

Maryland Lottery and Gaming Control Commission

Wes Moore, Governor



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MARYLAND LOTTERY AND GAMING CONTROL COMMISSION MAY MINUTES

DATE: May 28, 2026

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 Mariana Cordier
Commissioner Diane Croghan
Commissioner Harold Hodges

John Martin, Director
Craig Lindsey, Deputy Director, Chief Operating Officer
James Butler, Assistant Deputy Director, Chief of Staff
Michael Eaton, Managing Director, Gaming
John Mooney, Managing Director, Regulatory Oversight
Seth Elkin, Managing Director, Communications
Solomon Ramsey, Managing Director, Administration
Holly Knepper, Principal Counsel, Attorney General's Office
Jennifer Tosky, Deputy Principal Counsel, Attorney General's Office
Kathy Lingo, Executive Assistant

OTHERS: Jake Rak, Director of Finance, Ocean Downs Casino
Ryan Eller, General Manager, Live! Casino
Gerald Stinnett, MBE Compliance Manager, OSBA
Andrew Moreno, Associate Vice President,
Business Development and Government Affairs, bet365
Samantha Haggerty, Deputy Chief Compliance Officer, PENN Entertainment

Everett D. Browning, Sr., Chair

E. Randolph Marriner, Vice Chair; Commissioners: Ade Adebisi, Mariana Cordier, Diane Croghan, Harold Hodges, Nicholas Mosby

QUORUM ESTABLISHED

Chair Browning announced that there was a quorum established for the meeting. Also present in person were: Vice Chair Marriner and Commissioners Adebisi, Cordier, Croghan, and Hodges. Commissioner Mosby 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.

INTRODUCTION OF NEW COMMISSIONER – MARIANA CORDIER

Chair Browning introduced the new Commissioner, Mariana Cordier and welcomed her. Commissioner Cordier thanked Chair Browning for the introduction and said she was happy to be a part of the Commission.

APPROVAL OF THE REVISED AGENDA

Chair Browning said that the revised agenda had been circulated and asked for a motion to approve the revised agenda. Vice Chair Marriner motioned, Commissioner Adebisi 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 April 23, 2026. There being none, Chair Browning asked for a motion to approve the Open Session minutes. Vice Chair Marriner motioned, and the motion was unanimously approved by the four Commissioners in attendance that were present at the April 23 meeting. Commissioner Croghan abstained as she was absent from the April Commission Meeting, and Commissioner Cordier abstained because she was not a Commission Member at that time.

CONSENT AGENDA

Chair Browning identified what was on the Consent Agenda including: Gaming License Application Denials/Revocations; License Revocation Reversal; Lottery Retailer License Revocation; and Staff Reports from Mr. Lindsey, Mr. Butler, Mr. Eaton, Mr. Mooney, Mrs. Yocum, Mr. Elkin, Mr. Ramsey, the Sales and Marketing Report, and the report from the Office of the Attorney General.

Chair Browning asked if any Commissioners wished to remove and discuss any items on the Consent Agenda. No one requested to remove or discuss any item. Chair Browning then asked for a motion to approve the Consent Agenda. Vice Chair Marriner motioned, Commissioner Adebisi seconded, and the motion was unanimously approved.

Chair Browning introduced Gerald Stinnett, MBE Compliance Manager for the Office of Small, Minority and Women Business Affairs (OSBA).

OFFICE OF SMALL, MINORITY and WOMEN BUSINESS AFFAIRS REPORT

Chair Browning introduced Mr. Gerald Stinnett and thanked him and his team for all the work OSBA has done to provide the Commission with MBE information each month.

Mr. Gerald Stinnett, MBE Compliance Manager, presented a PowerPoint regarding video lottery terminal facilities and MBE Participation Compliance Review for Ocean Downs Casino and Live! Casino. He reviewed MBE participation for the first quarter of calendar year 2026 for each. He noted the vendors used are all MBE certified in Maryland even though some are out-of-state vendors.

When discussing Ocean Downs' MBE participation numbers, Mr. Stinnett said he spoke with Ms. Bobbi Jones about expanding the area of services beyond marketing to improve MBE participation. Mr. Stinnett explained that during this time of year, there are many outreach events, and he suggested that the procurement/purchasing person from Ocean Downs should participate. Mr. Stinnett explained that there is an outreach event tentatively scheduled for September at Ocean Downs. Mr. Stinnett said that Ms. Jones is working on areas for MBEs and will be giving the list to Mr. Stinnett to distribute. He said OSBA works with the Worcester County Economic Development Department, and once he has that list, he will provide it to them.

