

Maryland Lottery and Gaming Control Commission

Wes Moore, Governor



Montgomery Park Business Center
1800 Washington Blvd., Suite 330
Baltimore, Maryland 21230

Tel: 410-230-8800
TTY users call Maryland Relay
www.mdlottery.com

MARYLAND LOTTERY AND GAMING CONTROL COMMISSION APRIL MINUTES

DATE: April 24, 2025

TIME: 10:00 a.m.

PLACE: In-Person at Maryland Lottery Headquarters

PRESENT: Chair Everett D. Browning, Sr.
Vice Chair Randy Marriner
Commissioner Ade Adebisi
Commissioner Diane Croghan
Commissioner Harold Hodges
Commissioner James Stakem

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

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 established for the meeting. Also present in person were: Vice Chair Randy Marriner, and Commissioners Ade Adebisi, Diane Croghan, Harold Hodges, and James Stakem. Commissioner Doetsch 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 REVISED AGENDA

Chair Browning said that a revised agenda had been circulated, and asked for a motion to approve the revised agenda. Vice Chair Marriner motioned to approve, Commissioner Stakem 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 March 27, 2025, Open Session. There being none, Chair Browning asked for a motion to approve the minutes. Commissioner Stakem motioned to approve, Vice Chair Marriner seconded, and the motion was unanimously approved.

CLOSED SESSION

At 10:02 a.m., Chair Browning stated that the meeting would be moving into a closed session to get legal advice. Under General Provisions Article § 3-305(b), the Commission may go into closed session only for purposes of consulting with counsel to obtain legal advice and to consult with staff, consultants, or other individuals about pending or potential litigation. Chair Browning asked for a motion for the Commission to go into closed session in order to discuss pending litigation involving the Commission; obtain legal advice on the casino license renewal hearing process today for Hollywood Casino Perryville, and to get legal advice on the Commission's oversight and regulatory role. Commissioner Stakem motioned, Vice Chair Marriner seconded, and the motion passed unanimously. The Chair said the Commission would adjourn to Closed Session in a separate conference room.

During the Closed Session, in addition to the Commissioners present at the meeting, the following were also present: Agency staff: John Martin, James Nielsen, James Butler, John Mooney, Mike Eaton, Craig Lindsey, Seth Elkin, and Attorney General's Office staff: Holly Citko, Jennifer Tosky, and Erik Delfosse. The Closed Session ended at 10:57 a.m.

The Closed Session Form was completed and signed by Chair Browning; the open session resumed at 11:01 a.m.

RETURN TO OPEN SESSION

Chair Browning announced that during the Closed Session no action was taken by the Commission. The Commission was provided with legal advice on: pending litigation involving the Commission which was discussed with staff and counsel; the casino license renewal hearing process for Hollywood Casino Perryville; and the Commission's oversight and regulatory role.

(Recorder's note: The Closed Session statement is attached to these minutes.)

Chair Browning then moved onto the Consent Agenda.

CONSENT AGENDA

Chair Browning said the Consent Agenda contains:

1. Four New Instant Ticket Games
 - a. \$2 #759 *Ravens™* x2
 - b. \$10 #760 *Ravens™* x10
 - c. \$5 #761 *Break the Bank*
 - d. \$10 #762 *\$100,000 Crossword 9th Edition*
2. EGD Games and Component Testing
 - a. Certified Lab Software, Hardware and Game Certifications: VLTs, Table Game Components, Instant Bingo Machines, Sports Wagering Systems and Kiosks (3/26/25 – 4/22/25)
3. Consent Agreements – Regulatory Violations
 - a. Hollywood Casino – December 2024
 - b. Ocean Downs Casino – November 2024
4. Consent Agreements – Mobile Sports Wagering Violations
 - a. Penn Cecil MD/Penn Sports Interactive – December 2024
5. Gaming License Application Denials/Revocations
6. Lottery Retailer License Revocations
7. Staff Reports

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. Vice Chair Marriner motioned to approve, Commissioner Adebisi seconded, and the motion was unanimously approved.

