

MARYLAND LOTTERY AND GAMING CONTROL COMMISSION AUGUST MINUTES

DATE: August 29, 2024

TIME: 10:00 a.m.

PLACE: Maryland Lottery and Gaming Control Agency Headquarters
and Virtual

PRESENT: Chair Everett D. Browning, Sr.
Vice Chair E. Randolph Marriner
Commissioner Ade Adebisi
Commissioner George L. Doetsch, Jr.
Commissioner Harold E. Hodges
Commissioner James J. Stakem

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
Representative from Ocean Downs Casino
Representatives from Live! Casino
Representative from Rocky Gap Casino Resort
Representative from Horseshoe Casino Baltimore
Representative from MGM National Harbor
Representative from BetMGM

Everett D. Browning, Sr., Chair

E. Randolph Marriner, Vice Chair; Commissioners: Ade Adebisi, Diane Croghan, George L. Doetsch, Jr., Harold E. Hodges, James J. Stakem

QUORUM ESTABLISHED

Chair Browning announced that there was a quorum present for the meeting. Also present in person were: Vice Chair Randy Marriner, and Commissioners Ade Adebisi and George Doetsch. Present via Zoom were: Commissioner Harold Hodges and James Stakem. Commissioner Diane Croghan was absent.

CALL TO ORDER

After establishing there was a quorum, Chair Browning called the meeting of the Maryland Lottery and Gaming Control Commission to order at 10:00 a.m.

APPROVAL OF THE AGENDA

Chair Browning asked for a motion to approve the agenda. Commissioner Doetsch motioned to approve, Vice Chair Marriner seconded, and the motion was unanimously approved.

APPROVAL OF THE MINUTES

Chair Browning asked if there were any corrections or alterations to the minutes of the June 27, 2024, Open Session. There being none, Chair Browning asked for a motion to approve the minutes. Commissioner Doetsch motioned to approve, Vice Chair Marriner seconded, and the motion was unanimously approved.

CONSENT AGENDA

While Chair Browning was listing the items on the Consent Agenda under the Instant Ticket Games, Commissioner Hodges inquired whether a quorum had been established. Chair Browning stated that it had been established and then resumed with the Consent Agenda.

Chair Browning said the Consent Agenda contains:

1. Seven New Instant Ticket Games: \$1 #722 *Monopoly X5*; \$10 #723 *Mega Bucks*; \$30 #724 *Monopoly X200*; \$2 #727 *Monopoly X10*; \$5 #728 *Monopoly X20*; \$10 #729 *Monopoly X50*; and \$20 #730 *Monopoly X100*;
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 (6/18/24 – 8/26/24);
3. Consent Agreements – Regulatory Violations:
 - a. Hollywood Casino – April 2024;
 - b. Horseshoe Casino – March and April 2024;
 - c. Live! Casino – March 2024;
 - d. MGM National Harbor – February 2024;
 - e. Ocean Downs Casino – April 2024; and
 - f. Rocky Gap Casino – March and April 2024;
4. Consent Agreements – Retail Sports Wagering Violations:
 - a. Bingo World – March 2024;
 - b. Canton Gaming – March 2024; and
 - c. Long Shot's – March 2024;
5. Consent Agreements – Mobile Sports Wagering Violations:
 - a. Draft Kings – March 2024;
6. Consent Agreements – Bingo Facilities Violations:
 - a. Bingo World – Bingo Hall – March 2024;

7. Consent Agreements – Underage Violations:
 - a. Hollywood Casino – Case Nos. 2024-01-001, -002, and -003; and
 - b. MGM National Harbor – Case Nos. 2024-06-001 to -009;
8. Gaming License Application Denials/Revocations;
9. Employee License Revocation Reversal;
10. Lottery Retailer License Revocation; and
11. 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 Browning asked if any Commissioners cared to remove and discuss any items on the Consent Agenda. There being no discussion or requests, Chair Browning asked for a motion to approve the Consent Agenda. Commissioner Doetsch motioned to approve, Vice Chair Marriner seconded, and the motion was unanimously approved.

OPERATOR REPORTS

Hollywood Casino

Ms. Amy Brennan, General Manager, reported that total gaming revenue for June was up 5%, and was down 5% in July. Year-over-year gaming revenue is up 2.1%. The casino had several promotions and giveaways in June and July. There was a \$10,000 poker giveaway promotion in the poker room, and a \$5,000 slot tournament. The Progressive Payday still has not been hit and will be a jackpot of \$90,000 in September. In the community, the casino has several programs in place. There is a charity committee on the property comprised of all different levels that makes recommendations about charitable efforts. The casino picks organizations that are a 501(c)(3). The casino has guidelines for choosing an organization to contribute to and it must fit in one of five categories, including: community development, human services, cultural affairs and diversity, health, and veterans and active military. In June, the casino did a food drive at Ray of Hope, a clean-up at Plumpton Park Zoo, and a Wreath Making for a Cause where team members designed wreaths that were then sold at silent auction. The proceeds of the Wreath Making for a Cause went to the team member Heart Fund. Hollywood Casino had a Pride Door Decorating competition in June. The top 3 departments picked the charity to which a financial donation was made. There was a summer cook out for team members. In July, the casino had the annual engagement service survey with 99% participation.

Staffing at the casino is currently between 320 and 340 employees. There have been some challenges with unemployment in Cecil and Harford Counties currently being so low, and most team members come from these counties. The casino is looking towards the engagement service survey to give insight on how to improve staffing levels. The biggest challenge is finding experienced dealers and food service staff. Those are the two positions which have always been hardest to fill.

Penn Entertainment has incubator programs to grow leaders, with a myriad of programs. The Leadership Excellence Program (LEAD) recruits college juniors and seniors to work in different departments at the casino for three months. Once the students graduate, they come back for a one-year internship in the area of their preference. The Emerging Leaders program helps front line team members move into management positions. Early Career and Mid-leadership Academies with online and in person components exist to help grow and develop skills. The casino also has a Cohort Program that allows leaders to learn other sides of the business.

Hollywood Casino works in collaboration with colleges and universities. In 2021, Penn started increasing recruiting from more diverse groups. Penn committed \$4 million to a STEM scholarship program with HBCUs. Over \$1 million in scholarships were given away last year to children and grandchildren of team members, and the company paid out over \$500,000 in tuition reimbursement in 2023 across the company. The casino's best collaborative relationship is with Harford County Community College with their satellite campus for a Dealer School. Hollywood Casino is working with the Cecil County Community College to offer the same program with them. The casino participates in their job fairs. The biggest hiring challenge is with the licensing process, in particular with food and beverage because the process for licensing takes considerable time, when applicants can otherwise go to fast food restaurants and be hired immediately. Having worked at other properties, Ms. Brennan said those casinos allowed these potential employees, while in the licensing process, to do other things at the casino that does not have anything to do with touching assets or other license required positions, such as security patrol in the parking lots.

MBE and WBE efforts are not where the casino wants them to be. The casino currently uses four diverse vendors and there are four in the pipeline now. The spend is half of what it needs to be compared to current goals. As a company, Penn is committed to doubling diversity spend in the next year. The company is not only focusing at Perryville, but other properties as well. The goal is to increase spending by 3% each year. Penn has a small business incubator program partnering with small businesses to help them grow. At the executive leadership retreat, the company had invited 4 to 5 vendors to join in so all General Managers had an opportunity to speak with them. Not all diverse vendors used at Hollywood are licensed in Maryland, but more are used than what the casinos numbers demonstrate. In partnership with Gerald Stinnett at GOSBA, the casino is hosting, , a Doing Business with Hollywood Casino event at the property to attract more vendors. The casino has implemented a new retail gift card program with one of the MBE suppliers. There are two new diverse suppliers currently going through the licensing and MBE certification process. Hollywood Casino's regional purchasing person has introduced vendors to all Penn properties.

In terms of things outside control of the casino, vendors do not want to go through the licensing process. The casino has approached many vendors and, for variety of reasons, it has been a struggle. Finding vendors that can deliver to the casino's size and demands has also been a challenge.

Commissioner Hodges asked Ms. Brennan whether revenue had declined over the last few months or year-over-year. Ms. Brennan stated that June was up 5% and July was down 5%, that the gross gaming revenue was up 2% year-over-year.