Commissioner Hodges asked Mr. Stinnett to explain why Ocean Downs is using an Asian American MBE from out-of-state. Mr. Stinnett informed Commissioner Hodges that Ocean Downs can choose any vendor they want to use. Mr. Stinnett said the point he was making was that even out-of-state vendors are Maryland certified MBEs. They are not Maryland-based but they do go through the Maryland MBE certification process.

Mr. Stinnett then moved on to the MBE participation at Live! Casino and provided its vendor information broken down by services, jurisdiction, and MBE classification. He reported that Live! Casino is diversified and has 45 vendors in the first quarter.

Mr. Stinnett said it is important to note that over the next few months, there will be quite a few outreach events. Regarding the Voices of Maryland campaign, Secretary Simmons is doing a roundtable discussion with various counties. Rocky Gap Casino's roundtable went very well. Voices of Maryland will be at Hollywood Casino next week. Mr. Stinnett shared the dates and times of upcoming outreach events and said he would provide the flyer for the event at MGM to the Commissioners. A copy of the PowerPoint presentation is attached.

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

Chair Browning said that identifying issues allows the Commission to figure out what resources can be provided to the casinos. He wanted to know if Mr. Stinnett had the amount of spend on vendors? Mr. Stinnett said he has the information, but it was not included on the slides. Mr. Stinnett offered to provide it to the Commission. Chair Browning said he would like to see the total MBE spend. He asked that going forward Mr. Stinnett includes the total spend vs. MBEs to see if the issue is a providing opportunities problem or if it is finding MBE vendors problem. Mr. Stinnett said he believed it was the latter. When looking at other casinos, there are some casinos that are diversified and well over the MBE participation goal. He said the two keys are to expand areas of work that are contracted out for that the casinos are looking to use MBEs and attend outreach events to connect with MBEs directly.

Chair Browning asked whether there are things the Commissioners can do, while looking at MBEs, to have the focus be on Maryland businesses, especially for more remote places like Rocky Gap and Ocean Downs casinos. He said understanding the gaming business is unique. Businesses cannot just come off the street to provide services to casinos. If one vendor makes one mistake, then their license is gone. Chair Browning said the Commission wants to work with OSBA on how to make sure vendors are prepared to provide services to the gaming industry standard. Mr. Stinnett said OSBA is expanding potential areas of service and believes they do exist.

Commissioner Hodges said the focus for MBE should be toward Maryland businesses and Maryland entrepreneurs, not just at Rocky Gap, but for all casinos. Mr. Stinnett said the outreach events cover that, reaching out to the local county economic development people and making sure to reach the small businesses that are out there in the area or service that county.

Vice Chair Marriner said the Commission and Mr. Stinnett have worked together for a long time, and he applauds what OSBA is doing. He thanked Mr. Stinnett and said to keep up to good work.

Chair Browning thanked Mr. Stinnett for the report and congratulated the Acting Secretary of OSBA for being sworn in as the official new Secretary of OSBA.

OPERATOR REPORTS

Ocean Downs Casino

Jake Rak, Director of Finance, said he would report on MBEs as the casino operator cherishes its partnership with Mr. Stinnett and his agency. Mr. Rak said that Ocean Downs Casino works with the local Chambers of Commerce. Regarding their MBE spend, an out-of-state marketing vendor is its biggest MBE vendor. Ocean Downs Casino works with local Chambers of Commerce in order to engage in the business community.

Chair Browning said the Commission knows that Ms. Bobbi Jones works with Mr. Stinnett and should continue that work to look for opportunities and breaking down services the casino requires to utilize MBEs. He said the Commission is aware that larger pieces of work may not allow the casino to use MBEs, and that the Commission appreciates Ocean Downs Casino's continued efforts.

Mr. Rak reported that February coin-in was up 2.2% year-over-year, slot revenue was up 5%. Weather impacted February for several days. Table drop was down 2.3% year-over-year, generating net table revenue down 5.8%. Sports wagering handle was down 48% year-over-year. The casino had several marketing promotions and tournaments in February. In the community, Ocean Downs hosted a Ways of Giving drive in February to help low-income families in Worcester County raising \$8,000 for this cause. A charity slot tournament hosted by the casino raised \$2,100 to assist DJ Wax with his medical expenses. Regarding MBE spend, February saw a rate of 1.4%, representing a 13-point decrease compared to the previous year; these figures were affected by the timing of payments, which showed a significant increase in March.