OPERATOR REPORTS

Hollywood Casino Perryville

Ms. Carolina Davis, Director of Finance, reported that March gaming revenue was down 4.6% compared to last year. Slots, table games and sportsbook were all down. Gross gaming revenue was down 5% year-over-year. The casino had several promotions in March. In the community, Hollywood Casino donated to three local charities. On March 10, the casino was the first of the casinos in Maryland to partner with a responsible gaming team and set up a booth for responsible gaming in the front of the house. Hollywood Casino held their 2nd annual team member event to recognize team members of the year and years of service; there were over 100 attendees for this event. MBE spend for the casino in March was 7%, with a goal of 17%. The casino is working with Gerald Stinnett of GOSBA to get the numbers up. Some vendors are still working on getting certified. Once they have completed the process, the casino will be at 22%.

Chair Browning welcomed Ms. Davis to the meeting, and thanked her for the report. There were no questions from any Commissioners.

Ocean Downs Casino

Bobbi Jones, General Manager, reported that March gaming revenue was up 3% year-over-year. She noted that Ocean Downs is the only casino in Maryland that had year-over-year growth. MBE spend was 9%, and the casino is working with Gerald Stinnett on improving that percentage. In March, Ocean Downs had several promotions, shows, and tournaments that were well attended. In the community, Ocean Downs Casino donated over \$11,000 to several local charities.

Chair Browning asked if any Commissioners had questions. There were no questions from the other Commissioners. Chair Browning asked with summer coming what programs are open to the public to bring new employees to the casino. Ms. Jones said the casino works with local colleges and attends job fairs in the community. Many new staff have already been brought on board. The casino conducted a paid blackjack training, and 7 people who completed this training are currently seeking a license. The numbers are looking good for local hotel occupancy, as well as growth over prior year.

Live! Casino

Mr. Max Fisher, Senior Vice President & Chief Financial Officer, reported that March gaming revenue was down .6% year-over-year. Revenue was down 1.9% in slots, but table games were up 6.8%. Poker and sports betting were down slightly. March had an active events calendar. There were numerous giveaways at the casino in March, several tournaments, and a number of events. Team members were shown appreciation with having food trucks at the property. In the community, the casino hosted the BWI Business Partnership Breakfast, volunteered at a local school, and to cleaned-up the outdoor grounds of Sarah's Hope. To date this year, team members have volunteered over 900 hours of service. Live! Casino had a problem gambling event to raise awareness. Currently, there are 40 MBE vendors tracking over 25% in goods and services purchased this year, with MBE spend at 23% for March. The casino is gearing up for an MBE event in the hall in July.

Chair Browning asked if any Commissioners had questions. Commissioner Adebisi asked when the MBE event would be held. Mr. Fisher said it will be held on July 17, 2025.

Rocky Gap Casino

Mr. Brian Kurtz, General Manager, reported that gaming revenue was down 9.8%, primarily due to a decrease in slots, down 9%. Coin in had a decrease of 3%, and also a decrease in hold. Table game revenue was down 17%. Drop and volume were flat but hold was not. The casino is seeing positive signs with more trips and activations as weather gets better. Rocky Gap is seeing strong trends in travel and future planning. There were a variety of kiosk games in March. The casino continued the VIP event. There were gift giveaways, including a Queen City Motors car giveaway that was won by a Hagerstown resident. It was the highest coin in on that night. In the community, the casino continued the collection efforts for the County United Way. Rocky Gap distributed \$500 to a team member in need from the Sunshine Fund. There are currently 276 licensed employees compared to 286 last year. There are 298 employees currently at the casino. Rocky Gap is gearing up for hiring, with a push at the community college and job centers. From a culinary standpoint, the casino has a pipeline from high schools to the culinary department at the casino. The Maryland Alliance for Responsible Gaming came to the casino during Problem Gambling Awareness Month in March. Rocky Gap continues to monitor the State College casino in Pennsylvania, which has 750 slot machines and 30 table games planned. Rocky Gap's MBE spend is currently double the compliance rate. The casino has several

capital projects underway, and certain items that have been purchased through an MBE. Mr. Kurtz thanked the Allegany County Municipality for restoring power to the property that was knocked out due to recent storm. He said that the local EMS, fire and police all pulled together to clean up quickly after the storm.

