

## MARYLAND LOTTERY AND GAMING CONTROL COMMISSION AUGUST MINUTES

DATE: August 28, 2025

TIME: 10:00 a.m.

PLACE: In-Person at Maryland Lottery Headquarters  
and virtual

PRESENT: Chair Everett D. Browning, Sr.  
Vice Chair E. Randolph Marriner  
Commissioner Ade Adebisi  
Commissioner Harold Hodges  
Commissioner Nicholas Mosby  
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  
Kathy Lingo, Executive Assistant

OTHERS: Representative from Hollywood Casino Perryville  
Representative from Ocean Downs Casino  
Representative from Live! Casino  
Representative from Rocky Gap Casino Resort  
Representative from Horseshoe Casino Baltimore  
Representative from MGM National Harbor  
Representative from Galaxy Gaming, Inc.  
Representatives from Evolution Malta Holding Limited  
Representative from Sportradar  
Representative from IMG Arena US LLC  
Representative from Hillside Maryland, LLC (bet365)  
Representative from Canton Gaming LLC d/b/a Finest Flag Gaming

**Everett D. Browning, Sr., Chair**

E. Randolph Marriner, Vice Chair; Commissioners: Ade Adebisi, Diane Croghan, Harold E. Hodges, Nicholas J. Mosby, 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, Harold Hodges, and James Stakem. Commissioner Diane Croghan was absent. Commissioner Nicholas Mosby was not present at the start of the meeting.

### **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 said that the Agenda had been circulated, and asked for a motion to approve the 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 Open Session minutes of the July 15, 2025. There being none, Chair Browning asked for a motion to approve the Open Session minutes. Commissioner Stakem motioned to approve, Vice Chair Marriner seconded, and the motion was unanimously approved.

Chair Browning then asked if there were any corrections or alterations to the Closed Session minutes of the July 15, 2025. There being none, Chair Browning asked for a motion to approve the Closed Session minutes. Commissioner Hodges motioned to approve, Vice Chair Marriner seconded, and the motion was unanimously approved.

### **PRESENTATION OF GOVERNOR'S CITATION TO FORMER COMMISSIONER GEORGE DOETSCH**

Chair Browning thanked Commissioner George Doetsch for his service on the Commission, and then turned the presentation over to Vice Chair Marriner to present the Governor's Citation to former Commissioner Doetsch. Vice Chair Marriner noted that he was the longest serving Commissioner and when his term ended in 2015, Commissioner Doetsch took his place. Vice Chair Marriner read the Governor's Citation, and thanked former Commissioner Doetsch for his 10 years on the Commission. He presented former Commissioner Doetsch with the Governor's Citation.

Former Commissioner Doetsch took a moment to thank the Commissioners. He was proud of his time as a MLGCA Commissioner and serving as the Liaison between the Commission and the Racing Commission. He recognized the current Director, John Martin, and former Directors Gordon Medenica and Stephen Martino and thanked them for their service to MLGCA. He thanked John Mooney for the hard work he provides to MLGCA. Former Commissioner Doetsch thanked Vice Chair Marriner for his leadership not only on the Commission, but in the community in Howard County where they met in 1995. He thanked Everett Browning for his work on the Commission, and thanked Kathy Lingo for helping him navigate through his two terms on the Commission. The meeting paused for a moment to allow former Commissioner Doetsch to have his photo taken with the other Commissioners.

At 10:06 a.m., prior to the reading of the Consent Agenda, Commissioner Mosby arrived at the meeting.

## **CONSENT AGENDA**

Chair Browning said the Consent Agenda contains:

1. Nine new Instant Ticket Games
  - a. \$2 \$774 *Harlem Globetrotters*
  - b. \$5 #775 *Money Maker*
  - c. \$10 #776 *Red 5s Doubler*
  - d. \$30 #777 *200X The Cash*
  - e. \$1 #779 *5X The Cash*
  - f. \$2 #780 *10X The Cash*
  - g. \$5 #781 *20X The Cash*
  - h. \$10 #782 *50X The Cash*
  - i. \$20 #783 *100X The Cash*
2. Consent Agreements – Regulatory Violations
  - a. Horseshoe Casino – February, March and April 2025
  - b. MGM National Harbor – February 2025
  - c. Rocky Gap Casino – January and March 2025
3. Consent Agreements – Mobile Sports Wagering Violations
  - a. BetMGM – April 2025
  - b. Hollywood-Penn – February 2024
4. Consent Agreement – Sports Wagering Violations
  - a. Long Shot's LLC – January and March 2025
5. Consent Agreements – Underage Violations
  - a. Greenmount – Case No. 2025-08-001
  - b. MGM National Harbor – Case No. 2025-06-001 and -002
6. Gaming License Application Denials and Revocations
7. Lottery Retailer License Revocation
8. Staff Reports: James Nielsen, James Butler, Craig Lindsey, Michael Eaton, John Mooney, Paula Yocum, Solomon Ramsey, Seth Elkin, and Holly Citko.

Chair Browning asked if any Commissioners cared to remove and discuss any items on the Consent Agenda. Commissioner Hodges said he had questions for clarification on the regulations for the consent agreements in the Consent Agenda Item No. 2, Regulatory Violations. He stated that he had read through documents for Horseshoe Casino, MGM National Harbor, and Rocky Gap Casino, and wanted to know what exactly they violated, and said they seem to be recurring. Commissioner Hodges said he knows there is a segment within each agreement that says the Commission may oppose those Consent Agreements if the violations continue, and wanted to know what has been the follow up on that? The questions he has are for all of them at large.

Chair Browning asked if Commissioner Hodges wanted to make a motion to pull those items from the Consent Agenda. Commissioner Hodges said he did want to pull them from the Consent Agenda to discuss the violations and asked if he needed to make a motion to remove Item 2 from the Consent Agenda. Chair Browning informed Commissioner Hodges that, at this point, if he wished to remove them from the Consent Agenda he could make a motion. Commissioner Hodges said yes. Chair Browning asked for motion to remove Item No. 2 from the Consent Agenda. Commissioner Hodges said yes. Chair Browning said the Commission would have to completely remove the item and not approve it. Chair Browning stated the Commission would have to remove the Consent Agreements that had already been decided between the Agency and the entity with the violation. He noted that these Consent Agreements were sent to Commissioners for review before the Agreements were signed.

Chair Browning asked if the Commission is asking to pull out those Agreements, if that is the motion that Commissioner Hodges is looking to make. Chair Browning said because it has already been agreed upon and it's a Consent Agreement, the Commissioners cannot go into a deep discussion in public session. If the entities agreed upon it, these Consent Agreements would be pushed back, and it would then become a legal matter.

Commissioner Hodges said he would withdraw his request for next time. Commissioner Hodges then asked if Chair Browning was saying that he only had a moment to respond this way a couple days ago when he first received the Consent Agreements. Chair Browning noted that the proposed Consent Agreements had been

provided by Mr. Mooney to the Commissioners three weeks prior to the meeting to review, and asked them to reply, and there were no replies from the Commissioners with any concerns at that time. That is the time when the Commissioners can pause, ask questions and interact with them and get input.

At that point, Commissioner Hodges said he would withdraw his motion. Chair Browning then asked for a motion to approve the Consent Agenda. Vice Chair Marriner motioned to approved, Commissioner Adebisi seconded, and the motion was unanimously approved.