In March coin-in was down .4% year-over-year, slot revenue was up 1.5% year-over-year, table drop was down 2.2% year-over-year, generating a net table revenue down 16.8%. Handle was down 54% year-over-year. During the month of March, Ocean Downs conducted various tournaments and promotions. The casino demonstrated its community commitment through the Ways of Giving initiative, which successfully raised \$10,000 to support Worcester Green and Worcester Purple in their addiction recovery efforts. Additionally, Ocean Downs engaged with the public by hosting an informational booth at the Annual Expo and earned an Honorable Mention for its participation in the St. Patrick's Day parade. Internal highlights included achieving a 16.42% MBE spend for the month of March and hosting an appreciation buffet for all team members.

During a strong April, the casino generated a 15.5% year-over-year increase in table revenue despite a 2.6% decline in table drop. Additionally, performance was bolstered by year-over-year growth in both coin-in and net slot revenue, which rose 5.4% and 4.1% respectively. Sports wagering handle was down 61% year-over-year. In April, the casino conducted various tournaments and marketing promotions. Community outreach efforts included raising \$14,000 for Ways of Giving to benefit local food banks and hosting the Unstoppable Joy Annual Benefit Gala for cancer survivors, which featured a \$22,000 food and beverage donation. Operationally, Ocean Downs engaged with personnel through town hall meetings and team member celebrations. MBE spend saw a .9% year-over-year decrease.

Commissioner Croghan asked to see the report that Mr. Rak had referenced. Mr. Rak said he would provide it to the Commission.

Commissioner Hodges wanted to know, looking ahead, how optimistic revenues are for the summer. Mr. Rak said, reading the news, going to the gas pump, people are anxious about inflation. He said, as a finance guy, he is more worried than Ms. Jones, but Ocean Downs is a vacation destination and many people are staying closer to home, so summertime should be strong. Memorial Day weekend, the casino was up 33% year-over-year.

Commissioner Hodges wanted to know what the casino is doing to manage operational costs. Mr. Rak said Ocean Downs is letting the market forecast revenues. Although long-term forecasting remains a challenge, the casino is launching an outdoor concert series featuring major artists to attract more visitors. While these events are subject to weather conditions, the primary goal is to increase guest traffic and capture a larger audience.

Chair Browning thanked Mr. Rak for the report on growing MBEs. He wanted to know if there are any Commission regulations or statutes for best practices or obstacles, things done in other states, that Mr. Rak believes can help Maryland be more efficient. Mr. Rak said last month looking at COMAR, Ocean Downs made a list that can be provided to the Commission. Chair Browning asked Mr. Rak to send it to the Commission. Chair Browning inquired about emerging trends from other jurisdictions, shifts in the industry, or statutory updates that the Commission could expedite to support the success of casinos. The focus includes enhancing customer protection, promoting responsible gaming, and securing sensitive information. The objective is to identify any measures that could safeguard data while fostering an environment for casinos to thrive.

Live! Casino

Mr. Ryan Eller, General Manager, reported that in April overall gaming revenue was up 5.5% year-over-year, slot revenue was flat to prior year, and table game revenue was up 26% year-over-year. Poker was up slightly over prior year, and the retail sportsbook was up 9.7%, driven by improved hold. Total slot revenue was down 1.5%, table game revenue was down 2.8%, poker was up 3.9%, and the retail sportsbook was down 30% year-over-year. During March and April, the casino hosted a variety of tournaments, giveaways, and promotions, alongside several scheduled shows. Team members had numerous chances to engage through activities that featured prizes. Community outreach was a significant focus, with staff members volunteering at Sarah's Hope and the Maryland Zoo's Bunny Bonanza, as well as packing more than 1,500 meals for the Maryland Food Bank. Additionally, the casino took part in the GBMC Walk a Mile in Their Shoes event to support domestic violence victims and sponsored the 5th Annual Complete Charity Gala. Ongoing volunteer efforts also included organizing the food and clothing pantry at Curtis Bay Elementary School. Regarding the MBE performance, Mr. Eller noted that these details would be shared later in his report.

He asked if there were any questions. There were none.

Regarding the stability of Maryland's brick-and-mortar casino market and iGaming in adjacent regions, Mr. Eller provided a report on potential threats. He noted that iGaming legislation failed to pass this year, and as a result, he believes that this prevented significant upheaval within the physical casino industry.

Commissioner Hodges asked Mr. Eller to repeat what he said. Mr. Eller discussed iGaming and iCasino platforms, which effectively place casino access on every individual's phone. He stated that the casino maintains a position that such developments are not in the best interest of the industry or the State. Noting that Maryland possesses some of the most robust and well-managed brick-and-mortar casinos in the country, Mr. Eller emphasized the desire to protect and strengthen that existing foundation. Ultimately, he expressed his belief that expanding into internet casinos is not the way to build upon the State's success.