Chair Browning thanked Mr. Kurtz for recognizing the Allegany County Municipality asked if the Commissioners had any questions. Commissioner Stakem asked if the golf course was affected and whether business is picking up on the golf course as the weather gets warmer. Mr. Kurtz said that last year's rounds in February were over 700, and this year there were only 90 scheduled rounds in February due to weather. Business on the golf course has been down in March, but it has not affected the casino.

Horseshoe Casino

Mr. Jacob Witmer, Senior Vice President and General Manager, reported that March gaming revenue was up against the best month of last year. Casino revenue was down less than 1%. Growth in nongaming was 10.5%, and property gross revenue was up .7%. Coin in was up 1.6%, and table drop was flat. Electronic table games (ETG) were up 40%. All areas are improving. Marketing at the casino is growing, and it has helped to grow business. There are roughly 800 team members at the casino as the property grows. Security continues to be worked on, and the casino is expanding it. As part of the customer experience, there were several events at the casino grossing over \$400,000 in net revenue. The casino is leaning into using Horseshoe Casino as a total activation point for the City of Baltimore. Horseshoe Casino is looking at reallocating talent in other areas of the property. The casino stays focused on MBE, knocking down barriers for vendors, which can be cumbersome and making direct connections for possible vendors.

Chair Browning asked if any Commissioners had questions. There were no questions. Chair Browning congratulated Horseshoe Casino on the increases.

MGM National Harbor

Ms. Melonie Johnson, President & CEO, reported that gaming revenue was down 6%, with slot machine revenue down 4%. Unrated play was down, but rated play was up. Table game revenue was down 10% mostly due to hold, poker was down 4%, and sportsbook wrote 29,000 tickets, which was down 10,000 year-over-year. The casino had several promotions in March, and hosted two renewal receptions for new tier players and platinum guests. MGM National Harbor had several giveaways and kiosk games, but there were only two events hosted in the theater. In the community, the casino partnered with several groups. The casino participated in World Day Cleanup working at the shoreline in Oxon Hill Cove Park. Current MBE spend includes 56 vendors. The casino continues to mentor small businesses, and this casino is number one in the MGM family for buying products from MBE vendors.

Chair Browning asked if there were any questions. There were no questions from the Commissioners.

Chair Browning asked if the 4% decrease in slots was related to the Rose Casino in Virginia or just the margin of normal business. Ms. Johnson said it was a combination of both the Rose Casino and the federal government layoffs, as well as the market being down overall. She believed it was mostly due to the Rose Casino.

Chair Browning thank her for the information and asked the casino to let the Commissioners know if there is anything they can do to help. Ms. Johnson said that the casino's power is its brand and having a private jet that flies customers in and out is helping to grow business and maintain it.

Chair Browning thanked all of the casinos for their reports and continued partnership with MLGCA.

DIRECTOR'S REPORT

Director's Report — John Martin, Director

Director John Martin reported that Lottery sales after three-quarters of the fiscal year is still facing the challenges that were expected after the last two years on the Lottery side. Sales were down 4.5%, profit was down 7.5% after three-quarters of the fiscal year. MLGCA is no longer up against year-over-year jackpots so it may be able to come back from that. As reported, casinos were up against a strong year last March, but March this year was still a good month. Total casino revenue broke even. The casinos are at the same point this year as they were last year, in aggregate. In contributions to the State they were up 1%. Sports wagering after three-quarters of the fiscal year is strong at \$65.5 million in contributions to the State. After 8 months of wagering, it has passed last year's total of \$60.3 million. Handle is strong, and hold has been strong at 10.8%

Chair Browning asked if there were any new updates on how the new \$5 Mega Millions ticket is being received. Director Martin said in Cleveland it is going well, as they had the first jackpot winner. It is still too early since the change; it may take about six months to see how players are responding.