Chair Browning then moved on to the Operator Reports.

## **OPERATOR REPORTS**

### **Hollywood Casino Perryville**

Ms. Amy Brennan, General Manager, reported that June gross gaming revenue was down 5.4% year-over-year, with a decrease in slots, table games and poker revenue. July gaming revenue was up 5.7%. Year-to-date gross gaming revenue is down 1.7% year-over-year. The casino had multiple promotions in June and July. The Progressive Payday did not hit. In the community, team members volunteered at the Plumpkin Park Zoo, adopted a piece of the Highway outside of the casino, and volunteered for Habitat for Humanity. TITO tickets donated by customers exceeded \$10,000, with half of that going to the Maryland Veteran Trust Fund. Team members compete to pick charities for these donations. The casino celebrated Father's Day by giving Jerky to fathers that day. In July, the casino held town hall meetings for the annual engagement survey in July. There are currently 35 open positions. The MBE/WBE spend for July was 7%, against the goal of 17%. There are several large projects going on currently that do not have vendors in that category, and that is causing the skew in achievement numbers. Hollywood Casino attended two MBE events, one at Live! Casino, and will be holding one at the casino in September.

Chair Browning asked if Hollywood Casino had figured out where the bus stop across from property was located. Ms. Brennan said they are still working on it. There is currently a study by Cecil County for both guests and team members who do not have transportation to add a second bus stop on the local route with team members participating to provide information on where the stops should be. Chair Browning thanked Ms. Brennan for looking into that so that team members who do not have transportation are able to get to work.

### **Ocean Downs Casino**

Bobbi Jones, General Manager, reported the focus of her report will be August results. July was a great month, and August has been great month as well. In August, coin in was up 1% to prior year. Table drop was up 8% year-over-year, attributing that to the new Director of Table Games, who has made some great decisions regarding the floor. Net gaming revenue was up 6.4%, which was the second highest in state, even though Ocean Downs is a small casino. There were a weekly promotion and a July 4<sup>th</sup> Slot Tournament at the casino in July. The casino had several giveaways throughout the month. The casino did a school drive again this year raising over 1,765 school supplies given to the local community. The annual Ostrich and Camel race was picked up by ESPN this year, and the casino had a new intern who did a TikTok that hit over 1 million views. The casino donated \$3,000 in cash and in-kind donations to several charities. MBE spend was 13.75%. There was a meeting with Gerald Stinnett from GOSBA, and those numbers will go up. The water tower project has been delayed as the casino waits on environmental approval. The team members were provided with food on July 4<sup>th</sup>.

Chair Browning thanked Ocean City area for hosting the Commissioners who were there for the Maryland Association of Counties (MACo) conference in August.

### **Live! Casino**

Mr. Ryan Eller, General Manager, reported that gross gaming revenue in July was down 5.1% year-over-year. Slot machine revenue was down under 1% year-over-year, table games down 17%, primarily driven by hold,

which was weaker than the prior year. Volume in July was up. Poker was up 8.8%, and retail sportsbook had \$200,000 in revenue for the month. Table hold was little shy of what the casino saw last year, but volumes were robust on the table side. There were a variety of events, promotions and giveaways at the casino. Over 15,000 tickets were sold for several acts at the casino in July. The casino offered team members tickets to an Orioles Game or Hershey Park for their families. There was a raffle focused on raising money for the Sunshine Fund. In the community in June, the casino celebrated Live! Day of Service with over 100 team members going to various charities to participate and provide volunteer hours. In July, the casino hosted an MBE Outreach Fair which was well attended, with more than 100 vendors participating. In collaboration with The Maryland Chamber Foundation, the casino hosted a Teacher Externship that paid teachers to come into the casino and work alongside the organization to understand the hospitality and casino business. Live! Casino has raised \$225,000 in donations year-to-date with nearly 1,400 hours volunteered by team members. MBE spend was just over 24%, which was over the goal of 19%.

Commissioner Adebisi congratulated the casino on a successful MBE event. He wanted to know if the casino tracks who the new vendors are that the casino does business with, and what is the nature of business being done with them? What kind of follow-up does the casino have and what are the results after the event? Mr. Eller said there are two aspects, the nature of the event is one that goes beyond the four walls of the casino, with an opportunity for the vendors to do business, but also brings other interested parties to explore and learn how to be established as vendors and get their registration. The event is done two times a year to establish relationships.

Mr. Eller said that the vendor fair is a regional vendor fair. He said the casino has MLGCA there, as well as other State agencies and major construction contracting firms with the intention to find smaller subcontractors and interested or potentially interested minority vendors that want to do business with some of the larger employers and companies. Live! Casino hosts the event, but it goes beyond the casino. Live! Casino tracks every new vendor and checks the progress as they embark on a project. At the conclusion of contracted relationships, the casino makes sure to continue or replace the vendor in that network of vendors.

Commissioner Adebisi thanked Mr. Eller for elaborating and said it helps that other companies can find minority vendors at the Live! Fair. Mr. Eller said it started with a couple dozen and every year it grows with more vendors and guests interested in attending.

Commissioner Hodges wanted to know what industries MBE's are in? What typical services are they concentrated in by percentage-wise? He asked for a ballpark idea. Mr. Eller said that he did not have exact percentages, but he could get those for Commissioner Hodges. The largest for Live! Casino are construction and contracting. There is contract labor, with professional services like IT services and things of that nature. Those would be the top 3 categories. There are other opportunities with not a great deal on the minority vendor side for some of the supply chain items the casino uses, such as things sold in the retail store. The casino has food and beverage vendors. That is a tough business as it is a highly concentrated market with large vendors.

### **Rocky Gap Casino**

Mr. Brian Kurtz, General Manager, reported revenue in June was up .4%. Revenue was up 1% in July. Slot machine revenue was up 5% in June, and up 4% in July due to less hold and more drop. Table game revenue was down 33% in June and 26% in July with a \$284,000 decrease in drop, and a 6% decrease in hold. There were several lucky table game winners. Volume for the rest of the property was very good. Revenue is coming back after a tough winter and then the flooding that occurred, and summer travel has been very strong. In June and July, the hotel occupancy was running at 86%. It has been a very successful summer as far as volume coming into the casino. Rocky Gap had several promotions and giveaways in June and July. The Payday Progressive continues with no winner to date. In the community, Rocky Gap Casino finished its partnership with the local Human Resource Development Center, collecting over 471 items for infant supplies and clothing that support the local community. In July, the casino started a collaboration with the local United Way collecting school supplies that will run until the end of August. The casino also just participated in the "Stuff the Bus" at a local Walmart. The casino assisted the local Allegany County Chamber Crab Feast, doing a raffle for team members to compete for tickets to the Crab Feast. Rocky Gap partnered with University of Pittsburgh

Medical Center for Western Maryland Health who held their annual golf tournament having a dinner each year with raffles and other activities and set a record for contributions and donations that support hospice care in the local area. The casino brought in food trucks for team members. There are currently 260 licensed employees, and 80% of those individuals are full-time. Total employment at the property is 402 down from 444 last year. MBE spend compliance rate is 17%, but the casino was over that amount, at 28% in July. There will be a Ready, Set, Grow! Event this fall with Gerald Stinnett and his team.