During the previous session, new legislation was introduced concerning the expansion of casinos into off-track betting (OTB) locations, which had not been previously filed. This legislation mandates a study on the installation of slot machines at OTBs—a development described as particularly concerning and a potential threat to the current status quo. Live! Casino has expressed its belief that such a move is not in the State's best interest. While the study provides a chance to examine the implications, the initiative is currently in its earliest stages.

Expressing his disappointment, Mr. Eller noted that the current session did not pass legislation to allow for the enforcement of sweepstakes games, which he described as unregulated internet-based casinos. Although two bills were under consideration to establish a framework for the MLGCA to distinguish between legal and illegal operations and implement enforcement measures, neither bill was successful. While similar legislation has been effective in other jurisdictions, Maryland currently has a statutory gap that is being exploited.

Vice Chair Marriner reminded Mr. Eller that the Commission regulates, they do not legislate. Mr. Eller

acknowledged this, noting that the legislation was specifically designed to grant regulators the essential statutory power required for oversight. Meanwhile, Vice Chair Marriner observed that matters of legislation, such as iGaming, fall outside the Commission's purview.

Mr. Eller addressed developments in neighboring jurisdictions that may affect the Maryland market. In Virginia, two legislative proposals were introduced — having a Northern Virginia casino and authorizing internet gaming — both of which failed to pass during the most recent session. Live casino will maintain its monitoring of these proposals. Additionally, Washington, D.C. recently conducted a hearing on iGaming legislation; this proposal also has potential consequences for Maryland's tax revenues and the overall health of the State's gaming industry.

Mr. Eller said there are approximately 2,300 Live! Casino & Hotel team members. The casino further employs about 250 team members in the corporate-shared service group. A range of comprehensive workforce development initiatives is being developed to prioritize training, recruitment, and the advancement of employees from entry-level positions to senior management. Mr. Eller described that these programs, which emphasize diversity, retention, and internal promotion, have enabled Live! Casino to achieve a management team that is 50% diverse.

Commissioner Croghan inquired about the distribution of the 2,300 team members, specifically seeking a comparison between lower or minimum wage workers and those in management or executive roles. Mr. Eller said he did not have an exact breakdown right now. Following this, Commissioner Croghan asked about potential recruitment obstacles for lower-wage positions. She understands that each employee needs a license of some kind to work in the casino and asked whether that was a barrier for applicants to accept jobs. Her questions focused on the payment of application fees—whether they are required upfront or through a plan—and how these costs might be problematic for candidates. Mr. Eller responded that the licensing process is often a daunting challenge for entry-level hires, involving extensive paperwork and background checks that take time to process. He explained that these checks can reveal information that disqualifies individuals from obtaining gaming or non-gaming licenses. While necessary to maintain operational integrity, he acknowledged that this process frequently eliminates candidates at the entry level.

Commissioner Croghan clarified that her concern was not with the requirement for background checks, but rather with the associated fees. Mr. Eller explained that Live! Casino covers these costs initially, then recoups the funds through small, staggered deductions from employee paychecks over time. By assuming the upfront financial risk for entry-level roles, such as those in food and beverage, the casino makes the payment process more manageable for staff.

Chair Browning wanted to know the fee amount. Mr. Eller said he would have to check because it is different between gaming and nongaming. According to Mr. John Mooney, entry-level applicants are required to pay a fee to secure employment. The costs are set at \$187 for nongaming positions and \$437 for gaming positions.

Commissioner Croghan clarified that since certain team members earn minimum wage, that sum is substantial, a point which Mr. Eller confirmed.

Commissioner Adebisi asked if the licenses are transferable to other casinos. Mr. Eller said between casinos yes, but not between jurisdictions. Mr. Eller explained that it is a significant sum of money so it is impracticable to expect it to be paid up front by entry level team members. Consequently, the casino manages this by allowing the cost to be paid gradually through small payroll deductions. This process is handled at a high frequency, given that the casino recruits between 800 and 1,000 new team members annually.

Mr. Eller addressed the casino's commitment to responsible gaming, highlighting that Live! Casino prioritizes patron-facing initiatives within its program. To ensure consistent visibility, the casino proactively promotes responsible gaming by integrating messaging across kiosks, digital displays, and high-traffic areas, while also providing access to external support and voluntary self-exclusion enrollment (VEP). These efforts aim to normalize help-seeking behavior through accessible, non-stigmatizing resources and targeted awareness campaigns, particularly during Problem Gambling

Awareness Month (PGAM). Regarding internal operations, Mr. Eller noted that the casino conducts both required external training and internal events. Additionally, the facility utilizes gamification and prizes to reinforce knowledge, making team members more receptive to responsible gaming education.