Commissioner Hodges asked what drove the small increase. Ms. Brennan said that summer is the most difficult season because of people taking vacations. The casino's slowest months are June, July and August. Promotions in June had the casino doing better than expected; however, July was less spectacular. Over the last several months business has been softer, and August has been pretty flat.

Commissioner Hodges asked Ms. Brennan regarding its MBE commitment and to give one or two reasons for not doing so well in achieving the goals. Ms. Brennan said having suppliers certified on the state MBE list that can provide a competitive price for supplies needed, or to offer goods and services is the main issue. There are not MBE vendors in all categories so it is a challenge for the casino.

Vice Chair Marriner recommended working closely with Gerald Stinnett at GOSBA. Ms. Brennan said the casino is excited about the September event.

At 10:19 a.m., Commissioner Hodges walked away from his camera.

Commissioner Adebisi asked Ms. Brennan to, in the future, think about how to quantify how the process could be more flexible and how the Commission could help with staffing and the impact of the licensing program and shortness of staff. He asked Ms. Brennan to think about it and let the Commission know what can be done to help the casino because increasing your revenue potential requires having sufficient staffing.

Chair Browning told Ms. Brennan to let the Commission know what can be done to help the continued partnership with Maryland.

Ocean Downs Casino

Bobbi Jones, General Manager, reported that gaming revenue for July was down 4.6% year-over-year, and August has been up. For Ocean Downs, the summer is the busiest season, but this year has been down as far as occupancy.

At 10:22 a.m., Commissioner Hodges returned to his seat on camera.

Ms. Jones said families are doing shorter stays. This has had an economic impact on the entire area. When hotel occupancy and patronage at restaurants are down, it affects all businesses in the area, including the casino.

The casino has continued the Summer Cash Bash with prizes ranging from \$5,000 to \$15,000, most being won on Saturdays. There were over 300 participants in the slot tournament. The casino has held several promotions and giveaways. Ocean Downs raised \$1,000 for the Cricket Center for Child Abuse. Ocean Downs collected over 73,000 pieces of school supplies which were divided up in July and given to the schools in the area that are most in need. The charity slot tournament brought in a donation to the Humane Society of \$3,000.

Currently, the casino has 16 open positions; eleven (11) are pending and going through licensing. When it comes to filling positions, licensing continues to be a problem when hiring for food and beverage positions. Similar to Hollywood Casino, applicants in Ocean City can walk in the door of any food establishment and get hired immediately while the casino staff has to be licensed, which takes time. The casino explains to applicants that the positions are year-round positions, and not just for the summer.

At 10:25 a.m., Commissioner Hodges turned off his camera.

The MBE spend should be at 3.48%, but currently is not where the casino wants it to be. Spending is at 20% with minority owned businesses that are not registered MBEs with the State, although with the casino has been focused on getting them to register. The spend is going up because the casino is trying to outsource services but it is difficult because of the remote location. Most MBE businesses in Maryland are in Baltimore. Ocean Downs is trying to work with local companies to register with the State so the spending can be attributed to the casino's MBE spend.

Chair Browning asked Ms. Jones to let the Commission know how to help with the hiring process.

Commissioner Hodges said going back to the tail end of what he heard about revenue, the trend is unlike the prior speaker, and that normally it is softer revenue issues in the summer. Ms. Jones stated that for Ocean Downs the winter months are soft, not summer. First quarter are the softest months.

At 10:27 a.m., Commissioner Hodges turned his camera back on.

Ms. Brennan said summer is the strong season for vacationers, although this year most vacation stays were only 3 or 4 days and not the usual 7 days. Due to shorter vacation stays, the casino is not seeing as many patrons. The casino is seeing a lower volume of people in town for vacation so they are not picking up those revenues at the casino.

Commissioner Hodges said summer has an influx with folks from all over the world. He thought it would be a natural traffic driver. Ms. Jones pointed out that all coastal beaches this year have seen a softer average daily rate and occupancy levels are down because people are not staying as long or not taking vacation at all currently.

Commissioner Hodges asked if Ocean Downs is changing its price-point strategies. Ms. Jones said the casino works with the Hotel Motel Restaurant Association, and is looking at other entertainment options in the area. Hotels making the same amount in revenue when closing off 25% of their rooms, and don't have to clean those rooms is great for them, but not for the rest of the businesses in Ocean City.

Commissioner Hodges said there should be a collaborative effort with package deals with hotels and casino to drive revenue. Ms. Jones said the casino does that with local hotels and local golf groups. Patrons buy the packages and come to the casino for free play.

Chair Browning thanked Ms. Jones for her report and said the Commission would like to work with the casinos to drive up MBE and Maryland participation for small businesses.

Vice Chair Marriner said the hospitality industry as a whole is affected by the state of the economy. Right now, the economy is down for all businesses not just casinos.

Ms. Jones said the casino is not sure how familiar the Commissioners are with Seacrets, which is a huge night club in Maryland. In the past, especially in July, the club would charge \$75/person to get in the club and patrons must pay for drinks separately once inside. They usually have a line of people waiting to get in. That has not been seen this summer, and even alcohol sales are down.

Live! Casino

Mr. Ryan Eller, General Manager, reported that in June gross gaming revenue was \$60.4 million, up 3.5% year-over-year, and July was \$62.7 million which was flat to prior year. In June, slot machine revenue was up 1.8% and in July was up 1% year-over-year. Table game revenue in June was up 8.5% and was down 2% in July. There is one less weekend in July which had an impact and downward pressure on gaming revenues. Overall, the performance during this period was strong. The decline in table game revenue was due mainly to an uncommonly favorable hold last year.

The casino had a busy schedule of promotions, and also had a 12th anniversary celebration in June with several shows and event, including a private showing of the current Deadpool Wolverine movie, to alleviate some of the seasonal pressures of the summer months. Live! Casino had a \$50,000 slot tournament in July, and an across-property baccarat tournament that brought in high-end players. Entertainment at the casino included several shows, and a boxing event.

The casino has had a great response with team-member events at the property. Also, over 1,000 team members attended Oriole games over a 2-day period. The casino held a Sunshine Fund School Supply Drive and Sale for team members where they buy school supplies at sale prices, as well as a raffle, with the \$3,500 raised from this event going into the Sunshine Fund, a team member assistance fund.

In the community, Live! Casino has a community relations committee that solicits opportunities

for community giving by having the public go on the website and submit a proposal. The committee is mainly to establish relationships with the community for an opportunity for contributions. The management team from the Director level and above must be actively engaged with community organizations. Currently, there are 75 community organizations that its management team is a part of and these executives sit on the boards of 40 of those organizations. Last year, the team member giving program for community donations was just like leadership program. Team members may see needs that the executives may not. Bringing opportunities for giving to that committee has been a success.

Statistically, the casino has made \$540,000 in donations year-to-date in the form of goods and services, and \$133,000 in cash. Year-to-date through July, there have been 2,640 volunteer hours donated by team members contributing to a variety of charities.

In response to MBE and vendor efforts, the prior year, Live! Casino had 49 MBE vendors representing \$9.8 million which was over 20% in minority spend. Current year-to-date, the casino has 46 MBE vendors, currently tracked through July, which equates to spending of \$7.2 million with 20% or better to date, and over the casino's 19% goal. The casino is on track with achieving those goals.

Live! Casino has programs in place with Gerald Stinnett and GOSBA to host a variety of events that benefit Live! Casino and the region. The casino has several upcoming events and continues looking to find other partnerships as well to host large scale events leveraging and creating opportunities for creativity and connection. The casino's MBE program uses resources with registered MBE vendors, and is looking at recruiting vendors. Part of the program includes helping MBE vendors with the licensing process which can be daunting, as well as the process of registering as an MBE vendor in Maryland. Minority owned business might have registered in another state and the casino tries to help or encourage them to navigate the process in Maryland. Live! Casino has had some success as part of the program and has identified about \$3 million under the current program that would add to the annual spend.

Employment at the casino shows a minor increase from 2023, with 2,420 team members. In general, the casino is having many of the same difficulties in operations with retaining team members that the other casinos in the State are experiencing. The volume of applications is very large, and it is easier to apply for jobs where everything is remote, such as in a hospitality enterprise like fast food restaurants whereas the casino has an application process that applies friction to the procedure due to licensing in order to protect the business. In order to get quality candidates, the casino tries to increase visibility at community events, providing information about available jobs, and trying to accelerate the hiring process. Applying for a gaming license position could take four (4) weeks from application to onboarding. Nongaming licenses can take three (3) weeks, and non-license positions such as food service is closer to two (2) weeks.

