

Maryland Lottery and Gaming Control Commission

Wes Moore, Governor



Montgomery Park Business Center
1800 Washington Blvd., Suite 300
Baltimore, Maryland 21230

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

MARYLAND LOTTERY AND GAMING CONTROL COMMISSION JUNE MINUTES

DATE: June 25, 2026

TIME: 10:00 a.m.

PLACE: In-Person at Maryland Lottery Headquarters
and Virtual

PRESENT: Chair Everett D. Browning, Sr.
Commissioner Mariana Cordier
Commissioner Diane Croghan
Commissioner Harold Hodges
Commissioner Nicholas Mosby

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
Solomon Ramsey, Managing Director, Administration
Seth Elkin, Managing Director, Communications
Holly Knepper, Principal Counsel, Attorney General's Office
Jennifer Tosky, Deputy Principal Counsel, Attorney General's Office
Kathy Lingo, Executive Assistant

OTHERS: Gerald Stinnett, OSBA
Brian Kurtz, Rocky Gap Casino
Jeffrey Shrader, MGM National Harbor
Jeff Hale, Scientific Games
Travis Priest, Pollard Banknote
Carmen Vegas, IGT

Everett D. Browning, Sr., Chair

Commissioners: Ade Adebisi, Mariana Cordier, Diane Croghan, Harold Hodges, Nicholas Mosby

QUORUM ESTABLISHED

Chair Browning announced that a quorum was established for the meeting. Present in person were Commissioners Cordier, Hodges, and Mosby; Commissioner Croghan attended virtually. Commissioner Adebisi was absent.

CALL TO ORDER

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

APPROVAL OF THE AGENDA

Chair Browning said that the agenda had been circulated and asked for a motion to approve the agenda. Commissioner Hodges motioned, Commissioner Mosby 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 May 28, 2026. There being none, Chair Browning called for a motion to approve the minutes. Commissioner Hodges motioned, Commissioner Cordier seconded, and the motion was approved by four of the Commissioners present. Commissioner Mosby abstained, as he was absent from the May meeting.

CONSENT AGENDA

Chair Browning said the Consent Agenda contains: New Instant Ticket Games: \$1 #820 *Cozy Cash*, \$2 #821 *Season's Greetings*, \$3 #822 *Peppermint Payout*, \$5 #823 *Holly-Day Cash*, \$10 #824 *Winter Multiplier*, \$20 #825 *Win \$100, \$200 or \$500 4th Edition*, \$1 #829 *Holiday Soft Launch* (name t/b/d), \$2 #826 *Stacks of Green*, \$5 #827 *Old Bay® Bucks*, \$10 #828 *Great 8s*, and \$30 #830 *200X The Cash*; Gaming License Application Denials/Revocations; Lottery Retailer License Revocation; and Staff Reports: Mr. Lindsey, Mr. Butler, Mr. Eaton, Mr. Mooney, Ms. Yocum, Mr. Elkin, Mr. Ramsey, Sales and Marketing, and Attorney General's Office.

Chair Browning asked if any Commissioners cared to remove and discuss any items on the Consent Agenda. There were no requests. Chair Browning asked for a motion to approve the Consent Agenda. Commissioner Hodges motioned, Commissioner Mosby seconded, and the motion was unanimously approved.

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

OFFICE OF SMALL, MINORITY & WOMEN BUSINESS AFFAIRS REPORT

Mr. Stinnett presented a PowerPoint regarding video lottery terminal facilities and MBE Participation Compliance Review for Rocky Gap Casino and MGM National Harbor. He reviewed MBE participation for the first quarter of calendar year 2026 for Rocky Gap Casino, breaking down all services from all MBE vendors.

Commissioner Hodges asked if the 80% figure for VLT Repair & Maintenance applied to the first quarter. Mr. Stinnett confirmed it did. Commissioner Hodges inquired how this compared to the previous year and whether it represented an improvement. Mr. Stinnett asked for clarification on "improvement." Commissioner Hodges clarified by asking if the 80% mark was an increase for that

service. Mr. Stinnett explained that the figure remained consistent at around 80%, noting that while maintenance is a significant part of the casino operations, the casino itself is only one portion of the resort.

Mr. Stinnett then moved on to the MBE participation at MGM National Harbor for the first quarter of calendar year 2026, providing vendor information broken down by services, jurisdiction and MBE classification. Mr. Stinnett said MGM National Harbor has an array of services with 44 MBEs in the first quarter, and provided information on the vendors, jurisdiction and percentages for each. A copy of the Power Point presentation is attached.