Regarding regulations, Mr. Eller noted that although the casino's MBE participation is exceeding goals, Maryland's licensing threshold of \$50,000 remains lower than that of other jurisdictions. He suggested that raising this annual spend threshold could further enhance MBE engagement by reducing administrative burdens. While the Commission and MLGCA effectively support vendors through the complexities of paperwork and forms, the licensing process remains a point of friction similar to the challenges of hiring new staff. Increasing the annual spend threshold is viewed as a potential way to streamline the process for casinos as they work to develop and integrate more MBE vendors into their operations.

Regarding the logic of vendor thresholds, Commissioner Adebisi inquired whether a higher limit would be more advantageous. Mr. Eller responded that a higher threshold for licensing requirements is preferable, noting that Louisiana's annual spend threshold exceeds \$500,000 and Michigan's is \$400,000, in contrast to Maryland's \$50,000 limit.

Chair Browning confirmed this was to require a vendor to be licensed to do work. Doing a job for a small vendor, \$30,000 - \$40,000 is a lot. This licensing requirement can go quicker by possibly increasing this threshold. He said the Commission would look into that and discuss it.

Commissioner Hodges recalled Mr. Eller's mentioning of observed threats and the proposal of regulatory solutions. Mr. Eller explained that two threats within a single area could potentially impact performance, tax revenue, operational methods, and the overall health of Maryland's industry. He identified the other threat as sweepstakes, noting the unregulated nature of iGaming and iCasinos in the state. When Commissioner Hodges asked for clarification if the "i" stood for the internet, Mr. Eller confirmed that it did. He further stated that a statutory framework is necessary to enable regulation and grant the MLGCA the authority to take appropriate action, similar to regulators in other jurisdictions. However, since the legislation did not pass, this regulatory body currently lacks the power to take such actions.

Commissioner Hodges wanted to know if the statement about threat applies to all the casinos. Mr. Eller said he could not speak on every casino and every industry. The threats he spoke about relate to Live casino, and other casinos may have different positions on each.

Commissioner Hodges asked why it is seen as a threat and not an opportunity? He said from the casino's point of view it is always proactive about bringing in new revenue. Internet is a constant moving target. How is it a threat as opposed to an opportunity to do something different in brick-and-mortar businesses? Mr. Eller said going back to the entire iGaming or iCasino threat in either prediction markets or sweepstakes framework operates outside of regulation. That ultimately impacts both brick and mortar and potentially undermine any attempt. Commissioner Hodges asked if Mr. Eller was speaking about Kalshi? Mr. Eller said Kalshi is a prediction market operator and its contracts are very similar to sports betting wagers, which is a frequent application, prediction markets offer a nearly identical experience. However, while a comprehensive regulatory and statutory framework exists to legalize online sports betting and generate tax revenue from this economic activity, these prediction markets operate outside of that established framework and beyond the scope of regulatory oversight.

When Commissioner Hodges inquired about Mr. Eller's proposals for how the State of Maryland could assist the Commission in supporting casinos, Mr. Eller emphasized the necessity for legislative action. He stated that the legislature must enact statutes that empower the Commission to create regulations and clear guidelines. Furthermore, he noted the need for an established enforcement mechanism to take necessary actions, which currently lacks sufficient legal backing after related legislation failed to pass this year.

In response to Commissioner Hodges' inquiry regarding which other states have implemented similar measures, Mr. Eller noted that Michigan, Massachusetts, and New York have all successfully passed such legislation. He further stated that he could furnish the Commission with a comprehensive list of

these states and the specific legislative references.

Chair Browning thanked Mr. Eller for the report and noted as Vice Chair Marriner said, the Commission's job is once the legislature makes decision, the Commission will enforce. Chair Browning said he appreciated the information, so the Commission understands the casino's point of view and what is important for the casinos.

Chair Browning introduced Mr. Andrew Moreno from bet365.

SPORTS WAGERING REPORT - bet365

Mr. Andrew Moreno, Associate Vice President, Business Development and Government Affairs, presented a PowerPoint presentation. He reported on bet365's regulatory excellence, operational maturity, and its commitment to Maryland. He explained bet365's financial performance, compliance overview, brand and marketing, and industry and regulatory considerations. A copy of the PowerPoint presentation is attached.

Commissioner Hodges sought clarification regarding the graphic illustrating Maryland's market share following the bet365 launch in Sep 1, 2025, specifically confirming that the green line represents the operator. Mr. Moreno affirmed this and, in response to the Commissioner's inquiry about performance, explained that while it varies by competitor, bet365 remains comparable to most other operators. Addressing Commissioner Hodges' observation of a decline in share since entering the market, Mr. Moreno noted that such a trend is typical. He attributed the initial surge and subsequent dip to significant promotional and bonus spending designed to attract new users, many of whom engage with the app solely for the incentive before discontinuing use.