Live! is able to control some procedures with some of the processes they have in place. The casino is trying to do same day hiring – interview, job offer, to completing the paperwork for the license all in one day, so it is able to shrink the process somewhat. The process of trying to recruit and retain is a challenge. It is a tight job market, with low unemployment in the region. Having public transportation is helpful, and there are costs associated with that. The casino is a 24/7 environment, so efforts are made to try to mitigate this problem with ride shares, which is a useful program that currently assists about 50 team members but is difficult to scale up to 2,000 people. Developing relationships on the education side makes it better to develop talent than hiring talent.

Live! Casino is in partnership with Anne Arundel Community College with a \$1 million multi-year commitment with the dealer schools and some support for other courses they have on hospitality and trade sides, which have been productive. The casino is exploring trade and apprenticeship programs at the high school level, with the operation of trades, which is valuable and engage

students in part-time employment while going through apprenticeship programs for that trade. The Lead Program identifies high-potential candidates within the organization for a mentorship to expose them to other aspects of the casino business to prepare for the next level of management and then them becoming an executive. MBE targets with those goals to ensure management and executive groups are appropriately represented with team member longevity. Tying goals to the Lead program has proven effective.

Commissioner Hodges said Mr. Eller had mentioned earlier revenue being better year-over-year compared to the cost side of things and wanted to know the impact of cost as far as that trend, and how costs are managed at this point given performance overall in how the casino is doing profit-wise. Mr. Eller said the casino has had a good deal of success managing costs efficiently while realizing revenue improvements. The casino was able to overcome some shortfall from losing weekend days in July, and have seen the market with headwind in hospitality and gaming, having glossed over promotions and events, those activities have driven in good traffic to the property and filled holes the casino would have had from those market headwinds. From a cost management standpoint, the casino learns by looking at what was the most efficient deployment of marketing capital. Not every promotion performed as wanted, but that's the learning process and could sustain revenues with efficient investment, and reinvesting intelligently, which ended up holding the line of revenues as a result.

Commissioner Hodges asked if the casino was looking at how they manage security costs given the need to make sure the IT environment is secure and people's information is not hacked when in the casino. Mr. Eller stated that security is always a concern even before public issues hit the news, it has always been front and center. The casino focuses on all areas of risk mitigation, which is a good deal of investment. Cost of services continues to increase. This has always been a focus. The casino has been more intelligent, managing risk and investing further capital which is not an area where the casino has been able to control costs proportionate to the assessment of risk, especially from a system and IT side.

Commissioner Hodges asked about sharing and discussing common risks with other casinos and working on ways to mitigate risks as a group. Mr. Eller said the Live! Casino has a great relationship with the other casinos. They all cooperate together in risk mitigation in any form, from game control, to crime, to sharing best practices for securing facilities, and from IT infrastructure and best practices, not including sharing sensitive information, but those impact all of the casinos. Mitigating risk is taken very seriously. There are two types of risk mitigation: Communication lines, including personal IT information, and Compliance sector and surveillance, and Live! Casino is robust in both.

Chair Browning asked, besides retention, if there was anything the Commissioners can do to partner with the casino to mitigate issues. Mr. Eller said the licensing environment for employees is unique, like for hospitality. There needs to be a way to figure out how to manage the process and shorten the time by streamlining the process. From a retention standpoint, Maryland is a place where this is always a challenge because of the robust economy. Sharing best practices going forward will help.

Rocky Gap Casino

Mr. Brian Kurtz, General Manager, reported that gaming revenue for June and July was down 10.3% and 13.4%, respectively. June slot machine revenue was down 15%, primarily driven by reduced volume in the casino, and less hold. Table game drop was 2%, up 10% in June. Slot machine revenue in July was down 17%, volume driven, and less hold. Table games were down in July, less overall drop with less hold. There was excessive hold last year. From a fiscal year standpoint, slot machine revenue was down 11.3% and table game revenue was down 12.6%. It

was less uncared or unrated play. Discretionary spending saw a change starting in February 2023 and has continued to drop. Neighboring states like Pennsylvania and West Virginia are also down and impacted by iGaming and mobile sports betting.

From a travel standpoint, in June the hotel was at 86% occupancy, and 92% in July, compared to being flat last year. All non-gaming outlets continue to show strong volume. Volume on the golf grounds are up, with less wallet walking in the door. Although outside of the casino's control, it speaks to where revenues sit. Allegany County is the second smallest county in the State with a median household of \$47,000, which is about half of the State average, which is \$29,000 lower than any other casino in the State. The poverty level is 18.9% compared to the State average of 19.6%. Much of the spending is likely on need based as opposed to discretionary spending, when compared to Pennsylvania, Western Maryland is less.

This has been a transition year for Rocky Gap with all systems replaced including the finance system and gaming system, so there was disruption, and revenue was down 30% due to snow from November through March.

There are two areas in hiring that have been difficult. As mentioned by the other casinos, the amount of time for licensing. Rocky Gap does not have as much of a problem with food and beverage because they are outside of the gaming floor, but it is still a struggle. The unemployment rate in Western Maryland is low, between 4 to 6%. Food and beverage, housekeeping, the janitorial services have to have a nongaming license; there is a financial requirement if an applicant owes money to the State or child support, it can be an encumbrance. These positions do not have access to money, chips or anything financial, and it is difficult in this market to find and license people to come in and clean. Currently, management helps out with the cleaning.

Maryland requires a stand-alone audit which costs about \$160,000 a year. As a public traded company Rocky Gap has a pre-standing audit performed for all States, and allowing a holistic audit with a carve out for each property would be a cost savings. This has been brought up in the past and Rocky Gap would ask that MLGCA look for future possible changes to regulations.

Rocky Gap had a variety of promotions in June and July, and added entertainment and giveaways, including additional vehicle giveaways and monthly targeted player events. The casino hired a new Director of Player Development last year to go into the community building further visitation. In the community, the casino was picking a new charity every month, now every 60 days, collecting donations and making cash donations with a drawing at the end of 60 days for free slot play. Rocky Gap is currently working with transportation locally to have a shuttle from historic downtown. The shuttle would drop off on the property for employees to get to work, as there is no mass transit in the area. In an effort to energize the community, the casino has had events at breweries and restaurants, and offers a railroad building package so guests get to ride the train as part of the package. Rocky Gap has worked with a variety of institutions including Department of Health and Human Services, Family Crisis Resource Center, local United Way, and events such as the Hooley Plunge to benefit the Special Olympics, Dragon Boat Races to benefit the local YMCA, and Day of Caring and Sharing to benefit United Way. In August, the casino did Stuff the Bus with school supplies for local schools. Some staff from the casino sit on local boards. The casino has built pipelines with Frostburg State College and Allegany College of Maryland for dealer schools and an internship for culinary arts. The casino also works with the college bringing in initiatives they believe benefit the community and Rocky Gap such as a woodworking challenge that helped the economy in trades craft with community locally. The Appalachian Regional Commission was brought to Rocky Gap for the first time in 20 years. Governors' from some of the 13 Appalachian states came on to property to showcase the community.

Century Casinos, based on feedback, wants to do more incubator programs building specific track lines from food and beverage, gaming, hospitality, hotel, spa, golf, and mentoring programs.

Holistic mentoring programs are going to be used where they place an employee with a high performer, get an informal review of their performance every 90 days to know where they stand and what can be improved. Rocky Gap does not have the luxury of a large population to hire from, so growth comes from within. This program allows directors to see individuals in operations, meet with them in person, tell them they have a voice, and allow them to come and speak with management. This program is done in an effort to attract employees to a new career or change careers within the casino. This allows the employees to advance and sells the property as an employer even more. Mr. Kurtz said the casino is looking forward to having a more robust program.