Chair Browning thanked the MLGCA team for everything they do.

LEGISLATIVE UPDATE

Legislation and Policy – Jennifer Beskid, Director

Ms. Jennifer Beskid, Director of Legislation and Policy, provided an update from the 2025 legislative session. The 2025 Session began on Wednesday, January 8th and ended on Monday, April 7th. The House introduced 1,565 bills and the Senate introduced 1,052 bills. MLGCA staff reviewed and replied to 43 of the bills, including the cross-filed bills. MLGCA tracked 72 bills (29 cross-filed bills and 14 bills that were filed in one chamber). Ms. Beskid said the primary purpose of the Session is to pass the budget for the next fiscal year (FY 2026). The three budget bills introduced this Session were:

House Bill (HB) 350 (Operating),
HB 351 (Capital); and
HB 352 (Budget Reconciliation Financing Act)

The Agency's budget consists of Administration and Operations, Video Lottery Terminal and Gaming Operations, and Sports Wagering and Fantasy Gaming. The Agency's role in the budget is to (1) propose departmental legislation to improve efficiency, (2) review proposed legislation and determine the fiscal and operational impact on the Agency and local governments, and (3) work with bill sponsors and others to move a bill into a posture that supports both the Agency and the Commission.

The Agency did a briefing to the House Ways and Means Commission at the beginning of the Session, which generated interest in illegal sports gaming. There were a few bills to address those towards the end of session, but they did not pass. The Agency did not propose any departmental bills during the 2025 Session and replied to 43 House and Senate bills that impacted the statutes that govern us. These statutes included the Business Occupations and Professions Article, the Criminal Law Article, and the State Government Article. Some bills were not specific to the Agency but had the potential to

impact all agency operations due to their impact on procurement, information technology, and public information among other topics.

Finally, the Agency is required to submit a Joint Chairmen's Report on Illicit Gaming by December 1, 2025.

Ms. Beskid provided the names and description of the bills that passed which were included in James Butler's Director Report, which was provided the Commissioners in their packets and is available on the website. She said three more bill signing are due in May and MLGCA is watching to see if there are changes.

Ms. Beskid said that there is a lot of interest in illegal gaming from this past session. She expects with the report that MLGCA is required to do in December, there will be more.

Commissioner Hodges asked, regarding HB352, the last amendment on that bill states that bill has been passed and is effective July 1, with reducing the statutory distribution of lottery revenues to the Montgomery County Bus Rapid Transit by \$10 million annually and mandating \$10 million from the Transportation Trust Fund, do you know why that was done, and what problems was that trying to resolve? Chair Browning interjected and asked Ms. Beskid not to try and answer a question on behalf of the Legislators. He said that may be a question for offline, and suggested that possibly a Chair from the committee could come to a Commission meeting and speak, and not have Ms. Beskid trying to answer for the Legislators. Chair Browning said that the Commission would support the decisions made. Ms. Beskid said there are 141 delegates and 47 senators, and she could not speak on their behalf.

Chair Browning thanked Ms. Beskid for the report and looked forward to an update on the remaining bills.

Chair Browning then said that there are a number of Commission Action Items today. He announced that Mr. James Nielsen would be first, with multiple items.