In response to Commissioner Adebisi's inquiry regarding a specific line on the graphic, Mr. Moreno identified it as the handle. The Commissioner observed that while the handle shows a steady increase, there is a simultaneous decline in market share. Mr. Moreno explained that bet365 is implementing various measures to counter this trend, including a forthcoming media strategy that he intended to detail later in his report. When asked by Commissioner Adebisi to elaborate on this strategy, Mr. Moreno offered to discuss the media section following his compliance update. He noted that the approach involves transitioning toward a more localized media strategy to better position the global brand.

Regarding the compliance overview, Mr. Moreno reported that operational changes and major compliance issues have been nonexistent since the September 2025 launch. He noted that bet365 has worked closely with the MLGCA on evolving topics including credit card restrictions and responsible gaming hotline alignment. Mr. Moreno stated that the firm is evaluating proposed updates to regulations in anticipation of the June 15 deadline for feedback. Overall, there is a positive sentiment concerning Maryland's existing regulatory framework.

Mr. Moreno went over the brand media in market. He said the brand campaign launched in September and October aligned with NFL, NBA, and MLB post season using TV and CTV as a backbone of media strategy. All activity was conducted in accordance with Maryland advertising standards and internal marketing guidelines. He then reported on the industry and regulatory considerations. He said misguided policy can harm consumers, as the tax rate impacts growth and viability and that customer experience drives market health.

Commissioner Hodges noted that a casino representative had identified iGaming as a potential threat earlier that day, citing developments and regulatory approaches in other jurisdictions. He invited bet365 to provide their perspective on this issue. In response, Mr. Moreno expressed agreement, stating that unregulated market operators and sweepstakes are major concerns. He emphasized that these entities are problematic not only as competitors but because they bypass regulatory standards.

Mr. Moreno highlighted the importance of enforcement, noting that while current options for addressing offshore operators targeting minors in Maryland are limited to seeking federal assistance, proactive state legislation would empower the Attorney General's Office to take direct action. He stated that bet365 opposes the presence of sweepstakes in Maryland and argued for legal frameworks that allow officials to target the banking and payment partners of these operators, rather than focusing solely on the companies themselves.

Regarding concerns over misguided policies and the perceived lack of legislative attention, Commissioner

Hodges inquired about bet365's proposed resolution, the specific risk issues involved, and the nature of the misguided policies being addressed. Mr. Moreno responded by highlighting the confusion between regulated and unregulated operators. He noted that while regulated platforms strictly prohibit users under 21, unregulated entities—including sweepstakes, offshore sites, and Kalshi—do not, suggesting that a better industry understanding would benefit lawmakers.

Commissioner Hodges asked if people on the Hill are helping with that? Chair Browning said the Commission would not be getting into bet365's lobbying platform. Chair Browning said the Commission would not get into how the industry integrates with legislators as it is not what the Commission wants to encourage, discourage or have before the Commission. How the industry deals with legislators is their business.

Mr. Moreno proceeded to finish his presentation covering building Maryland's sports betting future together. He spoke about the strong Maryland momentum being a partner that a regulator can trust, and being committed to Maryland's success.

Chair Browning inquired regarding bet365's operational presence in Maryland, specifically requesting information on their local employee count and vendor relationships. He noted that while bet365 operates as an international virtual platform, he requested that Mr. Moreno address the status of Maryland-based compliance officers. Furthermore, the Chair expressed interest in exploring how the Commission might collaborate with bet365 to establish more of these business functions within the state. Mr. Moreno indicated that he would consult with his office to provide the requested figures, as he did not have specific data available at that time.

Chair Browning thanked Mr. Moreno for the presentation and working with the compliance team to make sure things are good. Trust is there when bet365 catches issues on its platform and lets the compliance unit know. He said the Commission supports bet365.

Chair Browning asked if any Commissioners had additional questions. There were none.

DIRECTOR'S REPORT

Director's Report — John Martin, Director

Director Martin reported that April was down in both sales and profit. The fiscal year started off good, but things outside of MLGCA's control happened in the second half of the fiscal year that negatively impacted sales and profit. Sales are up 2.1% year-over-year and up 2.4% in profit. MLGCA hopes the Mega Millions and Powerball jackpots continue to grow. In all Fiscal Year 2026, April was the best month on the casino revenue side, closing the gap year-over-year. Casino revenue was down 1.4%, and contributions were down 1.1%. The numbers are getting closer to 0, which would be a break-even year for the casinos. April, sports wagering was very strong with over \$9 million in contributions to the State. Combined retail and mobile are up over \$5.8 billion on handle, up over \$5.1 billion in prizes, with a healthy hold of 11.5%. Contributions in aggregate after 10 months over \$114 million, far exceeding the contribution total last year.