Commissioner Hodges asked to see the slide by classification again. He asked how the out-of-state percentage compares to the previous year. Mr. Stinnett said it was about the same as last year and was right behind Prince George's County.

Commissioner Hodges asked if the number of MBEs in Prince George's County has always been the same? Mr. Stinnett confirmed it has. Commissioner Hodges asked if the 2% for Baltimore City and Baltimore County was the same as the previous year. Mr. Stinnett believed it was the same but said he would look into that.

Commissioner Hodges sought to understand why Baltimore City and County participation was at 2% when the casino is in Baltimore City. Chair Browning corrected Commissioner Hodges, noting that MGM National Harbor is in Prince George's County. Mr. Stinnett added that the casino prioritizes contracting with Prince George's County vendors whenever possible due to its location.

Mr. Stinnett then spoke about Outreach Events and said Voices of Maryland had an event at Rocky Gap. He thanked Mr. Kurtz for hosting them. He reviewed all the upcoming events at each casino.

Chair Browning thanked Mr. Stinnett for his efforts in working with the casinos to identify vendors. He remarked that the goal is to establish a floor rather than a ceiling for participation, helping casinos identify opportunities and preparing businesses to meet unique industry security requirements. He encouraged Mr. Stinnett to inform the Commission of any further support needed to ensure that Maryland businesses understand the industry. He noted that casinos are our partners, and the goal is to help them grow alongside local businesses.

OPERATOR REPORTS

Rocky Gap Casino

Mr. Brian Kurtz, General Manager, presented a PowerPoint with statistical information for the Rocky Gap Casino from March – May 2026. He provided an analysis of financial and gaming performance including revenue trends, Slot CI, and market competition. Total revenue year-over-year was up 2.4%. March was the only deficit month, down 1% following the war in Iran. Revenues were up in April 7%, and up 2% in May. Slot growth was up 4%, table game drop was down 11%, and year-to-date revenue was up 4%. Table reduction was driven by economic conditions and increased market competition with Parx Shippensburg adding 12 live games, and Happy Valley Casino adding 30 tables to the market. Revenue performance fiscal year-to-date is \$49 million, up 4%. Mr. Kurtz provided the growth trajectory for each month to date for Fiscal Year 2026. Overall travel remains strong with hotel occupancy at 73% compared to 70% prior year. Golf rounds are up 8%, golf revenue is up 19%, driven by good weather, and food and beverage are up 1% as discretionary spending is down. Group business during the week has helped to make up some of the deficits on the retail side.

The casino had several promotions and various entertainment between March and May, including a vehicle giveaway from a local family car dealership. In the community, Rocky Gap collected 405 personal care items for Potomac Highland United Way, donated \$7,484.07 year-to-date to the Veterans Trust, and made a \$5,000 donation to the Hooley Plunge supporting Special Olympics. Rocky Gap started collections for the local HRDC in May. There is a new hotel in the area and Rocky Gap is working with the hotel, so when there is overflow at the hotel, the hotel will send the guests to Rocky Gap, which drives additional visitation to the property.

There are currently 259 licensed employees, with 81% being full-time versus 272 last year. Total facility employment is 389 compared to 404 last year. There are currently 29 open positions. Breaking down the team members, there are 18 principal licensees, 179 gaming licensees, and 62 non-gaming licensees out of the employee base. From an employment standpoint, licensing can be difficult in the area. The county has some of the lowest median household income in the State. Two years ago, Rocky Gap Casino started absorbing the full burden of licensing costs and renewals to reduce financial friction on team members. It has helped the casino to retain team members. There are long-term team members, who live 30 to 40 minutes away, and due to current gas prices, they have currently resigned their positions at the casino. Rocky Gap is hoping to get those team members back at some point. Rocky Gap is the only major employer in area that does not have mass transportation to the casino or the State Park. Rocky Gap has spoken with the County but because the entrance is on a highway, there are federal headwinds on adding another drop off location. Having a drop off would help, particularly with housekeepers and servers who do not have a vehicle to get to work.

Chair Browning requested that Mr. Kurtz send information to Mr. Lindsey on where transportation stands in the casino's area, and how the Commission might help with that. Mr. Kurtz said it is difficult getting the County help with the transportation. He said mass transportation may be a partial solution. It is something the casino has seen headwinds with.