COMMISSION ACTION ITEMS

Deputy Director – James Nielsen

Commission Action Item - Instant Ticket Printing Contracts – Pollard Bank Note, Scientific Games and International Game Technologies – 3-year Renewal Option (#2019-05)

Mr. James Nielsen reported on a contract matter involving exercising a 3-year contract renewal option that is available to each of the instant ticket printing contracts. The instant ticket printing contracts are 3 separate contracts with one primary and two alternates. The current instant ticket printing contracts expire in August. Mr. Nielsen noted that there are only 3 companies that print instant tickets in the US lottery industry and the MLGCA has a contract with each of them. Pollard Banknote (#2019-05P) has the primary contract and prints the majority of the Agency's tickets and provide sales and marketing support to the Agency. Pollard is also involved in shipping instant ticket orders to the Agency's retailers. The Agency pays a flat fixed fee to Pollard for all ticket deliveries to retailers.

Mr. Nielsen indicated that Scientific Games and IGT are the Agency's alternate instant ticket printers, and each prints a lesser number of games than Pollard. The RFP that secured the Agency's current contracts was issued and the proposals, including the financial or pricing proposals, we received prior to the COVID 19 pandemic. Since that time, costs for materials, labor and shipping have all increased. A new RFP at this time would likely result in higher costs, with little or no additional

benefit to the State. Mr. Nielsen pointed out that it is more cost effective to exercise the options and to renew each of the contracts for three years.

Mr. Nielsen indicated that the contract's not to exceed (NTE) value for the renewal period for the Primary Contract with Pollard is \$22,518,500. The NTE for Scientific Games and IGT's alternate contract renewals are each \$4,631,500 for a total contract amount of \$31,781,500. Subject to Commission approval, Mr. Nielsen indicated that the contracts will be submitted to the Department of General Services for inclusion on the next available BPW Agenda.

Chair Browning asked if there were any questions from the Commission regarding the renewal of the Instant Ticket Games and Related Services contracts. There were no questions.

Mr. Nielsen asked for a motion to approve exercising a 3-year renewal option for the primary contract with Pollard Banknote (#2019-05P) with a NTE value of \$22,518,500. Chair Browning asked for a motion for approval. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion unanimously passed.

Mr. Nielsen asked for a second motion to approve exercising a 3-year renewal option of the alternate printing contract with Scientific Games (#2019-05A1) with a NTE value of \$4,631,500. Chair Browning asked for a motion for approval. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion unanimously passed.

Mr. Nielsen then asked for a third motion to approve exercising a 3-year renewal option of the alternate contract with IGT Global Solutions Corporation (#2019-05A2) with a NTE value of \$4,631,500. Chair Browning asked for a motion for approval. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion unanimously passed.

Commission Action Item - Sole Source Contract #2025-01 - Baltimore Ravens Limited Partnership

Mr. Nielsen next reported that the Agency would like to continue a 16-year tradition and enter into a sole source contract with the Baltimore Ravens to license the Ravens' NFL team marks and logos for two scratch-off tickets and a Fast Play game. The Agency will also offer various Ravens and NFL-related prizes. Mr. Nielsen noted that this has been a very popular game with the Lottery's players and the Agency wants to continue the tradition.

Mr. Nielsen explained that this is a sole source contract because the marks and logos are the property of the Baltimore Ravens and are not available from any other source. No other NFL team is able to give the Agency marketing access to as much of the State as the Ravens are, which is based on NFL defined marketing areas.

The Contract's NTE amount is \$364,250 and spans 2½ years beginning on June 1, 2025. Mr. Nielsen noted that subject to Commission approval, the Contract will be submitted to the Department of General Services for inclusion on the next available BPW Agenda.

Chair Browning asked if any Commissioners had questions regarding the sole source contract with the Baltimore Ravens. There were no questions.

Mr. Nielsen asked for a motion to approve the sole source contract with the Baltimore Ravens. Commissioner Hodges motioned, Commissioner Adebisi seconded, and the motion passed unanimously.

Commission Action Item - Proposed Amendments to Lottery Regulations

Mr. Nielsen reported that on September 26, 2024, several proposed amendments to Agency regulations, were approved by the Commission. These were published in the *Maryland Register* on December 2, 2024, which is available on the Agency website. The proposed amendments affected regulations in COMAR 36.01 – General, and COMAR 36.02 – Lottery.

