”).

NeoGames S.A.’s regulatory framework in Maryland begins on March 8, 2022 when its subsidiary NeoGames Solutions, LLC was qualified for a Sports Wagering Contractor License. NeoGames Solutions, LLC holds a Sports Wagering Contractor License that is in good standing. As a parent company of NeoGames Solutions, LLC, NeoGames S.A. was qualified as a principal entity.

Aristocrat Leisure Limited’s regulatory framework in Maryland begins on February 27, 2020 when its subsidiary Aristocrat Technologies, Inc. was qualified for a Gaming Manufacturer License after undergoing a full background investigation. Aristocrat Technologies, Inc. holds a Gaming Manufacturer License and the license is in good standing. As a parent company of Aristocrat Technologies, Inc., Aristocrat was qualified as a principal entity. (Note - Aristocrat was initially licensed in 2010, and its license was renewed in 2015 and 2020.)

NeoGames S.A. provides player account management platforms to gaming operators. The Agreement provides that Aristocrat will acquire 100% of the shares in NeoGames and NeoGames will transfer its statutory seat, registered office and seat of central administration from its current domicile in the Grand Duchy of Luxembourg to the Cayman Islands, and will be renamed as Neo Group Ltd.

Subsequent to the completion of the transaction, the newly created entity, NeoGroup Ltd., will then be merged with Anaxi Investments Limited. Neo Games Ltd. will emerge as the surviving company and become an indirect wholly-owned subsidiary of Aristocrat Leisure Limited. NeoGroup’s stock will be delisted from the NASDAQ and will no longer exist as a publicly traded entity.

The Agreement has been unanimously approved by the respective boards of directors of NeoGames S.A., Aristocrat Leisure Limited and Anaxi Investments Limited. On July 18, 2023, the required majority of shareholders of NeoGroup S.A. approved the transaction contemplated by the Agreement. The Agreement contains customary pre and post-closing covenants, conditions and warranties, including obtaining all required approvals of gaming regulatory authorities.

NeoGames S.A. and Aristocrat’s ownership, principals and principal entities are unchanged from their subsidiaries’ previous applications for gaming and sports wagering licenses.

Aristocrat is acquiring NeoGames S.A. in its entirety; however, after the Agreement closes NeoGames Solutions LLC will remain the Sports Wagering Contractor Licensee. Approval of the agreement will allow NeoGames Solutions LLC to continue its operations as a Sports Wagering Contractor.

MLGCA Staff’s investigation confirms that Aristocrat’s subsidiary maintains its qualification and good standing with its current Maryland Gaming Manufacturer License. MLGCA Staff has found no derogatory information regarding Aristocrat’s qualifications, and no issue with it meeting the requirements in the Gaming or Sports Wagering Law as required by SG § 9-1A-19(b)(ii). Staff

concludes that Aristocrat has established by clear and convincing evidence its qualifications required for its acquisition of NeoGames S.A.

Chair Marriner asked if anyone from Aristocrat Leisure Limited or NeoGames wished to speak. Michael Nalder from Aristocrat thanked the Commission and Lottery staff for acting so quickly, and told the Commission he is available to answer questions. There were no questions.

Chair Marriner asked for a motion to find that Aristocrat Leisure Limited has established, by clear and convincing evidence, its qualifications as a Principal Entity. Commissioner Williams motioned to approve, Commissioner Stakem seconded, and the motion was approved unanimously.

Chair Marriner asked for a motion to find that Aristocrat Leisure Limited meets the requirements of the Gaming and Sports Wagering Law, and that the resulting ownership changes from the acquisition of NeoGroup S.A. are consistent with the policies and intent of the Sports Wagering Law and State Government Article § 9-1A-18, as required by State Government Article § 9-1A-19. Vice Chair Doetsch motioned to approve, Commissioner Stakem seconded, and the motion was approved unanimously.

Chair Marriner asked for a motion to approve the proposed acquisition of NeoGroup S.A. by Aristocrat Leisure Limited as consistent with the Gaming and Sports Wagering Law. Commissioner Stakem motioned to approve, Commissioner Croghan seconded, and the motion was approved unanimously.

Chair Marriner asked for a motion directing Staff to draft the Commission's decision statement. Vice Chair Doetsch motioned to approve, Commissioner Croghan seconded, and the motion was approved unanimously.

### **Commission Action Item – MSF Sports, Inc. – Application for Sports Wagering Facility License**

Mr. Mooney reported that to be qualified for a sports wagering facility license, an applicant must submit an application and prove to the Commission by clear and convincing evidence, that it meets the qualification criteria in the Sports Wagering Law. The applicant must prove that it is qualified under State Government Article § 9-1E-07(e) and COMAR 36.10.03.02 and 36.10.04 and must not be disqualified under State Government Article § 9-1E-07(g)(1). An applicant must provide all information to the Commission that is necessary for a qualification determination as to the applicant, its principals, and its principal entities. If found qualified, the decision statement of the Commission will be forwarded to the Sports Wagering Application Review Commission (SWARC) for it to determine whether to award a license.