Commissioner Hodges asked, in terms of impact, how many of the casino's employees have been affected and had to resign? Mr. Kurtz said some employees he may not know, but there are 6 or 7 individuals who have been at the casino for a long time, one in particular in facilities that has worked at the casino for a long time, but there is a resort near the employee in Bedford Springs, so he left Rocky Gap and went to work at the other casino. The casino understood the decision and has left an open door if the employee wants to come back.

Commissioner Hodges asked for the percentage of those affected. Mr. Kurtz said he does not have that information, but there are various causes, such as jobs in another location to having, no vehicle. The hospital works with local organizations to provide medical transportation, but casino transportation is nonexistent. The casino is open to it, but there is a lot of red tape. Rocky Gap is working with the Chamber of Commerce, DHS and some other places, and sits on the roundtable that is trying to push. There is local funding coming in that the casino plans to help with looking for a grant through Appalachian Regional Commission (ARC).

Mr. Kurtz then returned to his presentation outlining responsible gaming training in the casino breakroom. Rocky Gap is conducting a drawing for team members providing \$25 gas cards to the winners. This was originally only supposed to run in May but the casino has decided to continue it through the summer months. The Sunshine Fund has over \$2,000 to help team members with hardships.

MBE spend is currently 65%, with an anticipated normalization to 29-30% as the calendar year progresses. Regarding in-state marketing expenditure, there will be catch-up spend, as its minority spend is for lobbyists. That same in-state vendor used for marketing also does other things. The casino has approached them to source outdoor furniture. The vendor was able to talk with a national vendor that was not willing to do some of the simple paperwork initially with Rocky Gap but the vendor was able to become a retailer for the national vendor. This allowed the vendor to go out and work with other organizations, which saved Rocky Gap money and the vendor was able to make money. This is an example of when Rocky Gap goes out and speaks with these individuals to see if other pathways can be found which may not be reported in the compliance spend but Rocky Gap can have additional spend at the property to boost what Rocky Gap does. Moving through the year, the casino can select a variety of additional MBE vendors.

Rocky Gap Casino hosted the first Voices of Maryland roundtable for Allegany County small businesses. Mr. Kurtz thanked Mr. Stinnett for mentioning it in his report. The attendees included local MBE and WMBE small businesses, travel and tourism vendors, Economic Development entities, and the Chamber of Commerce and community organizations. There will be a Ready Set Grow event at the casino on September 10, 2026. At the roundtable, OSBA Secretary Walter Simmons gave his cell

number to all attendees to call him directly if they had questions on applying for grants, having resources, and understanding requirements. The event was good for the community to understand the available resources. There were several companies in attendance, a wide breadth of small businesses.

Responsible gaming strategy for Rocky Gap Casino includes multi-channel messaging; Clinical Partnership collaboration with Allegany County Health Department's Outpatient Addiction Services for marketing outreach; training and PSA messaging; youth education discussions focusing on high school students due to enhanced exposure to digital betting; and yearly training. Additional action by the casino includes regular review of player activity; engaging with guests; team member feedback; guest breaks and bans in place to remove a player or back them off of play; and property level bans.

The advantage of being a small casino is that Rocky Gap knows the players and can recommend that a player step away and have dinner and go back playing if they show behavior indicators. The casino has taken people off the floor if they are losing a large amount of money, and getting the customer to take a break. Quarterly reviews of the database show how often the player visits the casino and how long a player has been playing on a given day, and understanding the player's source of income. The system is not perfect, and the casino may never fully understand but the behavior indicators help employees understand and engage players and talk to them. Some players do not want help, so the casino will make a determination that the player needs a break from the casino. From an exclusion standpoint, the casino has excluded 72 people this year, and since 2022, the casino has excluded 250 patrons.

Mr. Kurtz said the local health department has addiction services, but the casino's focus is making contact with the Marland Alliance of Responsible Gaming. Rocky Gap was put in touch with the Addictions Director and their marketing team and had a meeting with additional partners. The casino and community agreed to work together, not the casino against the community, to make sure the community is operating in a cohesive nature. Guests are told about the availability of these additional services. Strong community advertising space is posted, working more directly with them. Mr. Kurtz addressed Commissioner Hodges who had previously asked about engaging and having a more public facing initiative. The casino gives space at the property to do seminars or trainings, which allows the casino to be part of that process but from the casino perspective. My hesitation on responding to that question is that casino workers are not trained counselors, so they may not be able to answer in the right format, but a casino staff member is in a slightly different position and may be able to get a player to relax and engage with them. Rocky Gap is looking forward to having additional local partnership on responsible gaming, adding pamphlets and meetings with HR and Marketing quarterly or monthly to piggy back on the cross structure. The gaming department has direct line contact information, if the guest does not want to voluntarily exclude, and can give the player additional information on who to contact about responsible gaming.