Commissioner Hodges said going back to the Consent Agreements that were moved on from, he wanted to know what the regulatory violation at Rocky Gap, and asked him to talk a little bit to that violation, and what are the casino's controls to prevent this from happening.

Chair Browning reminded Commissioner Hodges that the Commission cannot discuss the details of the Consent Agreements online with everyone in the room, and that kind of discussion needs to be offline. It is part of the Consent Agreement and is internal with the company.

Commissioner Hodges wanted to know, pursuant to MBE compliance, what are the industries Rocky Gap seeks. Mr. Kurtz said there are 3 main categories. One would be on the service side, all of the slot tech labor is handled by an MBE partner, Full Circle, a long-standing partnership with the casino. Their contract was recently renewed for another three years. The next would be on the marketing side with promotional gifts done through an MBE contract, as they offer faster returns on shipping when orders are placed. IT support is also done through MBE, with penetration testing and purchasing computer supplies. The challenge with Rocky Gap is its geographical proximity to vendors. Rocky Gap is at 28%, and the former Chair can avow to the amount of work Rocky Gap has done in the last six years to get that percentage rate up while dealing with the proximity of the casino. Many vendors are two hours away from the casino, and what is being ordered is not enough to justify their trip. Construction at times makes sense, but other times does not. As an example, Rocky Gap was putting in an RTU which was 25% more expensive, which did not make sense from a business perspective for Rocky Gap to do that, but when it does, Rocky Gap tries to reach those goals. Rocky Gap works with Gerald Stinnett extensively on growing with new vendors and trying to source, but it has to be a good partnership both ways. Rocky Gap is very proud of the 28% MBE spend achieved, and they continue to push on that.

Chair Browning said the Commission's heart still goes out to everyone affected by the recent weather in Western Maryland. He wanted to know, as previously discussed, if there have been any changes or any impact from other area states, like Pennsylvania casinos impacting Rocky Gap. Mr. Kurtz said that there has been enhanced competition in Shippensburg, PA from the State College Casino, and additional competition. West Virginia is getting more aggressive. From Rocky Gap's perspective, more expensive electric bills, etc. are taking away from player wallets on a monthly basis, which makes it harder.

### **Horseshoe Casino**

Mr. Jacob Witmer, Senior Vice President, General Manager, reported that July gaming revenue continued a health trend of Horseshoe Casino, up 9.2%, with strength in the volumes returning back to the property. Table game revenue was up 7.4%, and drop year over year the casino continues to narrow the gap in areas like poker. The casino just brought in a new poker manager from another Horseshoe property who is looking to bolster all areas of the gaming floor. Slot machines continue to be strong, and coin in was up 13.6%, and carrying up 5.3% year to date, which is a totally different story from last year. ETG volume was up 65%, as the casino continues to lean into brand strength building the casino back up with marketing and entertainment strategies, and do not anticipate backing off that any time soon. Year-to-date, the casino revenue is up 2%, and nongaming revenue was up 11.6%. The casino is trying to build up both. This is a positive story for Baltimore, as the casino starts to bring some of the aspects to the Warner Street Project and the Paramount Theater, which is looking to be open by late Q1 or early Q2 of next year. It is an exciting time for the area and for the casino. In August, nongaming revenue is up almost 22%, with strong casino beverage and a lot of retail foot traffic coming back to the property as the casino strengthens things offering guest experience items which were previously non-existent. The casino continues to hire, as it needs additional staff and tries to address employment barriers. Mr. Witmer said the casino appreciates Nick's (Commissioner Mosby) offer of support, and the casino also appreciates the City and Governor's offer of support trying to break down barriers. MBE spend was on a decline in July, down to 16%, and the casino is working to determine if it was attributable to the dollar value

or number of vendors. There was a large credit tied to the Warner Street Project with an offsetting invoice that had to come back through, which the casino does not see hitting until August. He believes the casino will be in line with the 25% to 28% goal. Mr. Witmer said the casino is outsourcing more decor and design for the casino, including promotions with a local artist who is completing work for the casino for an event hosting a dinner with the Ravens Cheerleaders. Vendors are getting exposure, as the procurement process goes across 52 properties in the Horseshoe enterprise.

Caesars has a localized team that goes out and finds MBE/WBE vendors as a matter of priority, of which consulting services comprising a bulk of that contract. Some vendor areas are tougher markets to break through. The casino is looking at creative ways to grow the number of vendors. In the community, the focus has been local to Baltimore, relaunching the Hero Project. Horseshoe partnered with their corporate philanthropy group, and are rolling out strategies to invest as a team and not just financially. The casino is partnering with the Baltimore Ravens to support an initiative called Brave Gowns that creates custom gowns for kids with pediatric cancer, looking to knock this out. It is a way of engaging and focusing with the families, and consoling them.

Vice Chair Marriner commended Horseshoe Casino for being able to stop the slide and now going the other way. He said it was all about the leadership, and congratulated Mr. Witmer.

Chair Browning also commended the turnaround in the community, and said it has truly been remarkable.

### **MGM National Harbor**

Mr. Ryan Geary, Vice President & CFO, reported that July gaming revenue was down 5% year-over-year, slot revenue was down 2%, and table revenue was down 10%. Poker revenue was up 6%, and the sportsbook wrote over 15,000 tickets, with \$1.8 million in handle, which was a decrease of 1,500 tickets year-over-year. As of July, handle was \$2.85 million, and hold was 11% compared to 26% in the prior year. The casino had several promotions, giveaways and kiosk games in July, and three shows in the theater, all of which were well attended. In the community, MGM hosted the MGM National Harbor's 6<sup>th</sup> Annual Employee Talent Show with ticket sales benefiting the MGM Resorts Foundation to be distributed to non-profits in the DMV area. During June and July, team members assembled meal kits with non-perishable food items donated by Nourish Now and distributed to local churches. MBE spend was 21%, going to 61 separate MBEs. The casino hosted and attended several diversity focused events. Team members were given tickets for a second year in a row to a Six Flags event in July. Those team members also volunteered at the park.

Chair Browning asked for an update of the impact of Rose Casino in Dumfries, VA on MGM numbers. Mr. Geary said there has and has not been an impact. Rose Casino is 45 minutes away, and is a different offering. MGM National Harbor is seeing an impact on revenues which could also be due to the current economy and the federal government impacts. The casino is seeing an impact in unrated play which is the lower end play, but nothing too material to date.

Chair Browning thanked all of the casino operators for all they do for their employees, the MBEs, and the community, and for coming to provide reports every month so the public knows what the casinos do things outside of being a casino, and being involved in the community.

### **DIRECTOR'S REPORT**

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

Director John Martin provided a summary of what the FY25 numbers were for MLGCA. He said the numbers will be finalized soon but are currently unaudited. On balance in total, MLGCA contributions to the State were \$1.6 billion to support State programs. Director Martin said he would focus on the three primary sectors. Lottery contributions included sales of over \$2.6 billion, which was the fourth best total in Maryland Lottery history. Scratch-Offs surpassed the billion-dollar mark for the fourth consecutive year. Profit contribution to the State was over \$667 million in total, which was the fifth best total in history. The primary beneficiary of

that was the Maryland General Fund. Player prizes were over \$1.67 billion, which is an average of nearly \$4.6 million per day paid out to lottery players. There were 33 prizes of at least \$1 million. Retailers commissions of over \$195 million. The average number of retailers in the State is 4,300, earning \$45,000 for the year per retailer.