During the 30-day public comment period for the proposed amendments, the Agency received one set of public comments, which are also published on the Agency's website for the Commission's and the public's review.

The public comment period has concluded, and the proposed regulatory amendments are now before the Commission for approval for their final publication in the *Maryland Register*, after which they will take effect 10 days after publication.

Mr. Nielsen then described the public comments and proposed changes. After presenting these, Mr. Nielsen asked whether there were any questions.

Chair Browning asked if any Commissioners had any questions. There were no questions.

Chair Browning asked Mr. Nielsen if there were motions for the Commission. Mr. Nielsen asked for a motion to approve the final publication in the *Maryland Register* of all proposed amendments to Agency regulations that were initially published on December 2, 2024. Chair Browning asked for a motion for approval. Commissioner Hodges motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Mr. Nielsen then asked for a motion to delegate to Staff the authority to make any non-substantive changes to the approved regulatory amendments that may be necessary to prepare them for publication in the *Maryland Register*. Chair Browning asked for a motion for approval. Commissioner Hodges motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Chair Browning thanked Mr. Nielsen as these regulations impact many different segments of our business.

Managing Director, Regulatory Oversight - John Mooney

Commission Action Item – Video Lottery Operation License Renewal – Penn Cecil Maryland, LLC d/b/a Hollywood Casino Perryville

Chair Browning stated that the Commission would be holding a hearing today on the application renewal of the Video Lottery Operation License for Penn Cecil Maryland, LLC d/b/a Hollywood Casino Perryville. This is the first casino operation license renewal coming before the Commission.

By statute, if a casino operator applies for renewal of its video lottery operation license, the Commission is required to issue the license renewal for a 15-year term, unless the Commission finds that the licensee is no longer qualified under the Gaming Law to hold a license.

Chair Browning stated that the only question before the Commission today is whether Hollywood Casino Perryville is still qualified to hold the casino operator license. Under the Gaming Law, being "qualified" means Hollywood Casino Perryville must prove - by clear and convincing evidence - its financial integrity, and its good character and honesty. If the Commission finds that Hollywood Casino Perryville is qualified to hold the casino license, the Commission is required by the Gaming Law to renew the license.

Chair Browning said that the Agency Staff conducted a full background investigation on Hollywood Casino Perryville's qualifications. He said Mr. Mooney would conduct the hearing and summarize the Agency's investigation and recommendation. He noted that a full report was provided to the Commission prior to today's meeting.

Chair Browning outlined the procedure for the hearing and stated that anyone that wished to speak would need to be sworn in. Chair Browning continued with the procedure for the hearing. Mr. Mooney introduced the representatives of Hollywood Casino for this Commission action item. Chair Browning administered the oath to all individuals who may testify or answer questions. Those sworn in were from the Agency: John Mooney, Phil Metz, Mark Ermer, and Daniel Bindel; and Carolina Davis, Director of Finance, and Alex Hvizda, Regional Director of Compliance from Hollywood Casino.

Mr. Mooney reported that Penn Cecil Maryland, LLC doing business as Hollywood Casino Perryville has applied for renewal of its video lottery operation license, which is commonly referred to as a casino operator license. Following the initial 15-year term and on proper application for renewal of its casino operator license, a licensee may seek renewal of its license and it must prove to the Commission, by clear and convincing evidence, that it remains qualified. Specifically, Hollywood Casino Perryville must prove that it is qualified under State Government Article Section 9-1A-07(c)(7)(i) through (v), and is not disqualified under Section 9-1A-08(d).

The Commission is required to renew a licensee's casino operator license unless the Commission finds that the licensee is no longer qualified under the Gaming Law.

For this hearing, the Commission must determine whether Penn Cecil Maryland, LLC doing business as Hollywood Casino Perryville has established by clear and convincing evidence its qualifications for renewal of its casino operator license.