Rocky Gap currently has 444 employees, 51% are full time, which is slightly down from last year due to recruiting challenges with culinary and housekeeping. Rocky Gap does use a J1 Program for about 5 months of the year during summer months. Without those employees Rocky Gap would have to have limited occupancy because the casino is unable to hire enough people in the summer months. From a consumable hour standpoint, the casino is only down year-over-year 11 FTE. Team members are earning overtime when they can. It is a very team-focused environment at Rocky Gap with a lateral service agreement with the Union to help out. Going into the fall season the casino is hiring more staff with the J1 Program leaving, and there is a high turnover and competitive wages in the area. The large prison system in area from a State benefit standpoint is bigger than casinos.

From an MBE compliance rate, Gerald Stinnett has been helpful with the purchasing department. Through the first six months of year, the casino is at 21% compared to compliance rate of 17%. In addition to the compliance rate, Rocky Gap has spent an additional \$86,000 with MBE partners. Rocky Gap has been very lucky to find 21 good partners, using 5 consistently, using them more than needed because they have been great partners. They have helped with supply chain issues when other companies are unwilling to work with the casino to get supplies as needed. In agreement with Ms. Brennan, being further away from major population centers it is difficult getting new MBE or WMBE partners because of the distance from Rocky Gap.

Despite revenues currently being down, the casino feels confident as the economy improves we are looking for things to increase. The casino added a beach to the property, has new carpet on the first floor, and is continuing to make aesthetic improvements to keep service high, and will continue to do that.

Chair Browning asked about the impact of casinos in other states around Rocky Gap and how the casino mitigates that impact. Mr. Kurtz said it is the nature of life, but is trying to mitigate it. At times it is hard to overcome. iGaming as an option is saving patrons money on trips. Rocky Gap offers a completely different experience and not just gaming. The casino is bringing in more visitation from the Washington, DC area. Smaller spend in the casino, larger spend outside of the casino. The casino is being pragmatic and not going out and overextending to cause further damage. The casino continues to offer great service. The casino finds discretionary spending has affected people. Time will help with these things, with interest rates going down and every day individual growth.

Horseshoe Casino

Mr. Jacob Witmer, Senior Vice President, General Manager reported that his team is in the process of restoring the casino to what it should be. This is Caesar Entertainments approach and why Mr. Witmer is here. July gaming revenue was down 17%. That was a ten basis point improvement. The team will be restoring the property from the outside in with a focus on employees. Horseshoe Casino will be bringing back the former Baltimore native, Christian Golder as the Director of Security and Ms. Cindy Lin as Director of Casino Marketing to help improve the executive team.

Mr. Witmer asked that the Commission not look at the 17% down, but that there was a 14-month trend where the casino was slipping month-to-month. July was the first month where the casino was up 2% month-over-month. By building up the team it will show that senior management of Caesars sees the property. The casino is the second highest employer in Baltimore behind health care. The South Baltimore Gateway Partnership is producing millions of dollars in reinvestment back into the City of Baltimore. The previous leadership let go of the improvements and the casino will not be taking that approach anymore. Caesars Entertainment is taking an investment approach. Having staff support, capital infusion and entertainment will invite people back in. This will pull the property back to what it once was.

Marketing included the typical blackjack tournaments and craps tournaments, but that also needs to be reviewed going forward. What is the marketing that works for Baltimore? The goal is to have a market that aligns with what works for Baltimore, and for Maryland, not a one size fits all. The casino will be focusing on proprietary core and noncore assets. This will be the focus going into the 4th Quarter and into 2025. Horseshoe Casino will be utilizing entertainment with partners of Caesars Entertainment, activating Brew Brothers, the headliners for the Ravens season, focusing on the NFL season with Jimmy's Seafood to be the primary sponsor for the Tailgate Festival, creating a 360-degree partnership for the Ravens games and back to the casino, creating an experience for the people of Baltimore. The casino wants to focus inward with cash donations to several charities to be more impactful. September will be the 35th Anniversary of Responsible Gaming and the casino will be doing employee engagement activities and will be working with the Maryland Center for Excellence.

Caesars Entertainment has a goal by 2025 of 50% of all leadership to be a minority. This property is currently at 46%, with 79% minority staff as a whole. In a job versus career comparison, people want a career. With the staff that is coming back, the casino will take the opportunity of training and communicating with people at the property. Horseshoe has spoken with the Mayor's Office to find recruitment opportunities to succeed. Horseshoe Casino is Baltimore's Casino and is looking for opportunities to get revenue numbers up.

Mr. Witmer said that this is his first month at helm and the numbers look good year-over-year. He is connecting with customers and making a plan going into next year. Currently there are 740 employees, and the casino hopes to have 900 by end of the next year, somewhere between a 3 to 5% growth. Mr. Witmer said that next month he will be more loquacious.

Vice Chair Marriner welcomed Mr. Witmer to Baltimore, and congratulated him on ten years.

Chair Browning thanked Mr. Witmer and asked if there was any way the Commission can support him, to let them know because his success is the Commission's success. He thanked Mr. Witmer for making Baltimore a priority.

MGM National Harbor

Ms. Melonie Johnson, President and COO, reported that June gaming revenue was down 1.3%, and July was flat year-over-year down .2% with a decline in table game revenues. Volume was still there, but the casino cannot control hold, and the current year was bad. In 2024, players have self-excluded, and patrons are not playing anymore. and to combat it and make it a level playing field, the casino has the luxury of MGM brand, using cross-property managing and bringing in players from other states. MGM National Harbor is looking at strategies in how they are reinvesting in their guests. The further out you live, reinvestment goes higher. The slot business is doing really well, with over 50% in slot revenue, normally split with table games. It has been a very sophisticated crowd, and the casino works to solicit locals to the property. Table games are balancing out. The casino is not concerned about losing anything although they have lost some business to Bristol.

In operations, the casino is doing the normal kiosk games, and baccarat and blackjack tournaments, and giveaways that will continue to be done. MGM National Harbor has partnerships with NBC 4 and Telemundo 44 for a heritage series sponsored on property to bring in the community to showcase the property. The casino has celebrated Black Heritage, Pan Asian Pacific Islander, LGBTQ, and Hispanic Heritage months. The casino participates on numerous Boards including The Greater Washington Board of Trade which has brought in political and business leaders to the property, and also Greater Prince George's County Business Roundtable. The casino has had various entertainment in their theater on property.

The casino will celebrate eight years in December. In the past seven years, the casino has financial contributions to Maryland and Prince George's County over \$6 million, 30,000 hours in volunteerism, and over \$190 million dollars to supplier and diversity minority business spend. Credit goes to the Regional Director of Procurement, Tobias Cornwell, who has been instrumental in mentoring and bringing in small business owners. He selects a manager that assists suppliers to go through program, with a graduation ceremony in Las Vegas in September, they are then hired as vendors. and introduced the vendors to MGM's other properties. There are two women-owned businesses that graduated from that program.

The casino takes pride in promoting from within. There are currently over 3,300 employees and the turnover problem is curving with an action plan with check-in dates to make sure staff get all they need to be successful. There has been challenges with dealers. but the casino has an in-house dealer school helping to move them into roles. The casino has promoted over 2,000 employees from within, and 88.2% of the workforce is diverse, 49% are women and 47% of managers and executives are women. The casino held Employee Appreciation Day with activities for team members, as well as award and recognition programs. Ms. Johnson took a moment to recognize her former employee Kia Jefferson and introduced Patrick Martin who introduced the new Compliance Manager, Jasmine Dickerson. The casino has had their regional properties from several states work with Tobias who is now the Regional Director of Procurement to formulate a plan on minority spend, and as a result all of the numbers have gone up.

DIRECTOR'S REPORT

Director's Report — John Martin, Director

Director Martin reported that Fiscal Year 2024 contributions across all three sectors were very strong. From the Lottery, there was \$700 million profit, the majority of that to the State's General Fund; \$800 million plus contribution from our casino partners, most of that for the Education Trust Fund; and \$60 million from sports wagering efforts, with the first full year of all platforms on sports wagering, going to the Blueprint for Maryland's Future Fund.

Fiscal Year 2025 year-over-year is down and has been a challenge due to year-over-year comparisons, but Director Martin is optimistic that MLGCA will make up the difference in the remainder of the Fiscal Year. It has been a strong start for sports wagering, and casinos have been slightly down but should be able to catch up through the remainder of the year. MLGCA is in its 16th year of the partnership with the Baltimore Ravens and is looking forward to continuing that partnership in the future.