For the casino gaming side, the total gaming revenue was over \$1.96 billion, which was the third best year in the fifteen-year history of the casino program. Total contributions to the State were over \$831 million, which again is the third best total. The primary beneficiary was the Education Trust Fund at over \$606 million. Problem gambling fund contribution from the casino partners was \$4.4 million.

Sports Wagering for FY25 had a handle amount of over \$6.2 billion. Prizes paid to players were over \$5.5 billion. That is a hold of 11.2%. Contributions in total were nearly \$89 million. The only beneficiary was the Blueprint for Maryland's Future Fund.

Fiscal Year 2026 is starting well. Powerball is currently at \$950 million with a cash value of \$428.9 million. Between now and the Saturday draw, that may increase further. It is currently the sixth largest jackpot. As a part of the Powerball product, there is Double Play feature for an additional dollar and players get to play their numbers for a second time. The draw occurs 30 minutes after the first drawing. On August 20, there were 2 second tier prizes with 5 of 5 white balls, but that missed the Powerball number. There was a third one last week. In the span of a week, there were three tier two Double Play winners. The two won on August 20 were won by the same person and totaled \$1 million.

Maryland Lottery Day at the State Fair is this weekend. Director Martin invited the Commissioners to come and see the Lottery Team on the free stage at 4:30 p.m. where ten contestants through My Lottery Reward will have a chance to win \$20,000.

Chair Browning stated that the Commission is lucky to have Director Martin and his team for all of the work done with retailers, casinos and sports betting.

Commissioner Hodges wanted to know how FY25 compares to what is projected for this year, and is it close?

Director Martin responded that it is very close. MLGCA knew from FY23 and FY24, which were the best years primarily due to several billion-dollar jackpots, that it was unlikely there would be run in FY25 like there was in FY23 and FY24, although it was almost there. The Agency is encouraged by the current billion-dollar jackpot, which sets up MLGCA for a successful run. MLGCA hopes for a strong year with significant growth from FY25 to FY26.

## **COMMISSION ACTION ITEMS**

*Deputy Director – James Nielsen*

### **Commission Action Item – Instant Ticket Lottery Machines and Related Services Control Extension (#2014-02)**

Mr. Nielsen reported that MLGCA is recommending an extension of MLGCA's Contract with Diamond Game to continue supporting the Veterans' Instant Ticket Lottery Machine or ITLM program for an additional 26 months, through December 31, 2027.

Mr. Nielsen summarized the Staff Agenda Memorandum, identifying the original term of the Contract, which was approved by BPW in February 2014, with an end date of February 28, 2019. In December 2018, the Contract's five-year option was exercised and the Contract was extended to February 28, 2024. At that time, the fee paid to Diamond Game was reduced from 41.74% to 30% of the net proceeds produced by the program. In February 2024, the Contract was extended for an additional 6 months to September 1, 2024. And most recently, in August of 2024, the Contract was extended again to November 1, 2025. Diamond's fee was increased to 32.5% of the net proceeds at that time.



The last two extensions were approved at the Agency level because the extensions did not require an increase to the Contract's Not To Exceed (NTE).

Mr. Nielsen described the statutory limitation that requires that the results of play on an ITLM must be contained wholly within the pre-printed instant ticket. He noted that until recently, there was only one company that offered ITLMs that use pre-printed tickets, the current vendor, Diamond Game. In an effort to expand the field of potential contractors, last year MLGCA delayed issuing an RFP to see if new legislation would be enacted that permitted what is known as print on the fly technology. Print on the fly would still use predetermined results but the results are stored electronically, not pre-printed on the tickets. That legislation was not enacted in 2025 so pre-printed tickets are still required.

Mr. Nielsen explained how the Agency anticipates that legislation may be introduced during the 2026 session of the General Assembly that would permit pre-determined results, which may help to increase competition when MLGCA releases an RFP. Mr. Nielsen described how 26 months were needed beyond the current contract expiration date to allow for the 2026 legislative session, to receive and evaluate proposals, identify the successful offeror, obtain BPW approval to award the contract, and for the contractor to manufacture equipment and develop software. He further explained that there is no need to increase the NTE, but MLGCA is required to obtain BPW approval for this extension.

Mr. Nielsen asked if any of the Commissioners had questions. Commissioner Hodges wanted to know in terms of the time period for the RFP, if it was just going out only to Maryland vendors. Mr. Nielsen said No. Commissioner Hodges then asked if Diamond Game is the only vendor that does this kind of work. Mr. Nielsen said that currently yes, because it is old technology, many companies have moved away from the preprinted paper. They are more expensive and there are some issues at times with it getting jammed in the machines. The predetermined electronic results are what most other companies prefer to offer. It is old technology, but that is the law, so that is the way MLGCA has to do it.

Commissioner Adebisi wanted to be clear on whether the current contract, even if it goes through 2026, that the NTE funding would still not exceed what is allocated. Mr. Nielsen said that was correct. He said when the program was launched MLGCA had no idea how successful it was going to be. It is not that it is unsuccessful, it is just not as large as MLGCA had anticipated. There was a large amount of money put into the initial contract, just to be safe, and it just was not needed. Commissioner Adebisi asked if those funds are still available? Mr. Nielsen replied that they are still available. He said they are also budgeted every year as part of the normal budget process, but the contract NTE is there.

Commissioner Mosby wanted to know if there is only one vendor that can currently do that. Mr. Nielsen said that another vendor just recently began offering these devices, but MLGCA does not know if that vendor has the entire set of equipment and systems that MLGCA needs. There is someone else that may be doing it now, so there could be at least two, but if MLGCA changes it, there could be a larger number.

Commissioner Mosby want to know if the strategy after 2026 legislation has been enacted if it would mean developing two RFPs? He said his assumption is that the second RFP will be more inclusive, and be for both technologies? Mr. Nielsen confirmed that was correct.

Commissioner Mosby wanted to know if there were any MBE/WBE requirements or goals, and whether that information is tracked by MLGCA. Mr. Nielsen said there are MBE goals and Mr. Nielsen could get the Commissioners that information, but he was not sure of the MBE target percentage. Mr. Nielsen said that he would let the Commissioners know. MLGCA does have a goal and tracks it. Diamond Game is exceeding it, but Mr. Nielsen cannot recall the percentage.

Chair Browning wanted to know if Diamond's fee would remain at 32.5%? Mr. Nielsen confirmed that was correct.

Mr. Nielsen then requested a motion to extend the Veterans' Organization Instant Ticket Lottery Machines and Related Services contract #2014-02 with Diamond Game for 26 months, so that the new expiration date will be December 31, 2027. Chair Browning asked for a motion. Commissioner Hodges motioned, Commissioner Stakem seconded, and the motion passed unanimously.