Commissioner Hodges commended Mr. Kurtz. He said Rocky Gap's model of casino proactive steps taken, and bullet points for additional actions should be a model for all casinos. Mr. Kurtz responded that Rocky Gap is not special. He said all of his fellow operators have robust programs and resources and receive support from their local communities. Mr. Kurtz said a lot of education happens at the college level, as the world has changed, and he does not know how far the casino can go with it. He said individuals only have to be 18 to go on the prediction market website. Rocky Gap would be happy to partner with local high schools to educate students on the need to understand that sweepstakes and prediction markets have down sides that can pull an individual in and lead to future problems.

Commissioner Hodges said one slide mentioned showing reasonable performance for the year. He asked if it was in April of this year that showed the decline due to the Iran conflict, to January great improvement. He wanted to know how the casino concluded that the Iran conflict was the driver for the decline? Mr. Kurtz said that April was up 7% over prior year.

Commissioner Cordier noted the decline was in March.

Mr. Kurtz said the casino made adjustments. Top line revenue does not always mean higher bottom line results. It is important to keep visitation up, during tough times. The casino had better year-over-year results despite March, rebounding in the last two days as occupancy jumped more than 5%. This shows that people are making decisions to do staycations.

Commissioner Hodges asked if Parx Shippensburg and Happy Valley Casinos were the reason for the decline. Mr. Kurtz said Rocky Gap believes that is correct. Commissioner Hodges asked how the casino came up with that correlation. Mr. Kurtz said he cannot share too much detail in a public, but he could share that a significant amount of lion's share comes from out of state. People will drive 30 minutes away from their home to visit a casino; however, there are people that come to Rocky Gap from up to 3 hours away. The Maryland casinos have spoken about the various surrounding casinos in other states getting more dynamic with their gaming platforms and are adapting a little faster than Maryland. Some of that is creating head winds. Mr. Kurtz said while there are more choices for casinos in the area, Mr. Kurtz said Rocky Gap believes customers will return to his casino because Rocky Gap has the hotel, lake, spa, and golf course, and the other surrounding casinos do not offer these amenities.

Chair Browning said he agreed with Commissioner Hodges that the Commission appreciated Rocky Gap's presentation format. To have Mr. Kurtz drive for two hours to speak for 5 minutes is not enough. Having more detail helps the Commission have a better understanding, being able to see what's working with other states and how Maryland can be more competitive. Chair Browning said one thing he has seen in other states and wants to see how it could work in Maryland, is the idea of a family member being able to put a player on the exclusionary list for a temporary time. If someone has a family member who is spending all the household's money at the casino, is there something they can do to get the player some help? Currently, there is nothing that can be done. Chair Browning's understanding is that other places are able to do this and would like to see how it can work in Maryland. Maryland has voluntary exclusion lists, but with every other addiction usually there is an avenue for families to recommend or get help for individuals. Looking at gambling as an addiction, there are times when the player does not have the fortitude to get help, which impacts the family's finances. It is likely a legislative thing beyond the Commission's control, but maybe the Commission can help with ideas on how to work with individuals who may need help. The Commission is looking for ideas on whether the Commission can get those ideas vetted with lawyers and Agency staff, and then seek input from the legislature. Sometimes the Commission's hands are tied but being able to consider this policy initiative and be aware of where they can find help. He thanked Mr. Kurtz for setting a gold standard with his presentation for others to follow moving forward.

A copy of the PowerPoint presentation is attached.

MGM National Harbor

Mr. Jeffrey Shrader, Vice President & General Counsel, reported that in March total gaming revenue was up 2%, mainly driven by an increase in table game revenue up 7%. Slots were flat, and poker declined. April total gaming revenue was up 8% year-over-year, with strong table games up 25%, partially offset by modest losses in slots. May total gaming revenue was down 7%, primarily driven by a decrease in table game revenue, despite continued growth in slot revenue. Ticket volume was down for the three months, but hold was strong in March. The casino had several promotions in the first quarter, and launched a summer promotion celebrating America 250, 4th of July, and the World Cup, and there is a grand prize event on July 3. Entertainment is still a key driver bringing in guests to the casino. MGM National Harbor is the leading regional entertainment destination.