At 11:40 a.m., Commissioner Hodges turned off his camera.

Vice Chair Marriner asked Director Martin to give some insight into why the licensing process takes so much time. Director Martin said that when Mr. Mooney comes to the podium for his presentation, he will be able to give a more detailed explanation of the process. It is a process that

depends on who needs to be licensed and what needs to happen can take some time in processing applications. Notes have been taken and a conversation can be had between MLGCA and the casino partners.

Vice Chair Marriner said that question need not be answered today. Director Martin said MLGCA is willing to speak with the casinos.

At 11:42 a.m., Commissioner Hodges turned his camera back on.

SPORTS WAGERING REPORT - BetMGM

Ms. Sarah Brennan, Senior Director of Compliance, presented a PowerPoint outlining who BetMGM is, which included BetMGM's growth, community engagement, and responsible gambling. A copy of the presentation is attached to these minutes.

At 12:00 p.m., Chair Browning thanked BetMGM noting they are a huge part of the community and wants to know how the Commission can help them feel a part of this community. Chair Browning called for a five-minute recess, and explained that he needed to excuse himself from the remainder of the meeting due to a personal matter. Vice Chair Marriner presided over the remainder of the meeting, which resumed at 12:09 p.m.

Commissioner Hodges had his camera off when the meeting resumed. Vice Chair Marriner asked if Commissioner Hodges was on the line in order to resume the meeting. Commissioner Hodges then turned on his camera and stated he was present.

COMMISSION ACTION ITEMS

Deputy Director, Chief Operating Officer – James Nielsen

Commission Action Item – Diamond Games Contract Extension (#2014-02)

Mr. Nielsen said that the Agency was requesting approval of a 14-month extension of the Instant Ticket Lottery Machine Contract #2014-02 with Diamond Game. Mr. Nielsen explained how the contract provides what are known as ITLMs to over 90 qualified Veterans' Organizations. The Contract includes the ITLM central system; ITLM devices, the instant tickets themselves, and everything needed to support the program.

Mr. Nielsen explained how on February 28, 2024, the Contract was scheduled to expire after its initial 5-year term and the Commission exercised the 5-year renewal option. Prior to the Contract's expiration, the Commission approved and the Agency exercised a 6-month extension. The Contract is currently set to expire on September 1.

Mr. Nielsen noted that the Agency was working on an RFP when it issued a Request for Information to determine the availability of possible offerors. Based on the discussions with possible contractors and the Agency's evaluation of the responses received, the Agency believes that legislative action may be the best way to modernize the ITLM program and expand the field of potential Offerors. That can't occur until the next legislative session begins in January 2025.

In order to maintain the revenue ITLMs earn for the Veteran's Organizations while the Agency pursues possible legislative changes, the Agency seeks to exercise an additional 14-month extension, as is permitted under Maryland Procurement Law. The Modification #3 to the Contract would extend

the Contract's end date to November 1, 2025.

Mr. Nielsen also pointed out that in this Modification #3, the fees paid to Diamond Game will increase to 32.5% to account for increases in the cost of doing business.

Diamond Games indicated to the Agency that it intends to increase its MBE participation spend to 19%. Currently, the MBE goal on the Contract is 17.5%.

DGS has informed the Agency that the Contract Modification does not have to be approved by the Board of Public Works because there is no increase to the NTE.

The Agency requested a motion to approve this modification.

Vice Chair Marriner asked if any Commissioners had questions, and there were none.

Vice Chair Marriner asked for a motion to approve Contract Modification #3 that exercises a 14-month extension. Commissioner Doetsch motioned, Commission Stakem seconded, and the motion passed unanimously.

Commission Action Item - Proposed Amendments to Regulations: Gaming Provisions, Video Lottery Terminals, Skill-Based Amusement Devices, and Online Fantasy Competitions, and Sports Wagering

Mr. Nielsen reported that MLGCA was presenting proposed amendments to regulations for: Gaming Provisions, Video Lottery Terminals, Skill-Based Amusement Devices and Online Fantasy Competition, and Sports Wagering, addressing industry recommendations received during the annual review process and staff recommendations.

Mr. Nielsen outlined the approval process for regulations in Maryland. He then proceeded with the proposed amendments.

Proposed Amendments To COMAR Title 36 Maryland State Lottery and Gaming Control Agency

Subtitle 03 Gaming Provisions

Chapter 10 Video Lottery Facility Minimum Internal Control Standards

Proposed amendments to Regulation .07 would update the regulations to be consistent with current Agency practice. This regulation will require Maryland specific audited financial statements if the Maryland operations represent less than 75% of the licensees' parent's total revenue. The goal is to avoid having Maryland financial activity buried in a large corporate financial statement.

Proposed amendments to Regulation .12 would allow a facility operator to utilize an electronic incident log that documents changes made by a user. This would allow the operators to implement newer technology in Surveillance. It was recommended by the industry.

Proposed changes to Regulation .14 of this chapter correct an erroneous cross reference.

The proposed amendment to Regulation .20 of this chapter increases the value of checks a facility may accept from an individual in a single day from \$250,000 to \$500,000. The check must be from a licensed casino and represent payouts for gaming activity. If not, then other lower limits apply. This change was recommended by the industry.

The proposed changes to Regulation .28 correct an error in the regulation. The personal check limit was raised to \$50,000 during a prior review, but this regulation was not updated.

Proposed changes to Regulation .38 of this chapter allow operators to use an approved electronic jackpot or credit meter payout system. This is another instance where we are working to allow the use of newer technology, and the industry recommended this change.

Proposed Regulation .52 of this chapter is entirely new and clarifies that the Agency is to be advised of offers and tournaments 14 days before the planned start date.

Vice Chair Marriner asked if any Commissioners had questions and there were no questions. Vice Chair Marriner then asked for a motion to approve the proposed amendments to the regulations in the Gaming Provisions Subtitle. Commissioner Doetsch motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Subtitle 04 Video Lottery Terminals

Chapter 02 Video Lottery Terminal Machines

Proposed amendments to Regulation .02 correct the basis for calculating VLT assessments for responsible gaming. The assessment is based on the highest number of VLTs operating during the prior calendar year.

Vice Chair Marriner asked if any Commissioners had questions, and there were no questions. Vice Chair Marriner then asked for a motion to approve the proposed amendments to the regulations in the Video Lottery Terminals Subtitle. Commissioner Doetsch motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Subtitle 08 Skill-Based Amusement Devices

Chapter 01 General

The proposed amendment to Regulation .02 of this chapter is a recommendation that the minimal value increase from \$30 to \$40 due to inflation.

Chapter 02 Registration

In Regulation .01, the Agency clarifies that it doesn't assign registration numbers to each device, but instead provides stickers that must be affixed to each device.

Chapter 03 Amusement Gaming License

In Regulations .01, .02, .03, .04, and .06 of this chapter, we made style changes, corrected references, clarify the discretionary aspect of requesting a corrective action plan, and used definitions from the regulations.

Chapter 04 General Standards

In Regulation .01 of this chapter, we clarify that other than in a family entertainment center that has an amusement gaming license in Worcester county, awards from multiple plays may not be combined to obtain a prize of more than minimal value. There are also limits on how many devices in family entertainment centers are subject to the \$599 cap. This change aligns the regulation with existing statute.

Regulation .03 of this chapter is entirely new. It describes enforcement actions available if a skills-based amusement device owner does not comply with the subtitle.

Vice Chair Marriner asked in .01 if the sticker was a specific sticker or just generic. Mr. Nielsen said that it was generic from the Agency. There were no other questions.

Vice Chair Marriner then asked for a motion to approve the proposed amendments to the regulations in the Skills-Based Amusement Devices Subtitle. Commissioner Doetsch motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Subtitle 09 Online Fantasy Competitions

Chapter 01 General

Proposed amendments to Regulation .02 reorganized the provisions, included new definitions, and made style changes to make it easier for operators to determine which types of fantasy competitions are permitted in Maryland. The wording of the Sports Wagering statute prohibits some competitions from being fantasy competitions in Maryland even though they are considered a fantasy competition in other jurisdictions.

Chapter 02 Registration and Enforcement

Regulation .01 was completely re-written and broken into two regulations – one for the application process and one for Agency approval.