*Managing Director, Gaming – Michael Eaton*

**Commission Action Item – Regulation Updates – Gaming Provisions, Table Games Provisions, Skill-Based Amusement Devices Provisions, and Sports Wagering Provisions**

Mr. Michael Eaton reported that he would be presenting proposed amendments to regulations in the following subtitles: Gaming Provisions, Table Games Provisions, Sports Wagering Provisions and Skill- Based Amusement Devices Provisions. These amendments address industry recommendations received during our annual review process, as well as staff recommendations and recent legislative changes.

Mr. Eaton outlined the approval process for the Commissioners, and noted that he would be requesting a motion to approve the amendments after each subtitle.

**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**

Mr. Eaton said the Proposed amendments to Regulation .11 of this chapter would allow for the facility operators to make a video recording or photograph of an incident captured by the surveillance system available to the Commission via a CD, secure drive, or another method approved by the Commission. These amendments were in response to the gaming industry's recommendations.

Proposed amendments to Regulation .12 of this chapter would allow a facility operator to utilize an electronic surveillance incident log that documents changes made by a user. This would allow an operator to implement newer surveillance technology. These amendments were in response to the gaming industry's recommendations.

Proposed amendments to Regulation .43 of this chapter would require drop and count team members assigned to collect cash storage boxes to wear a one-piece, pocketless jumpsuit. This existing requirement is being incorporated into the regulations for clarification.

**Chapter 11 Facility Standards**

Proposed amendments to Regulation .04 of this chapter would clarify that two stationary cameras are required for Baccarat tables 72 inches or longer, and one camera is required for Baccarat tables less than 72 inches. These amendments were in response to the gaming industry's recommendations.

Mr. Eaton asked if there were any questions to these proposed amendments. Commissioner Hodges asked if there was a restriction on when the video surveillance is destroyed, and what the full scope of that entailed. Mr. Eaton stated that the regulations required the vendor retain the video for certain areas for a certain period of time, which is 14 days. Other areas of the casino have other retention periods. Mr. Eaton said he could provide those retention periods after the meeting.

Commissioner Adebisi wanted to clarify that there are other regulations that are specific to the retention of recordings, and this will not impact those regulations? Mr. Eaton said that was correct and it would not impact the regulations, as it does not change the requirement.

Commissioner Adebisi asked if the video retention requirements for video surveillance fall under those regulations, pertaining retention periods? Mr. Eaton said that is correct; this does not change the retention requirement for video surveillance at all.

Vice Chair Marriner asked to confirm that these were industry recommendations? Mr. Eaton stated that was correct.

Chair Browning asked if there were any other questions. There were none. Chair Browning asked Mr. Eaton if he had a motion for the Commission. Mr. Eaton said MLGCA is seeking a motion to approve the proposed amendments to the regulations in the Gaming Provisions subtitle. Chair Browning asked for a motion. Commissioner Stakem motioned, Commissioner Adebisi seconded, and the motion passed unanimously.

## **Subtitle 05 Table Games**

### **Chapter 03 Table Game Procedures**

Proposed amendments to Regulation .04 of this chapter would remove the requirement to include the shift on the Fill Request Slip. All essential details required for audit tracking such as date, time, table number, amount, and signatures—remain intact. These amendments were in response to the gaming industry's recommendations.

Proposed amendments to Regulation .05 of this chapter would remove the requirement to include the shift on the credit request slip and clarifies responsibilities. All essential details required for audit tracking such as date, time, table number, amount, and signatures—remain intact. These amendments were in response to the gaming industry's recommendations.

Mr. Eaton asked if there were any questions from Commissioners. There were no questions from the Commissioners.

Mr. Eaton said MLGCA is seeking a motion to approve the proposed amendments to the regulations in Subtitle 05, Table Games Provisions. Chair Browning asked for a motion. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

## **Subtitle 08 Skill-Based Amusement Devices**

### **Chapter 04 General Standards**

Proposed amendments to Regulation .01 of this chapter align MLGCA's regulations with the amendments to Criminal Law Article, § 12-301, which clarifies prizes that may be lawfully awarded to players of skills-based amusement devices.

Mr. Eaton asked if there were any questions or comments to Subtitle 8. Commissioner Hodges asked what the rule change was that was imposed? Mr. Eaton said the that the law was updated to allow the players to accumulate prizes and exchange them for a prize that exceed the minimum value of \$40, up to \$599 and so the proposed regulation change addresses that.

Chair Browning asked if this was in response to places like Dave and Busters and Chuck E. Cheese. Mr. Eaton responded yes, Dave and Busters.

Mr. Eaton said MLGCA is seeking a motion to approve the proposed amendments to the regulations in the Skill-Based Amusement Devices Provisions subtitle. Chair Browning asked for a motion. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

## **Subtitle 10 Sports Wagering**

### **Chapter 10 Enforcement of Voluntary Exclusion Program**

Proposed amendments to Regulation .03 of this chapter establish specific requirements for the font size and location of the gambling assistance message on advertisements for sports wagering, to address consumer protection concerns that the gambling assistance message may be buried in tiny font or displayed too briefly. These amendments were in response to the gaming industry's recommendations.

### **Chapter 13 Sports Wagering Licensee Minimum Internal Control Standards**

Proposed amendments to Regulation .34 of this chapter would clarify that drop and count team members assigned to collect cash storage boxes are required to wear a one-piece, pocketless jumpsuit.

### **Chapter 14 Sports Wagering Requirements and Limitations**

Proposed amendments to Regulation .06 of this chapter would allow a sports wagering licensee to remove, release, or withdraw funds that are held in the reserve account that are in excess of the licensee's reserve requirement without Commission approval. These amendments were in response to the gaming industry's recommendations.

### **Chapter 18 Sports Wagering Technical Standards**

Proposed amendments to Regulation .04 of this chapter clarify the deadline for submitting annual geolocation system testing reports to the Commission. This amendment is being added into the regulation for clarification.

Proposed amendments to Regulation .06 of this chapter clarify the deadline for submitting annual IT security reports to the Commission. This amendment is being added into the regulation for clarification.

Mr. Eaton asked if there were any questions or comments for Subtitle 10. Commissioner Hodges wanted to know the elements in this Chapter as to what is the SOP testing requirement. Mr. Eaton asked if he meant the geolocation requirement? Commissioner Hodges confirmed that. Mr. Eaton replied yes that is the requirement in the regulations that limits all sports wagering to the State of Maryland. MLGCA recently updated the regulations to require annual testing of the geolocation system in the requirements. In this regulation, MLGCA is adding the requirement to specify when those reports are due to the Commission.

Prior to requesting any motions, Mr. Eaton was informed that he missed one of the regulatory amendments to Regulation .03 of Chapter 04 .

### **Chapter 04 Specific Requirements for Sports Wagering Facility Licensees**

Proposed amendments to Regulation .03 of this chapter would incorporate a tiered performance bond structure based on sports wagering revenue. These amendments were in response to the gaming industry's recommendations.

Mr. Eaton asked if there were any questions. Commissioner Hodges asked Mr. Eaton to explain what the tier bond is about. Mr. Eaton said originally the requirement was for all sports wagering facility operators to have a bond for \$6 million. One of the requests from the operators was that MLGCA look at reducing that bond amount based on performance or revenues of the operators. There are smaller operators, and they are different sizes and are not the same as casinos. MLGCA created the tier structure for the bond amounts that are required. That is \$2 million, \$4 million, and up to \$6 million based on revenues expected for the operator.