Team members participated in a range of initiatives that focused on food security, workforce development, environmental sustainability, and housing support. This included Nourish Now, Habitat for Humanity and various local food banks. The casino also continued support of youth development programs and hosted engagement events recognizing nonprofit partners and volunteer contributions. MGM National Harbor is a responsible and engaged partner with the community, and align with broader enterprise-wide social responsibility goals. MBE spending was strong in the first quarter, working with 50 different vendors. March MBE spend was 23%, April 21%, and May was 23%. There is direct support and development efforts through supplier forums, education workshops and direct engagement with vendors. The casino supports team members by investing in wellness, professional development, employee appreciation, and wellness events and resources. There are on-site walking paths for health during the workday.

MGM continues to maintain a comprehensive and data driven responsible gaming program. In 2026, MGM National Harbor and BetMGM have spent over \$1 million on responsible gaming research, prevention, and education initiatives, including \$450,000 in support of the International Center for Responsible Gaming, which has the goal of expanding, understanding and improving responsible gaming practices industrywide, as well as to research the impact of these practices on actual guest behavior. Responsible gaming messaging is integrated across tens of thousands of guest touchpoints. He listed out the types of messaging. Team members are trained to spot signs of problem gambling and to provide direct support and resources for guests. There was a Maryland Alliance for Responsible Gaming event at the casino with representatives from the American Gaming Association, National Council on Problem Gambling and MLGCA staff. MGM National Harbor evaluates RG program effectiveness through data, guest feedback and employee engagement. It is a 12 month a year effort.

Commissioner Hodges asked Mr. Shrader to speak about MGM National Harbor's procedure regarding the cost of licensing for new employees. Mr. Shrader said with the size of the workforce, it becomes significantly more expensive to pay for all licenses. MGM National Harbor has more of a graduated scale. He was not sure of the procedure to recoup cost for gaming and nongaming licenses and said he would get that information for the Commissioners. Mr. Shrader said MGM National Harbor has received pressure enterprise-wide to not continue with the current company providing that expense.

Commissioner Hodges said in terms of responsible gaming MGM National Harbor wants to spend \$1.5 million on research. Mr. Shrader said it was \$1 million this year, with \$450,000 going in support of ICRG.

Commissioner Hodges said Rocky Gap provided information on how they identify problem gambling on the floor. He asked how MGM National Harbor identifies problems. Mr. Shrader said the best practice the casino has is training guest-facing employees to see problems and walk people off, not making a scene, letting guests know how to get help. The casino has a robust "know your customer" effort to know where money is coming from, whether guests have resources for gambling, keeping eye on activity, and having front line leaders spot people that may need help and intercede. The casino spends money on training to recognize these issues as they arise.

Commissioner Hodges wanted to know the impact of keeping track of data, monitoring how many people are affected and how MGM National Harbor is impacted on tracking that information. Mr. Shrader was not sure of the numbers. He said MGM National Harbor does not impose a hard ban on guests when guests have been walked off the floor. Mr. Shrader said he would have to check to see what those numbers are. In terms of knowing the customer and whether they are spending beyond their means, the casino takes steps to have conversations with those guests. The casino has regular meetings under Title 31 for understanding customer behavior. The training includes all the senior leaders across the property. Mr. Shrader said again he was not sure of the numbers and would have to get that information for the Commission.

Chair Browning asked about the change to parking at the parking garage next month, and the decision to charge for public parking. Mr. Shrader said there are caveats to the parking. Looking at the parking, the casino believes it will help to drive business into National Harbor, as parking has been an issue throughout National Harbor. It made sense to charge for parking, however, that will be mitigated by free parking for MGM National Harbor Rewards Members. Guests can go into the casino and obtain a card to get free parking. By simply walking through the lobby, guests can get free parking. There was extensive debate on this. Paid parking came out in Las Vegas years ago. MGM National Harbor has been fighting for that for the duration of time and are finally moving forward on it.

Chair Browning wanted to know, not specifically MGM National Harbor, but based on previous instances at some casinos, what MGM National Harbor is doing to keep customers safe? Mr. Shrader said customer safety is, if not the highest, one of the highest priorities discussed at executive team meetings. MGM National Harbor has brought in an emergency response team. There is armed response for particular emergencies with officers being trained on weapons detections, and parking garage security has been increased. The casino is looking to mitigate the number and severity of issues. MGM National Harbor understands no one will come to the casino if they do not feel safe to spend money. Safety is the most important priority the casino has.