Regulation .03 has been updated to require approval of a new fantasy competition before it can be offered and permitting minor modifications to a previously offered competition.

Regulation .04 increases the annual registration fee from \$100 to \$1,000 to better reflect the efforts of staff to process the registration and review contest rules.

Regulation .05 simplifies the renewal process in that a fantasy competition operator will remain registered if its registration invoice is paid. If the registration invoice is not paid, the operator may not offer fantasy competitions in Maryland.

Regulation .06 is new and specifies possible enforcement actions for non-compliance with the regulations.

Chapter 03 General Standards and Prohibitions

Regulation .01 clarifies the language used so that it is consistent with the definitions used in regulations and with existing law.

Regulation .02 was deleted since the use of betting kiosks is already prohibited by statute.

Proposed amendments to renumbered Regulation .02 of this chapter simplify the language used to prohibit affiliates of an operator from participating in a contest, and removes redundancies based on defined terms.

The renumbered Regulation .02 of this chapter prohibits affiliates of an operator from participating in a fantasy competition.

Regulation .03 has been simplified and prohibits athletes and their affiliates or handlers from participating in a fantasy competition.

Regulation .04 clarifies player protections including scripts and highly experienced players.

Regulations .05 and .06 are clarifications and style adjustments.

Chapter 04 Financial Standards

Regulations .01 to .04 have clarification and style changes.

Regulation .05 specifies that tax returns and tax payments must be submitted by certain dates.

Regulation .06 specifies that prizes over \$600 must be reported for tax purposes.

Regulation .07 identifies tax information that must be provided to players.

Chapter 05 Responsible Gambling

Regulation .01 acknowledges that operators may offer direct exclusion to players. In direct exclusion, the player is only prohibited from entering competitions offered by the operator.

Regulation .02 has clarifications and style changes.

Regulation .03 clarifies that if a player uses direct exclusion, the operator is prohibited from sending the individual any marketing materials.

Vice Chair Marriner asked if any Commissioners had questions, and there were no questions. Vice Chair Marriner then asked for a motion to approve the proposed amendments to the regulations in the Online Fantasy Competitions Subtitle. Commissioner Doetsch motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Subtitle 10 Sports Wagering

Chapter 12 Collection of Taxes, Fees and Penalties

The amendment to Regulation .03 delays the date tax payments are due to the State by a few days to allow staff time to review tax returns before payments are made. This helps avoid receiving incorrect payments and potentially refunding money to the licensees.

Chapter 13 Sports Wagering Licensee Minimum Internal Control Standards

As with video lottery, the proposed amendment to Regulation .06 would update the regulations to be consistent with current Agency practice. This regulation will require Maryland specific audited financial statements if the Maryland operations represent less than 75% of the licensees' parent's revenue.

The amendment to Regulation .37 of this chapter allows additional time for licensees to investigate and resolve bettor complaints. The 3 days previously required was sometimes difficult to achieve. The regulation also requires licensees to maintain records of complaints in a retrievable format. This was in response to an industry recommendation.

The amendment to Regulation .40 allows licensees to share information about a bettor with a third party if the bettor agrees. This change was recommended by the industry and can help improve customer service.

Proposed Regulation .45 of this chapter is entirely new and deals with cessation of operations. The regulation addresses notice and what information must be provided to the Agency and to bettors if a licensee intends to stop doing business in Maryland.

Chapter 14 Sports Wagering Requirements and Limitations

Regulation .06 clarifies when a licensee is required to increase the balance in its reserves. This recognizes that funds can't be transferred on bank holidays and was also an industry

recommendation.

Chapter 18 Sports Wagering Technical Standards

Regulation .04 updates and strengthens the requirements for geolocation systems and their testing. The Agency is trying to ensure systems are consistently tested to be effective in prohibiting wagers from outside the State.

Regulation .05 of this chapter requires multi-factor authentication at certain times such as account creation and when a new device is used. It also requires that multi-factor authentication be repeated at least every 14 days to help protect user accounts. This was also an industry recommendation.

Vice Chair Marriner asked if any Commissioners had questions. Commissioner Hodges said it sounded like most of the changes originated from industry best practices. He wanted to know what changes came organically from the Agency or experts. Mr. Nielsen replied that there has not been an actual count, but it is approximately one-third from industry recommendations, and the rest were things staff identified regarding clarification to existing regulations or from what best practices are in other jurisdictions and trying to mirror those.

Vice Chair Marriner then asked for a motion to approve the proposed amendments to the regulations in the Sports Wagering Subtitle. Commissioner Stakem motioned, Commissioner Adebisi seconded, and the motion passed 5 to 1, with Commissioner Hodges opposed.

Vice Chair Marriner then asked for a motion to delegate to Staff the authority to make any non-substantive changes to the approved regulation amendments that may be necessary to prepare them for publication in the *Maryland Register*. Commissioner Doetsch motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Regulatory Oversight – John Mooney

Commission Action Item - Proposed Reorganization - Power Plant Entertainment Casino Resorts, Maryland, LLC (PPECRM)

Vice Chair Marriner stated that before the Commission today is a hearing on the proposed reorganization of a licensee. Mr. Mooney will conduct the hearing today and provide information surrounding the Agency's investigation into the matter. Vice Chair Marriner outlined the procedures for the hearing. He then collectively administered the oath to all individuals who may testify or answer questions. Sworn in from the Agency were: John Mooney and Mark Ermer; and representing Power Plant Entertainment Casino was Keith Hudolin, Executive Vice President and General Counsel.

Mr. Mooney noted an update in the report was that the Cordishes were seeking to transfer their individual membership interests in both Pratt Street Management, LLC, and added to the report, MDL Holdings, Inc., to a revocable trust that each has recently established.

Mr. Mooney reported that we are here today because a video lottery facility operation licensee's principal entity has proposed to reorganize its ownership structure. A principal entity holds a beneficial interest or 5% or more of a licensee and as such must also be qualified by the Commission.

The Commission has licensed Power Plant Entertainment Casino Resorts Maryland, LLC ("PPECRM") as a video lottery facility operation licensee for Live! Casino. Two of Live!'s principal entities, Pratt Street Management, LLC and MDL Holdings, LLC, are proposing a reorganization of their structure.

Put simply, Jonathan Cordish, Blake Cordish, and Reed Cordish have individual membership interests in Pratt Street Management, LLC and MDL Holdings, LLC. Each is seeking to transfer his individual membership interests in Pratt Street Management, LLC and MDL Holdings, LLC, to a revocable trust that each has recently established: The Jonathan A. Cordish Revocable Trust, The Blake L. Cordish Revocable Trust, and The Reed S. Cordish Revocable Trust.

Mr. Mooney explained that this is before the Commission today because State Government Article (SG), § 9-1A-19 requires that the Commission determine whether the proposed buyer or transferee of any transfer of interests of more than 5% of the legal or beneficial interests of a licensee, meet the qualification requirements of the Gaming Law; and that the transfer is consistent with the policies and intent of the Gaming Law. Mr. Mooney identified what the Commission must determine:

(1) Whether The Jonathan A Cordish Revocable Trust, The Blake L. Cordish Revocable Trust, and The Reed S. Cordish Revocable Trust meet the qualification requirements in the Gaming Law as principal entities, and, if so;

(2) Whether the reorganization and transfer of individual membership interests of those 3 principals of Pratt Street Management, LLC and MDL Holdings, LLC to revocable trusts is consistent with the policies and intent of the Gaming Law.

Mr. Mooney summarized the public report that was sent to Commissioners prior to this meeting and was available on the Agency's website prior to this meeting. He noted that there will be no change in the individuals who ultimately own and control PPECRM. The Regulatory Licensing and Investigations Division of the Agency investigated the proposed reorganization. The Agency obtained and reviewed copies of the relevant entities' Articles of Organization, Operating Agreements, and other relevant documents.

Mr. Mooney reported that based on their investigation, Staff concludes that the proposed organizational changes will in no way alter the ownership interests in PPECRM or the day-to-day management and operations of Live! Casino, and would not negatively impact PPECRM's qualifications for its Video Lottery Facility Operation License, nor would there be any negative impact on the qualifications of Live!'s principal entities - which are Maryland Live Holdings, LLC; MDL Holdings, LLC; PPE Casino Resorts Maryland Developer, LLC, or Pratt Street Management, LLC. Similarly, the Agency found no information that would preclude The Jonathan A. Cordish Revocable Trust, The Blake L. Cordish Revocable Trust, and The Reed S. Cordish Revocable Trust from being qualified by the Commission as principal entities.

