

## STAFF AGENDA MEMORANDUM

**DATE OF MEETING:** August 28, 2025

**AGENDA ITEM:** Request for Waiver of COMAR 36.10.13.39.F.(2)  
Limitation on Free Promotional Play

**PRESENTER:** Michael Eaton, Managing Director, Gaming

**ISSUE SUMMARY:** Riverboat on the Potomac, LLC, has submitted a request to waive COMAR 36.10.13.39.F.(2), Limitation on Free Promotional Play.

COMAR 36.10.13.39.F.(2) limits the amount of promotional play that a sports wagering licensee can deduct from its taxable proceeds. It states:

After the first full fiscal year of a sports wagering licensee's operations, the amount of free promotional play that may be redeemed by players and deducted from the licensee's taxable proceeds in a fiscal year may not exceed a percentage of the licensee's proceeds received in the prior fiscal year that equates to 20 percent of the taxable sports wagering proceeds that the sports wagering licensee generated in the prior fiscal year.

Riverboat began its mobile sports betting operations in November 2022 with PointsBet as its operator. PointsBet discontinued its mobile operations in Maryland on March 12, 2024, and Riverboat's mobile sports wagering has been closed since.

Riverboat's mobile sports wagering will resume operating with bet365 as its operator in the coming weeks. Riverboat's fiscal year is the calendar year. Under .39.F(2), the amount of Riverboat's deductible free promotional play from its FY2025's proceeds would be based only on its operations from January 1, 2024 through March 12, 2024. Therefore, Riverboat is requesting a one-time waiver of COMAR 36.10.13.39.F.(2) for FY2025. If granted, the waiver would mean that Riverboat's mobile taxable proceeds from 2023 would be used to determine the 20% of deductible free promotional play for FY2025, rather than the "prior fiscal year" of FY2024.

**COMMISSION ACTION REQUIRED/REQUESTED:** Staff requests that the Commission approve a Motion to waive COMAR 36.10.13.39.F.(2) to allow for the use of FY2023 proceeds as the "prior fiscal year" upon which FY2025's promotional play percentage deduction cap will be based.

**STAFF RECOMMENDATIONS:** Staff recommends the Commission approve the Motion.