MLGCA conducted a complete and thorough background investigation into MSF Sports, Inc. ("MSF Sports") in connection with its application for a Class B-1 Sports Wagering Facility License as authorized under the Sports Wagering Law by analyzing corporate records and documents; scrutinizing the business operations, practices, and transactions and conducting interviews of key personnel, focusing on the required qualification criteria involving integrity and financial stability. The Agency adhered to well-defined and approved investigative protocols in assembling the factual information incorporated in the Agency's report and found:

- 1) MSF Sports, Inc. to have financial stability, integrity and responsibility;
- 2) There were no material issues involving the known financial backers;
- 3) MSF Sports, Inc. to possess the requisite good character, honesty and integrity;
- 4) MSF Sports, Inc. has sufficient business ability and experience; and
- 5) No potential disqualifying factors.



The Maryland State Fair and Agricultural Society, Inc. (the "Society") was incorporated in Maryland on October 19, 1950, and is recognized as a not-for-profit entity under Section 501(c)(3) of the Internal Revenue Code. MSF Sports is a wholly-owned subsidiary of the Society that was formed on June 17, 2021, for the sole purpose of overseeing the sports wagering operation at the site and holding the Sports Wagering Facility License.

The Society and Crown MD Gaming, LLC, an indirect wholly-owned subsidiary of DraftKings, Inc. ("DraftKings"), entered into a strategic gaming agreement on December 23, 2020. The Society and DraftKings assigned the Society's rights and obligations under the agreement to MSF Sports. The agreement is for a ten-year term beginning on the earlier of the launch date of DraftKings' online sportsbook or its retail sportsbook at the fairgrounds. Under the terms of the agreement, the parties will share the cost of renovating an area under the grandstands of the Timonium racetrack to house the sports wagering facility. DraftKings has been granted the exclusive right to operate the retail sportsbook at the fairgrounds and will provide all related equipment, customer and marketing services and personnel to staff the facility.

MSF Sports has filed a Sports Wagering Facility License Application and Crown MD Gaming, LLC has filed a Sports Wagering Facility Operator License Application with the Maryland Lottery and Gaming Control Commission. Additionally, the Maryland State Fair and Agricultural Society, Inc. and DraftKings, Inc. have each filed Sports Wagering Principal Entity Disclosure Forms with the Commission.

Mr. Mooney summarized the Society's operating results for fiscal years 2018 to 2022, and financial condition noting that the Society's financial ratios and margins are generally favorable, and its auditors have not expressed any concern with the Society's financial condition. There are no areas of concern with the Society's subsidiary, MSF Sports, Inc., being licensed as a Class B-1 Sports Wagering Facility.

MSF Sports and its principal entity satisfy the applicable qualification criteria under SG § 9-1E-07(e)(6) and COMAR 36.10.03.02 and 36.10.06.02, and are not disqualified under COMAR 36.10.03.02C and SG § 9-1E-07(g)(1).

David Gordon and David Cashman were identified as principals of MSF Sports and have Principal Employee Licenses. The Applicant has submitted a completed Sports Wagering Facility License Application, adequate proof of bond, and all required fees.

The Agency's investigation has confirmed that the Applicant has sufficient financial resources and found no derogatory information regarding the Applicant's qualifications. Staff recommends that the Commission find MSF Sports qualified for a Class B-1 Sports Wagering Facility License based on the provisions of the Sports Wagering Law by clear and convincing evidence.

Chair Marriner asked if anyone from MSF Sports, Inc. wished to speak. No one spoke. Chair Marriner asked if any of the Commissioners had questions for the applicant. There were no questions.

Chair Marriner asked for a motion to find that MSF Sports, Inc. has established by clear and convincing evidence that it is qualified for a B-1 Sports Wagering Facility License. Vice Chair Doetsch motioned to approve, Commissioner Stakem seconded, and the motion was approved unanimously.

Chair Marriner asked for a motion to direct Staff to draft the Commission's decision statement on the qualification of MSF Sports, Inc. for a B-1 Sports Wagering Facility License. Vice Chair Doetsch motioned to approve, Commissioner Williams seconded, and the motion was approved unanimously.

Chair Marriner then asked for a motion to direct the Secretary of the Commission to transmit the decision statement to the Sports Wagering Application Review Commission. Vice Chair Doetsch

motioned to approve, Commissioner Williams seconded, and the motion was approved unanimously.

**CLOSED SESSION**

There was no need for the Commission to go into a closed session.

**DATE AND TIME OF NEXT MEETING**

The next Commission meeting will be held on Thursday, October 26, 2023, at 10:00 a.m. in person at Lottery Headquarters and via video conference.

**ADJOURNMENT**

The Chair again commended Commissioner Vernon Boozer for his service. There being no further business, Chair Marriner adjourned the meeting at 10:53 a.m.

Respectfully submitted,



John Martin  
Director