Based on the criteria in State Government Article, §§ 9-1A-07(c)(7) and 9-1A-08(d), the Agency recommended the Commission find The Jonathan A. Cordish Revocable Trust, The Blake L. Cordish Revocable Trust, and The Reed S. Cordish Revocable Trust have established, by clear and convincing evidence, that they are qualified as principal entities.

The Agency also recommended that in accordance with SG § 9-1A-19, the Commission find that that the transfer of the ownership interests of the Cordish's individual ownership interests in Pratt Street Management, LLC and MDL Holdings, LLC to The Jonathan A. Cordish Revocable Trust, The Blake L. Cordish Revocable Trust and The Reed S. Cordish Revocable Trust is consistent with the policies and intent of the Gaming Law.

Vice Chair Marriner asked if anyone from the Licensee wished to speak. Keith Hudolin, Executive Vice President and General Counsel of Cordish Gaming, thanked for Commission and stated he was available to answer any questions.

Vice Chair Marriner asked if any of the Commissioners had questions. Commissioner Stakem stated that he did receive copies of the revised reports and did read them.

Commissioner Hodges asked Mr. Hudolin why the reorganization was done and whether this relieves the individuals of liability and on having to follow the gaming regulations and law because of moving to a trust. Mr. Hudolin said that is for estate planning purposes. As for obligations to follow the law, these individuals are licensed and are under obligation to follow the law. Vice Chair Marriner stated that the sole trustees are on the hook. Commissioner Hodges asked whether the individuals are still liable and not the trust. Mr. Hudolin stated that the individuals are the Trusts.

Vice Chair Marriner asked for a motion to find that The Jonathan A. Cordish Revocable Trust, The Blake L. Cordish Revocable Trust and The Reed S. Cordish Revocable Trust have established by clear and convincing evidence that they are qualified as principal entities. Commissioner Doetsch motioned, Commissioner Stakem seconded, and the motion passed 5 to 1, with Commissioner Hodges opposed.

Vice Chair Marriner then asked for a motion to find that the reorganization and transfer of Jonathan A. Cordish, Blake L. Cordish, and Reed S. Cordish's individual membership interests in Pratt Street Management, LLC and MDL Holdings, LLC to revocable trusts, namely The Jonathan A. Cordish Revocable Trust, The Blake L. Cordish Revocable Trust, and The Reed S. Cordish Revocable Trust are consistent with the policies and intent of the Gaming Law. Commissioner Doetsch motioned, Commissioner Stakem seconded, and the motion passed 5 to 1, with Commissioner Hodges opposed.

Finally, Vice Chair Marriner asked for a motion to direct Staff to draft the Commission's Decision Statement on the proposed reorganization and transfer of the membership interests in Pratt Street Management, LLC and MDL Holdings, LLC to the revocable trusts named here today and to include the Trusts' qualification as principal entities. Commissioner Doetsch motioned, Commissioner Adebisi seconded, and the motion passed unanimously.

Vice Chair Marriner said that the question brought up earlier about licensing can be addressed at another time.

CLOSED SESSION

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

DATE AND TIME OF NEXT MEETING

Vice Chair Marriner announced the next Commission meeting will be held on Thursday, September 26, 2024, at 10:00 a.m. in person at Lottery Headquarters and via video conference.

ADJOURNMENT

There being no further business, Vice Chair Marriner adjourned the meeting at 12:42 p.m.

Respectfully submitted,


John Martin
Director



BETMGM

August 29, 2024

Agenda

- Who we are
- BetMGM Growth
- Community Engagement
- Responsible Gambling Overview
 - GameSense
 - Marketing
 - Collaboration



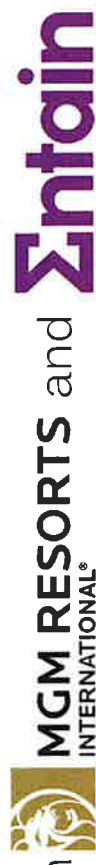
BETMGM

Who we are

Who we are



BETMGM



- 50/50 joint venture between
- Retail sportsbook located within the MGM National Harbor and online mobile.
- BetMGM offers mobile and/or retail sports betting in 29 jurisdictions.



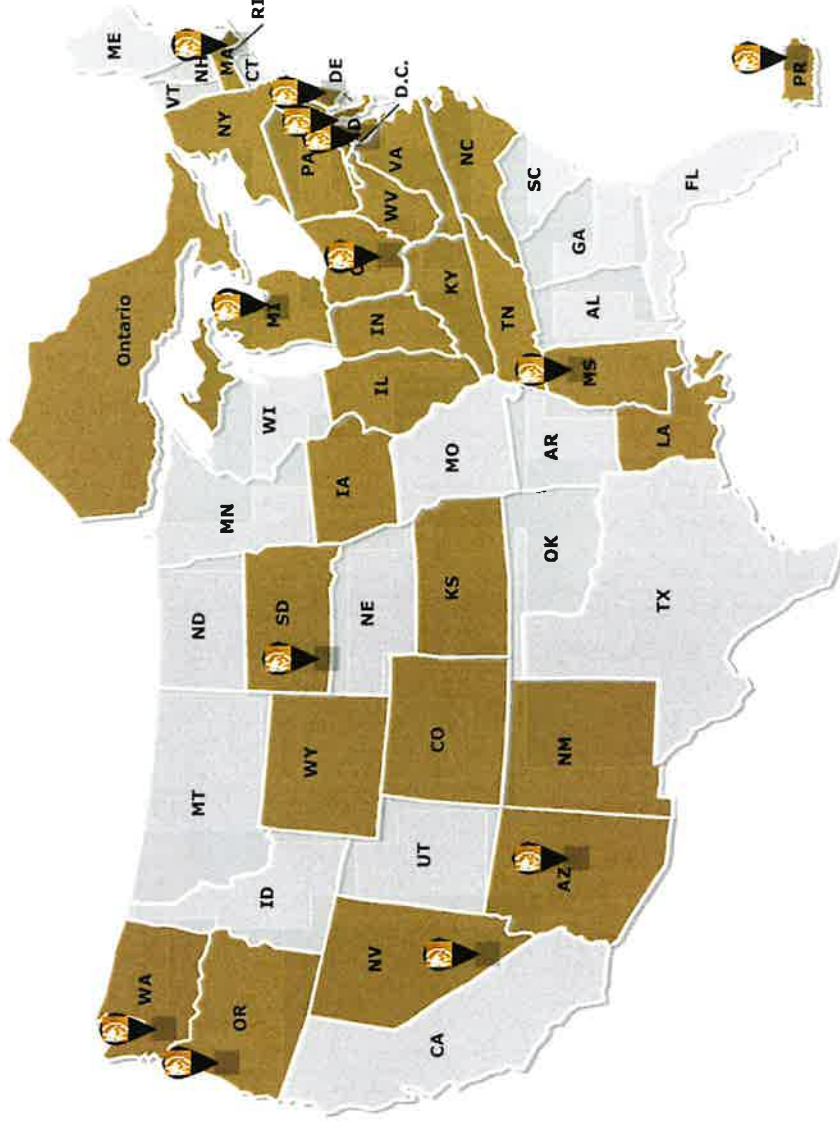
BETMGM

Company & Employee Growth

BetMGM Markets

BetMGM is a leading online and retail sports betting and iGaming operator offering a wide range of betting options in 29 jurisdictions across North America.

- BetMGM is operational
- 📍 Retail Sportsbook(s)



BetMGM Employee Growth

- BetMGM has experienced substantial growth over the past few years.
- The company now employs approximately 1,500 individuals across the United States and Canada.
- BetMGM's Compliance Team is approaching 100 employees across the United States and in Canada.
- 10+ employees are based in the state of Maryland.





BETMGM

Community Engagement

Community Engagement

BetMGM is an active member of the communities where it operates and continues to explore new opportunities to deepen relationships and make a positive impact.



Last year BetMGM held "Turkeypalooza" at the Oakcrest Community Center in Prince George's County. BetMGM served 3,600 Thanksgiving meals to the community and distributed 4,200 pairs of hats & gloves to members of the community.