Chair Browning said, as there is a new Commissioner and the law has passed on the OTB study, he would like Mr. Martin to speak about OTB slots and the impact they have on decisions the Commission makes. Mr. Martin requested that Mr. James Butler come up to respond.

In response to Vice Chair Marriner's inquiry regarding whether the matter was solely a study, Director Martin confirmed that this was the case. Chair Browning noted that the Commission would address the study's findings once they are available, adding that any interim inquiries should be met with a "no comment" response.

Mr. Butler explained that recently passed legislation grants the Agency authority to employ a consultant for a study directed at policymakers, specifically the Senate Budget and Tax and the Ways and Means Committees in Annapolis. To fund this initiative, the Agency has submitted a \$100,000 budget request, with MLGCA aiming for a December completion date. The study will explore various topics of interest to the industry, the Commission, and legislators, including the potential implementation of devices like VLTs, ITLMs, or HHR machines at OTBs. Mr. Butler noted that certain devices may carry significant policy implications; if a chosen device requires a referendum, that legislation would require policy makers to make that decision and have voters decide whether

they want that type of device at an OTB.

Chair Browning asked what an OTB is? Mr. Butler said off-track betting facility. Chair Browning said the Commission would like to see that report when it is completed to make sure that anything that comes up and questions arise, the Commission can say they will respond to questions in December.

Chair Browning thanked Director Martin for the report and for MLGCA's work.

COMMISSION ACTION ITEM

Regulatory Oversight – John Mooney, Managing Director

Commission Action Item - Penn Sports Interactive, LLC (PSI) – Sports Wagering Facility Operator License Renewal

Chair Browning said the Commission would be conducting a hearing on the renewal license application for a sports wagering facility operator license for PSI. He said Mr. Mooney would conduct the hearing and summarize the Agency's investigation. A full report was provided to the Commission prior to this meeting. Chair Browning outlined the procedures for the hearing. He then collectively administered the oath to anyone that may testify or answer questions in the hearing. Sworn in from the Agency were John Mooney, Phil Metz, and Mark Ermer. Samantha Haggerty, Deputy Chief Compliance Officer, PENN Entertainment was also sworn in.

Mr. Mooney reported that the hearing was to establish that PSI remains qualified for a sports wagering facility operator license under State Government Article § 9-1E-07(e) and COMAR 36.10.03.02 and 36.10.06.03, and that no disqualifying factors exist under SG § 9-1E-07(g)(1). Additionally, the licensee must fulfill several administrative requirements, which include participating in a background investigation, covering all associated investigative costs, and submitting the requisite renewal fee.

Mr. Mooney reported that on November 4, 2021, the Commission qualified PSI for a sports wagering facility operator license. Currently, PSI serves as the sports wagering facility operator for the sportsbook at Hollywood Casino, with its five-year license set to expire on November 3, 2026.

Mr. Mooney summarized the background information on PSI and its holdings. He said Agency Staff performed a detailed analysis of PENN's operating performance and financial condition for the period from January 1, 2021 through December 31, 2025. During the five-year review period, its operating performance produced mixed results. Mr. Mooney reviewed the financial state of PSI and said there are no identified financial concerns to the re-licensure of Penn Sports Interactive, LLC as a Sports Wagering Facility Operator.

The Agency performed a comprehensive background investigation pursuant to State Government Article § 9-1E-07(e)(6), COMAR 36.10.03.02, COMAR 36.10.06.02, and COMAR 36.10.06.03, as well as the disqualification criteria set forth in SG § 9-1E-07(g)(1). This inquiry established that the Applicant meets all required standards for integrity, responsibility, and financial stability. No significant concerns were identified regarding known financial backers, litigation history, or regulatory compliance records. Furthermore, the Agency determined that the Applicant exhibits the necessary honesty, good character, and business acumen required for licensure, and is not otherwise disqualified from obtaining a sports wagering facility operator license.

Based on the provisions of the Sports Wagering Law, Agency Staff recommended that the Commission find by clear and convincing evidence that Penn Sports Interactive, LLC qualified for the renewal of its Sports Wagering Facility Operator License. Upon the Commission's approval of this renewal, Staff would issue a new license effective Nov 4, 2026, following the conclusion of the current five-year term.

Chair Browning asked if anyone on behalf of the licensee would like to speak. Ms. Haggerty thanked the MLGCA staff for working with PSI during the renewal procedure. She also thanked the Commission for considering the renewal of the license and said Penn Sports appreciates the partnership with Maryland and Hollywood Casino.