Commissioner Hodges wanted to know if this was so more operators can operate. Does this affect how that works? Mr. Eaton said that it takes the pressure off of them from a financial standpoint with regards to the bond.

Chair Browning asked if there were any other questions. There were none. Chair Browning asked Mr. Eaton if he had a motion for the commission. Mr. Eaton said MLGCA is seeking a motion to approve the proposed amendments to regulations in Subtitle 10, in the Sports Wagering Provisions subtitle. Chair Browning asked for a motion. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Mr. Eaton then said MLGCA is seeking 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*. Chair Browning asked for a motion. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

### **Commission Action Item – Waiver of COMAR 36.10.13.39F(2)**

Mr. Michael Eaton reported that Riverboat on the Potomac, LLC, has submitted a request to waive COMAR 36.10.13.39F(2), Limitation on Free Promotional Play.

COMAR 36.10.13.39F(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 this regulation, 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 36.10.13.39F(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.

Mr. Eaton asked if there were any questions. Chair Browning asked if they had changed partners, and they closed down and are now opened back up, getting a restart instead of charging for a full year since it has only been 3 months counting the year before? Mr. Eaton responded they did operate for a full year in 2023. This waiver increases the promotional play cap that they use for the remainder of 2025. Chair Browning asked if it was just for 2025. Mr. Eaton confirmed that it was.

Vice Chair Marriner asked if that would be the benchmark? Mr. Eaton confirmed that was correct.

Commissioner Hodges wanted to know if this has been done for vendors in the past. Mr. Eaton said it was done for the casinos in 2020 during COVID related closures. It similar in rationale, but for different circumstances.

Mr. Eaton said MLGCA is requesting 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. Chair Browning asked for a motion. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

## **Commission Action Items – Hearings**

Chair Browning stated that the Commission would be holding three hearings today and outlines the procedures. He said that Mr. John Mooney would be conducting the hearings and summarizing MLGCA's investigations. Chair Browning stated that he would collectively administer the oath to anyone who may testify or answer questions in any of the hearings. Chair Browning said at the end of each hearing anyone present on behalf of an interested party may speak, and the Commission may ask questions of Staff or a representative of the interested party. At the end of each hearing, Chair Browning said that he would ask for specific motions associated with each hearing.

Chair Browning then collectively administered the oath to all individuals who may testify or answer questions. Those sworn in from MLGCA were: John Mooney, Phil Metz, Mark Ermer, and Deborah Cox; Robert Ruben from Duane Morris, LLP; for Evolution, Jeffrey Patchen, Head of Compliance on behalf of Evolution North America; Jessica Feil, Vice President, Regulatory Affairs and Compliance on behalf of OpenBet; and Peter Wolff, Associate Vice President of Compliance on behalf of Bet365 (Hillside).

Mr. Mooney outlined the hearings, which at least in some respect, pertain to qualifying entities, but they each concern a different aspect of the Gaming or Sports Wagering Law. Requirements for qualification include: (1) an applicant's financial stability and integrity; (2) integrity of any financial backers related to the application; (3) an applicant's good character, honesty, and integrity; (4) an applicant's business ability; and (5) whether there are any mandatory disqualifiers that prevent the applicant from proving its qualifications by clear and convincing evidence.

The two hearings on a proposed merger require that the Commission determine whether the 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 and Sports Wagering Law; and that the transfer is consistent with the policies and intent of the Gaming and Sports Wagering Law.

Mr. Mooney said the he would summarize each hearing and ask for motions. He then proceeded with the first hearing.

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

#### **Commission Action Item – Proposed Agreement and Plan to Merger Galaxy Gaming, Inc. and Evolution Malta Holdings Limited**

Mr. John Mooney reported that the primary parties to the Agreement and Plan of Merger are Galaxy Gaming, Inc. who holds a gaming manufacturer license in Maryland and Evolution Malta Holding Limited, Galaxy Gaming HoldCo, LLC, and Galaxy Gaming VoteCo, LLC which have each submitted a Principal Entity Disclosure Form with the Commission. Galaxy is a publicly traded company registered with the United States Securities and Exchange Commission. Galaxy develops and distributes proprietary table games, electronic wagering platforms and enhanced bonusing systems to land-based, riverboat, and cruise ship casinos worldwide.

Evolution is a wholly-owned subsidiary of Evolution AB, a publicly traded company listed on the Nasdaq Stockholm exchange. Evolution AB is a business-to-business provider of live and online casino systems to gaming operators throughout Asia, Europe, Latin America and North America.

On July 18, 2024, Galaxy Gaming, Inc. entered into the Merger Agreement with Evolution and Galaga Merger Sub, Inc., a subsidiary of Evolution created solely to effect the merger transaction. Under the terms of the Merger Agreement, Galaxy will merge with Galaga Merger Sub, Inc. with Galaxy surviving the merger and becoming a wholly-owned subsidiary of Galaxy Gaming HoldCo, LLC. To fund the merger transaction, Evolution has committed available cash on hand.

Upon completion of the merger transaction, the voting interests in Galaxy Gaming HoldCo, LLC will be controlled by Galaxy Gaming VoteCo, LLC. The managing members of Galaxy Gaming VoteCo, LLC are Mr. Martin Carlesund and Mr. Jesper von Bahr, who have each submitted a Principal Employee License Application

with the Commission. The economic interests of Galaxy Gaming HoldCo, LLC will flow to Evolution. Galaxy will remain the gaming manufacturer licensee after the merger.

Mr. Mooney further explained the facts associated with parties approving the Merger Agreement.

Staff performed inquiries and examined relevant documents in order to obtain an adequate understanding and confirm the substance of the merger transaction. The investigation disclosed no information from our inquiries and found no content in the documents reviewed that would negatively impact Galaxy's status as a Gaming Manufacturer, nor Evolution, Galaxy Gaming HoldCo, LLC or Galaxy Gaming VoteCo, LLC from being qualified as principal entities in Maryland.

Mr. Mooney explained Staff's investigation and results and recommended approval of the motions to be presented.

Chair Browning asked if any Commissioners had any questions.

Commissioner Hodges asked if HoldCo would be a Nevada or Maryland based company? He said he did not understand through the flow the paperwork. Mr. Mooney asked Mr. Robert Ruben to respond to the question. Mr. Ruben stated that it is a Delaware company based in Nevada.

Chair Browning asked for a motion to find that Evolution Malta Holding Limited, Galaxy Gaming HoldCo, LLC and Galaxy Gaming VoteCo, LLC have established by clear and convincing evidence their qualifications as Principal Entities. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Chair Browning then asked for a motion to find that the proposed merger of Galaxy Gaming, Inc. and Evolution Malta Holding Limited meet the requirements of the Gaming Law, and that the resulting ownership changes from the merger are consistent with the policies and intent of the Gaming Law and State Government Article Section 9-1A-18, as required by State Government Article Section 9-1A-19. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Chair Browning asked for a motion to approve the proposed merger and resulting acquisition of Galaxy Gaming wherein it becomes a wholly owned subsidiary of Evolution Malta Holding Limited and transfer of a licensee's interests meets, and is consistent with the policies and intent of the Gaming Law so as to permit them to consummate the Merger Agreement, and perform their obligations thereunder. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Chair Browning asked for a motion to direct for Staff to draft a Decision Statement of the Commission on this hearing. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

### **Commission Action Item – Proposed Merger of IMG Arena US Parent, LLC and Sportradar Group AG**

Mr. Mooney said the primary parties to the merger agreement are IMG Arena US Parent, LLC, which is the parent company of IMG Arena US, LLC, which holds a sports wagering contractor license, and Sportradar Group AG, which is a sports wagering principal entity.