BetMGM Employee Resource Groups (ERGs)

BetMGM engages with local communities through a broad range of ERGs:



- Internal community building
- Business-vertical education



- Allyship and amplification of other ERGs
- Neurodiversity awareness
- Disability awareness



- Veteran recruitment to the business
- Engagement with local communities
- Support for military spouses



- Community engagement
- Professional development for latinx employees



- Upskilling women in the business
- Internal community building



- Providing networking and development opportunities
- Internal community building



- LGBTQ+ education and advocacy
- Internal community building
- External community development



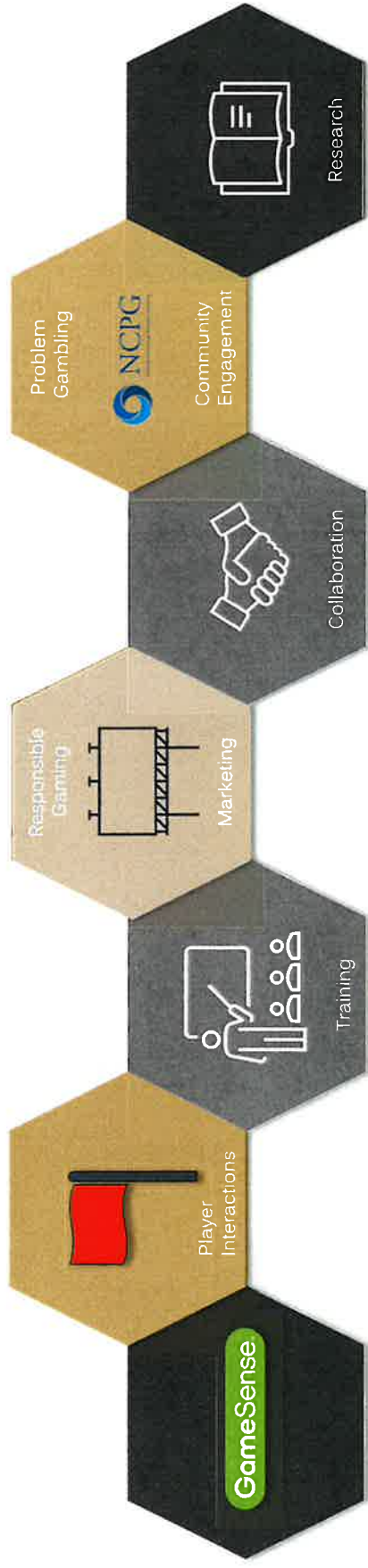
BETMGM

Responsible Gambling

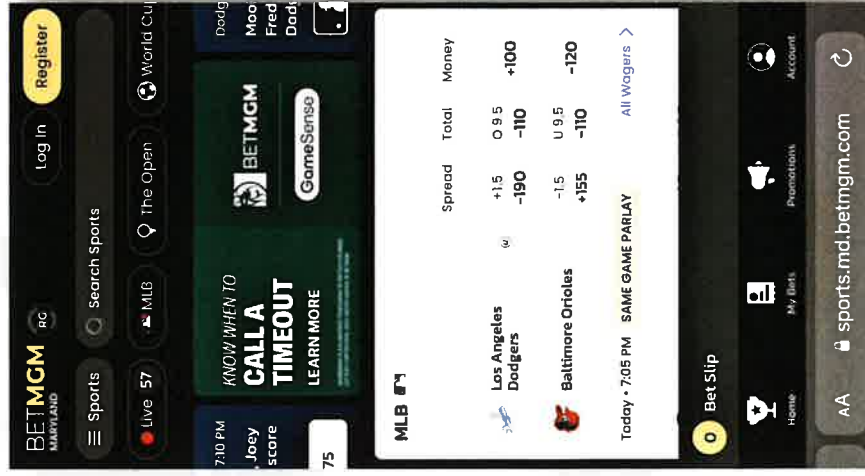
BetMGM Approach

BetMGM recognizes the importance of responsible gambling, and we are committed to embedding it across all our company activities.

We use a multi-faceted approach to ensure gambling is experienced in an enjoyable and sustainable way.



How BetMGM Offers GameSense



Program Elements

- Employee Training
- GameSense Website
- Welcome Kit
- Marketing Materials
- GameSense Advisors

Responsible Marketing- GameSense in NFL Stadiums

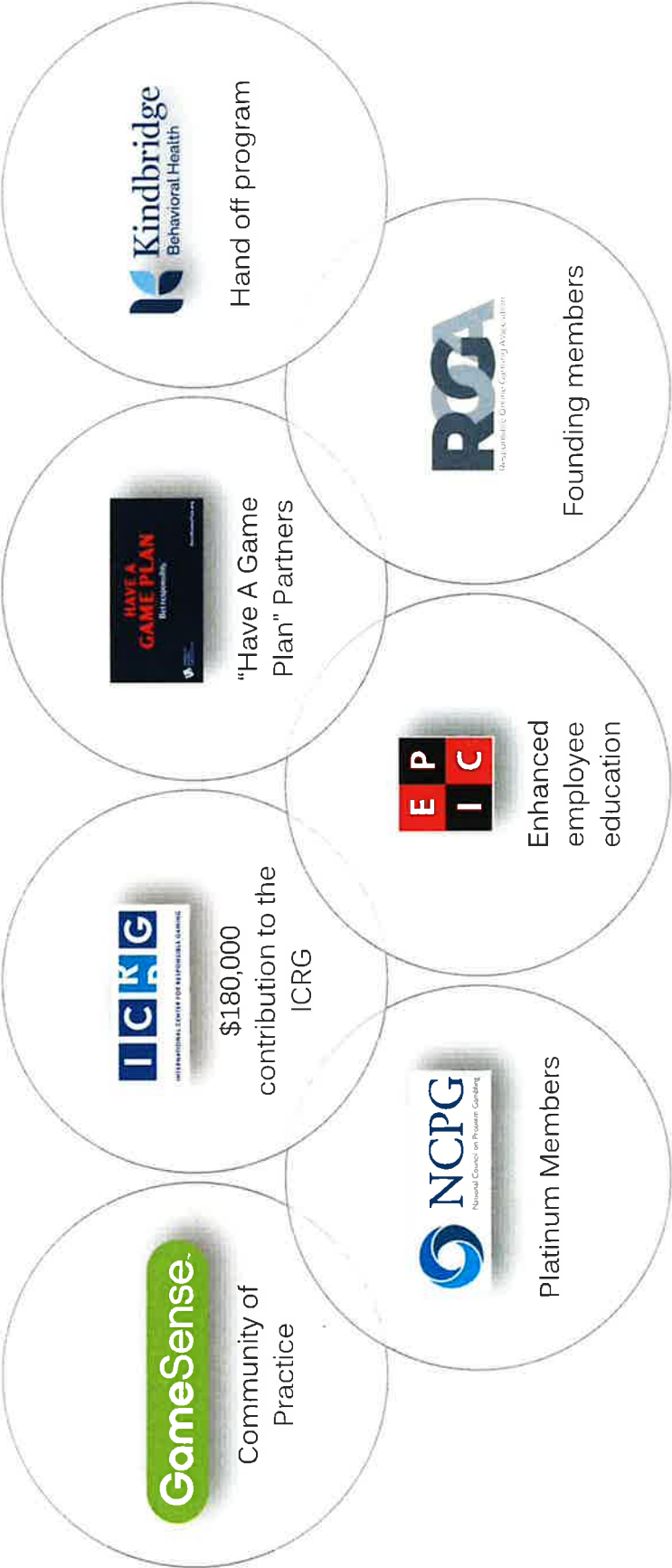


Promoted at the following stadiums:

- Acrisure Stadium (Pittsburgh Steelers)
- Allegiant Stadium (Las Vegas Raiders)
- Empower Field at Mile High (Denver Broncos)
- Ford Field (Detroit Lions)
- GHEA Field at Arrowhead Stadium (Kansas City Chiefs)
- M&T Bank Stadium (Baltimore Ravens)
- MetLife Stadium (New York Jets)
- Nissan Stadium (Tennessee Titans)
- State Farm Stadium (Arizona Cardinals)



Better Together





BETMGM
BELIEVE IN YOUR GAME