Mr. Mooney then summarized the public report that was sent to the Commissioners prior to this meeting and was available on the Agency's website prior to this meeting. He provided the history of Hollywood Casino Perryville, including when the casino operator license was first obtained on September 16, 2010 and it opened on September 27, 2010. Mr. Mooney outlined the organizational changes the casino has had throughout the last 15 years. He noted that Hollywood Casino Perryville is a wholly-owned subsidiary of PENN Entertainment, which has filed a principal entity disclosure form with the Commission.

Mr. Mooney said that Agency Staff had performed a detailed analysis of Hollywood Casino Perryville's operating performance and financial condition for the period from January 1, 2019 through December 31, 2023. Its operating performance was consistently positive despite a downturn in business due to the pandemic with net profits totaling \$45.9 million over the five-year review period. The positive performance continued into calendar year 2024 with the company realizing profits of \$4.2 million in the first 9 months. Staff's review found the company's financial condition to be sound with no long-term bank debt during the period reviewed and found that is not highly leveraged.

Agency Staff's review found Hollywood Casino Perryville to have sufficient liquidity to meet its financial obligations and working capital requirements in the ordinary course of business for the foreseeable future. Mr. Mooney reported that Hollywood Casino Perryville's auditors have not expressed any concerns with its financial condition, results of operations, or continuation as a going concern, and its financial ratios and margins are generally solid and compare favorably with those of its competitors.

Agency Staff found no financial concerns with re-licensure of Hollywood Casino Perryville as a casino operator. During its licensure, it has satisfactorily addressed minor issues as required under the Gaming Law and has maintained its casino operator license in good standing.

MLGCA's investigation confirmed that Penn Cecil Maryland, LLC doing business as Hollywood Casino Perryville has sufficient financial resources, found no derogatory information regarding its

qualifications, and has not found any disqualifying factors that would preclude it from renewal of its casino operator license. Staff recommends the Commission find that based on the criteria in State Government Article Sections 9-1A-07(c)(7) and 9-1A-08(d) that Hollywood Casino Perryville has established by clear and convincing evidence the qualifications required for renewal of its casino operator license for a 15-year term in accordance with State Government Article Section 9-1A-13(d)(2).

The fees for renewal of a casino operator license are set out in State Government Article Section 9-1A-13(d)(6), which does not require the first payment of the license fee until the effective date of the renewed license. If the Commission approves the renewal of Hollywood Casino Perryville's casino operator license, Agency Staff will issue a casino operator license effective date will be September 27, 2025, once the existing 15-year term concludes.

Chair Browning asked if any Commissioners had any questions. There were no questions. He then asked if anyone from Hollywood Casino wished to speak.

Mr. Alex Hvizda, Regional Director of Compliance from Hollywood Casino thanked Lottery staff and the Commission for the work of everyone to approve this request for a renewal of license to be achieved.

Chair Browning asked for a motion to find that Penn Cecil Maryland, LLC doing business as Hollywood Casino Perryville has established by clear and convincing evidence its qualifications for the renewal of its Video Lottery Operation License. Vice Chair Marriner stated that he was part of the Commission when Hollywood Casino Perryville opened, and it would be a pleasure to make that motion. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Chair Browning then asked for a motion to direct Staff to draft a Decision Statement and Order, which specifies that on September 26, 2025 – when the current license term expires – Staff will issue the license renewal for a 15-year term with an effective date of September 27, 2025. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Chair Browning congratulated Hollywood Casino Perryville and said he would be looking forward to the next 15 years. Addressing all of the casinos, Chair Browning thanked them for the patience during the Closed Session as well as for their reports today. He thanked them for their dedication to service, and for all that they do for the State.

DATE AND TIME OF NEXT MEETING

Chair Browning announced the next Commission meeting will be held on Thursday, May 22, 2025, at 10:00 a.m. in person at Lottery Headquarters.

ADJOURNMENT

There being no further business, Chair Browning adjourned the meeting at 12:16 p.m.