IMG Arena was formed in Delaware on March 3, 2020, and is the immediate parent company of IMG Arena US, LLC, and a wholly owned subsidiary of OB Global Arena Holdings, LLC, WME IMG, LLC and Endeavor Operating Company, LLC. Endeavor, through its numerous subsidiaries, is a global sports, entertainment and content company..

IMG Arena, OB Global Arena Holdings, LLC, WME IMG, LLC and Endeavor have each previously submitted a Sports Wagering Principal Entity Disclosure Form with the Commission.

Sportradar Group AG operates a technology platform providing sports data services to bookmakers with its brand Betradar, and to the international media industry under the brand Sportradar Media Services. Sportradar Solutions, LLC, a wholly-owned subsidiary of Sportradar is a licensed Sports Wagering Contractor in Maryland.

On March 19, 2025, Sportradar; IMG Arena; WME IMG, LLC; OB Global Arena Holdings, LLC; and Endeavor entered into a Transaction Agreement under which WME IMG, LLC will transfer its equity interest in IMG Arena and pay direct consideration to Sportradar. All payments required under the Agreement will be made by Endeavor using available cash reserves. Upon completion of the merger, IMG Arena and IMG Arena US, LLC will become wholly owned subsidiaries of Sportradar, and IMG Arena US, LLC will retain its Sports Wagering Contractor license in Maryland.

Mr. Mooney further explained how Endeavor is privately owned and the facts associated with parties approving the merger transaction. Mr. Mooney further explained that the merger transaction is currently under review by the United Kingdom's Competition and Markets Authority ("CMA") which is considering whether the transaction would result in the creation of a merger under the Enterprise Act of 2002 and if so, whether the merger may be expected to result in a substantial lessening of competition within any market in the United Kingdom. The CMA received comments from interested parties on the potential impact of the transaction through July 25, 2025, and has forty business days from that date to complete the review or determine that further investigation is warranted. The merger transaction cannot occur without CMA approval.

Mr. Mooney explained Staff's investigation and results and recommended approval of the motions to be presented.

Chair Browning wanted to know why they were moving on this before the CMA decision. Mr. Mooney explained that MLGCA has looked at other states and companies, and all are moving forward. It is rare that CMA overturns a merger. This is done so they close without waiting another month, to get ahead of the game. If CMA says they cannot merge, then they will not merge.

Commissioner Hodges wanted to know if under the new structure Sportradar would be the new holding company of IMG Arena, OB Global and other entities or are they merging as equals? What is the end entity? Mr. Mooney asked the representatives for the merger to respond. Ms. Jess Feil, who represents IMG Arena, said she will not be going with the company post-close, but in her discussions with Sportradar, it is her understanding that IMG Arena will continue to operate under its license, and Sportradar will be more of a holding company. It will not be an actual merger, more of an acquisition.

Commissioner Hodges said he was not understanding the explanation. He wanted to know if asked if Sportradar was actually purchasing IMG Arena. Ms. Feil said Sportradar was acquiring IMG Arena. Commissioner Hodges wanted to know in terms of liability if this was going to be a Maryland entity, or whether it was based somewhere else. Mr. Mooney said he believed it was based somewhere else. Ms. Feil confirmed it is a Delaware entity.

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

Chair Browning asked for a motion to find that IMG Arena US LLC and Sportradar Solutions, LLC maintain their respective qualification and good standing with their current Maryland Sports Wagering Contractor Licenses. Vice Chair Marriner motioned, and Commissioner Stakem seconded, and the motion passed unanimously.

Chair Browning then asked for a motion to find that IMG Arena; OB Global Arena Holdings, LLC; WME IMG, LLC; Endeavor Operating Company, LLC; and Sportradar Group AG have established by clear and convincing evidence their qualifications as Principal Entities. Vice Chair Marriner motioned, and Commissioner Stakem seconded, and the motion passed unanimously.

Chair Browning then asked for a motion to find that the proposed merger of IMG Arena US Parent, LLC and Sportradar Group AG meet the requirements of the Gaming and Sports Wagering Law, and that the resulting



ownership changes from the merger are consistent with the policies and intent of the Gaming and Sports Wagering Law and State Government Article Section 9-1A-18, as required by State Government Article Section 9-1A-19 and applied to the sports wagering law by State Government Article Section 9-1E-03(a)(1). Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Chair Browning asked for a motion to approve the proposed merger and resulting acquisition of IMG Arena wherein it becomes a wholly owned subsidiary of Sportradar Group AG and transfer of a licensee's interests meets, and is consistent with the policies and intent of the Gaming and Sports Wagering Law so as to permit them to consummate the Transaction Agreement, and perform their obligations thereunder. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Chair Browning asked for a to direct Staff to draft a decision statement of the Commission on this hearing. Vice Chair Marriner motioned, and Commissioner Stakem seconded, and the motion passed unanimously.

### **Commission Action Item – Qualification Hearing on Hillside (Maryland) LLC Application for an Online Sports Wagering Operator License**

Mr. Mooney reported that Hillside (Maryland) LLC is seeking an online sports wagering operator license. As such, it must prove that it is qualified under SG § 9-1E-07(e) and COMAR 36.10.03.02 and 36.10.06.02 and not disqualified under SG § 9-1E-07(g)(1).

Hillside Maryland LLC was formed in Delaware on October 7, 2022. It is a wholly-owned subsidiary of Hillside (New Media Holdings US) Inc. (the Company) which provides online sports wagering or iGaming in 14 states throughout the U.S.

The indirect 100% owner of the Applicant is bet365 Group Limited (d/b/a bet365) through its 100% direct shareholding in Hillside (New Media Holdings) Limited, itself the direct parent of the Company.

The Applicant has submitted an Online Sports Wagering Operator License Application to the Commission. The Company, Hillside (New Media Holdings) Limited and bet365 have each submitted a Sports Wagering Principal Entity License Application.

On June 20, 2001, bet365 was established as a Limited Liability company in England. It operates sports and gaming operations with gaming licenses in 19 countries in addition to 14 states in the U.S. Denise Coates, John Coates, Siobhan Nothers, Moira Stacey, and Will Roseff own bet365 and have each filed a Principal Employee License Application with the Commission and were issued a Temporary Principal License.

Mr. Mooney described the operating performance and financial condition of the Applicant which are reflected in the financial statements of the Company which are then included in the financial statements of the ultimate parent, bet365. MLGCA performed a detailed analysis of bet365 financial statements for fiscal years ending March 31, 2020 to 2024. Mr. Mooney described how the operating performance fluctuated somewhat, but overall was very positive. Mr. Mooney provided additional details about the Company's financial condition noting that financial condition of bet365 has remained very sound throughout the review period and has benefitted greatly from its ability to avoid any reliance on long-term debt to satisfy its operational and capital demands.