Chair Browning opened the floor for questions from the Commissioners. Commissioner Hodges questioned Mr. Mooney on whether he recommended the renewal despite the licensee's mixed track record and if he

anticipated future issues stemming from this history. Mr. Mooney confirmed that the MLGCA recommends renewal, noting that while Penn Sports Interactive (PSI) might reconsider past decisions, the company remains profitable with \$685 million in cash and cash equivalents. He emphasized that they were profitable both before and after the two identified issues.

When Commissioner Hodges inquired about whether there had been any management changes at Penn, Mr. Mooney responded that he was not aware of any such changes.

Chair Browning requested a motion to find that Penn Sports Interactive, LLC has established by clear and convincing evidence its qualifications for the renewal of its Sports Wagering Facility License for a 5-year term in accordance with SG § 9-1E-07(c), and COMAR 36.10.03.06. Vice Chair Marriner motioned, and Commissioner Adebisi seconded, and the motion passed 5 to 1, with Commissioner Hodges opposed.

Chair Browning requested a motion to find that Penn Sports Interactive's sports wagering facility operator license be renewed because as provided in COMAR 36.10.03.06B: Penn Sports Interactive has (1) Established, by clear and convincing evidence, that it meets applicable license qualification requirements; (2) submitted to a background investigation as required by the Commission; (3) reimbursed the Commission for all costs associated with the background investigation; and (4) paid the required license renewal fee. Vice Chair Marriner motioned, and Commissioner Adebisi seconded, and the motion passed 5 to 1, with Commissioner Hodges opposed. Commissioner Hodges then told Chair Browning that he opposed that last motion as well and wanted to confirm Chair Browning noted that. Chair Browning confirmed it was noted.

Chair Browning requested a motion to delegate to staff the authority to draft the Commission's decision statements on the qualification of Penn Sports Interactive, LLC for the renewal of its Sports Wagering Facility Operator License. Vice Chair Marriner motioned, Commissioner Adebisi seconded, and the motion passed unanimously.

Mr. Mooney then informed the Commission that he was notified last night of a press release that went out this morning from Caesars Entertainment that they entered into an agreement to be acquired by Fertitta Entertainment. The application will be made within the next six weeks, and Fertitta Entertainment wants to close the deal within the next 9 to 12 months. There is a "Go Shop Period" until July 1 where Caesars can go out and see if there is a better deal, but it is a \$17 billion deal.

Chair Browning said he knows that Caesars Horseshoe Casino has a license and wanted to know if there is a Caesars sports betting license as well? Mr. Mooney said everything is going well and there will be a transfer of ownership. He said his unit will do a full investigation of Fertitta Entertainment. Tilman Fertitta is new to MLGCA. Chair Browning asked if Mr. Fertitta's has operated other casinos. Mr. Mooney said yes, casinos and Mr. Fertitta owns the Houston Rockets and numerous restaurants. He is very well known. Chair Browning said the Commission is looking forward to information from the Regulatory Compliance Unit. Mr. Mooney said Mr. Fertitta also owns the Golden Nugget casinos. Mr. Fertitta is buying back the stock for \$5.7 million and will assume the \$12 billion debt. Chair Browning thanked Mr. Mooney for the information.

Mr. Mooney then responded to the previous question about Live! Casino's license. He said Live! Casino reported 2,300 employees, and MLGCA shows 2,566 licenses. Some no longer work there but still carry a license. There are 36 principal licenses for top management, and approximately 1,760 gaming licenses and 770 nongaming licenses.

Commissioner Croghan asked if the fee is \$187 for nongaming, and \$490 for gaming? Mr. Mooney said yes, and when they renew, it is less. Part of those fees are recouping compliance costs. There are 50 licensing staff, so the Agency needs to recoup some of the costs. The compliance unit also pays Corrections to run fingerprints, credit checks, and background checks.

Chair Browning said, as previously noted, if you are minimum wage team members, that \$437 fee can be a lot. He thanked Mr. Mooney for the information. Chair Browning said the Commission will talk and see if there is anything that can be done about that cost to move it from the employees.

Chair Browning again welcomed Commissioner Cordier to the Commission.

CLOSED SESSION

There was no need for a closed session.

DATE AND TIME OF NEXT MEETING

The next Commission meeting will be held on Thursday, June 25, 2026, at 10:00 a.m. in person at Lottery Headquarters.

ADJOURNMENT

There being no further business, Chair Browning adjourned the meeting at 11:35 a.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "John A. Martin". The signature is written in a cursive style with a large initial "J" and a distinct "A".

John Martin
Director