Respectfully submitted,


John Martin
Director

Maryland Lottery & Gaming Control Commission
STATEMENT FOR MEETING IN CLOSED SESSION

Location:
Maryland Lottery & Gaming Control Agency
1800 Washington Boulevard – Ste. 330
Baltimore, MD 21230

Date: 4/24/25
Time: 10:01

Motion By: James Stakem
Vote to Close Session:

Seconded By: Randolph Marriner

	AYE	NAY	ABSTAIN	ABSENT
Chair Everett D. Browning, Sr.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vice Chair E. Randolph Marriner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Diane M. Croghan	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner George L. Doetsch, Jr.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Commissioner Harold Hodges	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner James J. Stakem	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Ade Adebisi	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

REASON(S) FOR MEETING IN CLOSED SESSION

Pursuant to General Provisions Article §3-305(b), the Commission voted to meet in closed session or adjourn an open session to a closed session in order to:

- (1) ☐ Discuss:
- (i) The appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of an appointee, employee, or official over whom it has jurisdiction; or
 - (ii) Any other personnel matter that affects one or more specific individuals.
- (2) ☐ Protect the privacy or reputation of an individual with respect to a matter that is not related to public business;
- (3) ☐ Consider the acquisition of real property for a public purpose and matters directly related to the acquisition;
- (4) ☐ Consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State;
- (5) ☐ Consider the investment of public funds;
- (6) ☐ Consider the marketing of public securities;
- (7) ☒ Consult with counsel to obtain legal advice;
- (8) ☒ Consult with staff, consultants, or other individuals about pending or potential litigation;
- (9) ☐ Conduct collective bargaining negotiations or consider matters that relate to the negotiations;
- (10) ☐ Discuss public security, if the public body determines that public discussion would constitute a risk to the public or to public security, including:
- (i) The deployment of fire and police services and staff; and
 - (ii) The development and implementation of emergency plans;

- (11) [] Prepare, administer or grade a scholastic, licensing, or qualifying examination;
- (12) [] Conduct or discuss an investigative proceeding on actual or possible criminal conduct;
- (13) [] Comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter;
- (14) [] Discuss, before a contract is awarded or bids are opened, a matter directly related to a negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process;
- (15) [] Discuss cybersecurity, if the public body determines that public discussion would constitute a risk to:
 - (i) Security assessments or deployments relating to information resources technology;
 - (ii) Network security information, including information that is:
 - 1. Related to passwords, personal identification numbers, access codes, encryption, or other components of the security system of a governmental entity;
 - 2. Collected, assembled, or maintained by or for a governmental entity to prevent, detect, or investigate criminal activity; or
 - 3. Related to an assessment, made by or for a governmental entity or maintained by a governmental entity, of the vulnerability of a network to criminal activity; or
 - (iii) Deployments or implementation of security personnel, critical infrastructure, or security devices.

TOPICS TO BE DISCUSSED AND REASON FOR CLOSED SESSION DISCUSSION: _____

Pending litigation involving the Commission
 The casino license renewal hearing today Hollywood Casino
 Perryville; and
 Commission's oversight and regulatory role


 Signature of Presiding Officer

Time closed session began: 10:02 AM

Time closed session ended: 10:57 AM

PERSONS PRESENT DURING CLOSED SESSION: Everett Brauning, Sr., E. Randolph Marriner,
 Ade Adobisi, Diane Craghan, Harold Hodges, James Stakem, John Martin, James Nielsen,
 James Butler, Craig Linkay, Michael Eaton, John Mooney, Seth Elkin, Holly Citko,
 Jennifer Tosky, Erik Delfosse

UPON RETURN TO OPEN SESSION, ANNOUNCE OUTCOME OF CLOSED SESSION (e.g., specific action taken, results of vote, no action taken): No action taken Legal advice:

- ① Discussed litigation against Commission regarding prediction market sports wagering
- ② Discussed legal standard for casino license renewal.
- ③ Scope and Role of Commission