Sufficient liquidity exists for bet365 to meet its financial obligations and working capital requirements in the ordinary course of business for the foreseeable future, and it appears poised to continue its positive operating performance and maintain its financial strength moving forward. The auditors for bet365 have not expressed any concerns with its financial condition or results of operations, and its financial ratios and margins are solid and compare favorably with those of its competitors. There are no financial concerns with the approval of Hillside (Maryland) LLC as an Online Sports Wagering Operator as well as bet365 Group Limited, Hillside (New Media Holdings US) Inc., and Hillside (New Media Holdings) Limited as Sports Wagering Principal Entities for the State of Maryland.

Mr. Mooney explained Staff's complete and thorough background investigation and results and recommended approval of the motions to be presented.

Mr. Mooney identified the principals of the Applicant, Nicholas Butchart, David Myatt, Christopher McMahon, Stephanie De Flora, Moira Stacey, John Coates, William Roseff, Siobhan Nothers, and Denis Coates who have each filed a Principal Employee License Application with the Commission and have been issued a Temporary Principal License. The Applicant has submitted a completed application, adequate proof of bond, and all required fees.

Mr. Mooney concluded with the results of the investigation as to the applicant's financial resources, and finding no derogatory information regarding the Applicant's qualifications. MLGCA recommends that the Commission find Hillside (Maryland) LLC qualified for an Online Sports Wagering Operator License based on the provisions of the Sports Wagering Law by clear and convincing evidence.

Chair Browning asked if anyone from the interested party wished to speak. Mr. Peter Wolff thanked the Commission for having them today. He apologized for not being in person due to COVID. He said Hillside was excited for the opportunity to go live in Maryland, as it will be bet365's 15<sup>th</sup> state. He expressed personal gratitude for MLGCA staff that helped with the process, and listed several MLGCA licensing and gaming staff.

Chair Browning asked if any Commissioners had any questions. Commissioner Adebisi asked for the name and title of the witness for the record. Mr. Wolff responded his name is Peter Wolff and he is the Associate Vice President of Compliance on behalf of Bet365.

Commissioner Hodges wanted to know if Hillside was the new entity that was merging with Bet365 or was it the other way around? He said he did not understand that part. He wanted to know what the entity was looking like. Mr. Wolff responded that Bet365 is the operating company name and company brand. In every state they go live and have a separate entity. The company name for Maryland will be Hillside Maryland LLC. but the brand itself will be bet365 as it is part of the bet365 overall group.

Commissioner Hodges asked if this was strictly an online operation that the casino operating in Maryland. Mr. Peter Wolff said that was correct; they only do mobile sports betting, and do not do any retail.

Commissioner Hodges asked who owns the personal information that is collected. Is it a British company? He wanted to know where the data is stored and who owns the rights? Commissioner Hodges wanted to know who controls it. Mr. Wolff reiterated that the entity company is Hillside Maryland LLC as the operating company in Maryland which is part of the overall structure. Hillside Shared Services US oversees all of operations. The shared player accounts can move from one state to the next, but the entity in Maryland would be Hillside Maryland LLC.

Commissioner Hodges said he was not clear. He asked if a Maryland person puts a name in system do they know some UK company is going to have access to it, or is there a firewall against that? He wanted to know if bet365 keeps that separate. Mr. Wolff said all player information will reside in the U.S. bet365 had to submit their technical structure and the different data servers and system where information is stored. That is part of the internal controls and all of that information will reside in the U.S. As an overall company, they have multiple states live, and can share that customer data across the states. Any transactional data specific to Maryland will not be shared, that is specifically for Maryland. Mr. Wolff said he hoped that was answering Commissioner Hodges questions, Mr. Wolff was unsure of what Commissioner Hodges was asking. The data is owned by the overall structure. They do have measures in place to protect it, to meet any of the encryption, any security requirements for the State of Maryland, and PII requirements and player protection requirements.

Chair Browning asked how many online sports wagering companies are in Maryland? Mr. Mooney said 12 or 13. Mr. Seth Elkin confirmed that it was 12. Chair Browning wanted to know if there was a cap on online sports wagering companies. Mr. Nielsen said 60.

Chair Browning asked for a motion to find that Hillside Maryland, LLC has established, by clear and convincing evidence, its qualifications for an Online Sports Wagering Operator License. Chair Browning asked for a

motion. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed 5 to 1, with Commissioner Hodges opposed. Chair Browning asked since Commissioner Hodges was not on camera that he state his name for the record as opposed to the motion. Commissioner Hodges identified himself.

Mr. Mooney then asked the Commission to delegate to Staff the authority to draft the Commission's decision statement on the qualification of Hillside Maryland, LLC for an Online Sports Wagering Operator License. Chair Browning asked for a motion. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

### **Commission Action Item – Request for Relocation of Sports Wagering Facility Canton Gaming, LLC d/b/a Finest Flag Gaming**

Mr. Mooney reported that Canton Gaming, LLC, doing business as Finest Flag Gaming is a Class B-2 sports wagering facility licensee. It has submitted a request for relocation of its Baltimore County sports wagering facility from its original location at the Greene Turtle in Towson to a new location in Pikesville. Canton Gaming operated sports wagering in Towson from September 29, 2023 until February 9, 2025. This past legislative session, a new section (j) to State Government Article § 9-1E-07 passed allowing competitively awarded class B-2 sports wagering facility licensees to submit a request to the Commission to relocate. The new law took effect on July 1, 2025.

The Commission may grant a relocation request only if the sports wagering facility licensee was originally issued a Class B sports wagering facility license on or before September 30, 2023; the new location for the sports wagering facility is within the same county and complies with the location requirements in the Sports Wagering Law; and the request has been approved by the Sports Wagering Application Review Commission (SWARC).

By letter dated August 8, 2025, Canton Gaming requested that SWARC and this Commission allow it to relocate the facility from 319 York Road in Towson to 1008 Reisterstown Road in Pikesville. On August 13, 2025, SWARC considered the request, found that the relocation complies with the physical location requirements and is in the public interest, and granted the request. Agency Staff has reviewed Canton Gaming's request, and finds that it satisfies the Gaming Law.

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

Chair Browning asked if Mr. Mooney had a motion for Commission. Mr. Mooney said MLGCA was seeking a motion that pursuant to State Government Article § 9-1E-07(j), the Commission grant Canton Gaming LLC's request to relocate its sports wagering facility from 319 York Road in Towson, to 1008 Reisterstown Road in Pikesville. Chair Browning asked for a motion. Vice Chair Marriner motioned, Commissioner Stakem seconded, and the motion passed unanimously.

Chair Browning thanked the Commissioners for making an impact and thanked MLGCA for another outstanding Fiscal Year.

Mr. Mooney informed Commissioner Hodges that he was available to speak with Commissioner Hodges at the end of the meeting to discuss the Consent Agreements to come to an understanding how Regulatory Oversight acts on the Consent Agreements.

### **DATE AND TIME OF NEXT MEETING**

Chair Browning announced the next regular Commission meeting will be held on Thursday, September 25, 2025, at 10:00 a.m. in person at Lottery Headquarters.

**ADJOURNMENT**

There being no further business, Chair Browning adjourned the meeting at 11:59 a.m.

Respectfully submitted,



John Martin  
Director