

Maryland Lottery and Gaming Control Agency



Wes Moore, Governor • John Martin, Director

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TO: Maryland Lottery and Gaming Control Commission
John Martin, Director
Jim Nielsen, Deputy Director

FROM: John J. Mooney

DIVISION: Managing Director, Regulatory Oversight

DATE: April 10, 2024

SUBJECT: Report for the April 25, 2024, Commission Meeting

Commission Action Items – Consent Agenda

Violations:

Horseshoe Casino – Regulatory Violations – November 2023
Hollywood Casino – Regulatory Violation – December 2023
Hollywood Casino/Penn Sports Interactive – Regulatory Violations – December 2023
MGM National Harbor Casino – Underage Violations – Case No. 2023-06-027 to -039
Ocean Downs Casino – Regulatory Violation – December 2023

Commission Action Items – Consent Agenda

Request to “Reverse Denial” of Gaming/Wagering Renewal Applicant #69140

Applicant 69140 submitted his application for a Gaming Wagering Renewal License on December 18, 2023. The applicant failed to list on his application a civil citation for “failure to exhibit proof of payment” in February 2020. The applicant was found guilty in District Court for Baltimore, Maryland. The applicant filed a motion to modify the “guilty” finding on September 15, 2023 to avoid being denied a license due to a crime of moral turpitude on his record. On February 22, 2024, the applicant was denied by the Commission. On April 4, 2024, the applicant filed an appeal of his denial with the Circuit Court. On April 11, 2024, the applicant was acquitted of the charge by District Court. Staff recommends the reversal of the denial due to the acquittal of the charge that justified the denial of the applicant’s license.

License Applicants and Licensees

The following license application recommendations are before the Commission based on the applicant's criminal history, failure to cooperate with, or provide requested information to, a background investigator, conduct after licensed that jeopardizes the integrity of the gaming program or otherwise is not qualified to hold a license:

Denial of a License: # 20

Revocation of a License: # 15

Request for Removal from the Mandatory Exclusion List

The following recommendations are before the Commission regarding the removal from or continued inclusion on the Mandatory Exclusion List based on whether there was good cause for removal and a material change in the individual's circumstances since being placed on the List:

Removal: # 0

Continue to Include on the List: # 0

Commission Action:

License Applicants and Licensees

It is requested that the Commission adopt as final the recommendation of the Director's designee, for denial of the specified gaming license applications for the respective applicant and revocation of the specified gaming license for the respective licensee for failure to establish his/her qualifications by clear and convincing evidence.

Request for Removal from the Mandatory Exclusion List

It is requested that the Commission adopt as final the recommendation of the Director's designee regarding the individuals' removal from or continued inclusion on the Mandatory Exclusion List based on whether there is good cause and/or a material change in the individuals' circumstances since being placed on the List.

Please see the description below. All PDF files of supporting documentation have been uploaded into the 'J' shared drive under Commission Reports for each individual presented today, April 25, for Denials, Revocations and Requests for Removal from the Mandatory Exclusion List whether recommended for removal or for continued inclusion on the List. These files contain the justification for today's action.

Note to Commissioners:

The PDF files of the supporting documentation on the MLGCA Shared Drive under Commission Reports (Mooney Confidential, licensing denial/revocations), contains names of thirty-five (35) gaming license applicants or licensees for whom the Director's designee has recommended either the denial or revocation of their application for a gaming license for failure to prove by clear and convincing evidence that they meet the statutory requirements for licensure. *See* State Gov't, Section 9-1A-14. The license applications and licenses are recommended for either denial or revocation upon Regulatory Licensing and Investigations Division Staff conducting an investigation that supports the recommendation.

Located on the Agency's Shared Drive under Commission Files (April 2024) there are PDF files for your review. (The PDF files contain documentation for each of the recommended denials and revocations, including: notice of recommended denial (which includes the basis for the recommendation and notice of right to request a reconsideration meeting (denial) or a hearing before the Commission (revocation)); documentation that Staff mailed the required notices; and relevant documents from the

background investigation conducted by Staff that supports the recommended denial or revocation of the applicant's license application.)

COMAR sets forth the applicant's and licensee's rights if their gaming license application or license is recommended for denial or revocation. An applicant recommended for denial of a license has a right to timely request a reconsideration meeting, and, if they are dissatisfied with the recommendation following the reconsideration meeting, the applicant may timely request a full hearing before the Commission. An applicant recommended for revocation may timely request a full hearing before the Commission. If the applicant fails to exercise these rights, the Commission may adopt as final the recommendation. Only the Commission, not Staff, is authorized to deny or revoke a gaming license, which is why these recommended denials and revocations are being presented to the Commission.

All of the applicants identified on the shared drive were mailed notification of the recommended denial or revocation, and of their right associated with the recommended action. For a denial, they were notified of their right to timely request a reconsideration meeting with the Director or the Director's designee. The majority of the recommended denials are applicants who did not exercise that right. A smaller group of the recommended denials are applicants who received a reconsideration meeting and were notified of their right to timely request a full hearing before the Commission, but did not exercise that right. The applicants who are recommended for revocation before the Commission did not exercise their right to request a hearing before the Commission.

Staff is requesting that the Commission adopt as final the Director's designee's recommendation to deny or revoke the gaming license applications of thirty-five (35) applicants and licensees identified on the spreadsheet.

Additionally, on the Agency's shared drive under Commission Files (April 2024) there are PDF files for the Commission's review regarding the Director's designee's recommendations concerning requests for removal from the Mandatory Exclusion List. An individual requesting to be removed from the Mandatory Exclusion List must provide good cause for their removal and identify why there is a material change in their circumstances since being placed on the List. These requests have been investigated and included on the Agency's shared drive is the initial request and the Director's designee's recommendation. None of the individuals who are recommended for continued inclusion on the Mandatory Exclusion List exercised their right to request a hearing before the Commission.