Chair Browning thanked Mr. Shrader for the report. He said if there is anything the casino comes across from a legal point of view that the Commission can help with to ensure safety is there, to let the Commission know, not only about physical safety, but about making sure players' information is protected from cyber criminals.

Chair Browning asked Mr. Shrader to talk about the casino's employment percentage currently. Mr. Shrader said it is a fairly high number. He said the casino is not necessarily backfilling positions. For certain positions, the casino sees a position has not been filled for 3 months, the decision is made as to whether the position is still needed. MGM National Harbor is taking a closer look at what numbers and positions there are and has no current plans to cut back. The casino does not want to decrease the level of service, especially when there is increased competition for the entertainment spend. Mr. Shrader said the casino is where it needs to be. With the high turnover rate in the industry, MGM National Harbor is constantly hiring.

Chair Browning said with respect to the turnover rate, if the Commission is able to mitigate to speed up the hiring process, or if someone has debt collections, that the casino may be able to help have that applicant's or employee's debt paid, by a deduction from the paycheck, to allow people to get a position and be able pay debts back. He said the Commission appreciates what MGM National Harbor is doing for safety and hiring. Chair Browning said if there are things elsewhere that the Commission should consider, to send the information to the Commission to be considered. There are some things out of the Commission's purview, but sometimes the legislature will reach out for additional information on things to be considered, and the Commission can make sure they have more up-to-date information. Chair Browning said the Commission wants to ensure Maryland casinos are at the highest level compared to other states, able to hire for vacant positions, to bring in MBEs, and to pay more taxes to the State.

Chair Browning then moved on to the quarterly Vendor Reports.

VENDOR REPORTS

Scientific Games (SciGames)

Mr. Jeff Hale, General Manager, reported that MBE compliance over the life of the contract is 23.8%, which is above the required 20%. SciGames is substantially above the VSBE goal, up 8.2%, a little shy of the .5% for the contract. There is a new game going live in September, which is in testing currently, and on schedule for the launch date. There is a Fast Play game launching in July with a new concept of a cross promotion between Race Trax and Fast Play. This game will leverage the proponents of Race Trax allowing players to win in both games. SciGames still continues to employ the debit terminal devices in the field.

Mr. Hale announced that it is with mixed emotions that this was his last report, as he has accepted a new role in another jurisdiction for SciGames. Robert Fisher will be taking over in Maryland, and Mr. Hale will be going back and forth until Mr. Fisher is on site in August.

Chair Browning thanked Mr. Hale for his service over the last two years that Chair Browning has been on the Commission. Chair Browning said SciGames is the Agency's biggest vendor and he appreciated Mr. Hale's dedication and patience as Chair Browning took over the Chair position. Speaking on behalf of the Director and former Vice Chair Randy Marriner, he said everyone has admiration for Mr. Hale's openness and honesty, and noted it is a two-way street, and Mr. Hale's professionalism was appreciated. He wished Mr. Hale success in his future.

Commissioner Cordier wished Mr. Hale good luck, and Mr. Hale welcomed Commissioner Cordier to the Commission. Mr. Hale said that he will be behind the scenes helping the new General Manager.

Pollard Banknote (Pollard)

Chair Browning asked Mr. Travis Priest, Director, Lottery Marketing for Pollard Banknote, to speak about the service provided to the Agency. Mr. Priest said that Pollard is the main vendor ticket supplier for scratch offs for MLGCA with over 4,000 retailers. Pollard prints and delivers scratch-offs to the retailer network, driving revenue for the Agency.

Mr. Priest then reported that Maryland has 10 scratch offs in production, launching the same amount over the same period last year. Reporting on the 51 weeks of the current fiscal year, scratch game revenue is down 0.3%. This is the fifth consecutive year of Maryland's scratch off games sales exceeding the \$1 billion mark. Outside of Maryland, looking at U.S. lotteries of interest, those jurisdictions currently have a fiscal year to date growth rate of -.1%. In response to Chair Browning's previous request on what can be done to make sure that future sales continue, Mr. Priest said that Pollard's account team continues to collaborate with the Agency's product development team to increase future sales, making sure that games provide exciting opportunities now and into the future. A meeting was held in May to discuss what has worked in past and what can be improved upon to ensure future growth. MBE spending for the first quarter was 36.7%, using several MBE and VBE vendors. The print production facility in Michigan hosted MLGCA employees in the beginning of June. Pollard's Management Supervisor continues to provide knowledge on the workings, security, and integrity of scratch-off games.

Chair Browning expressed an interest in arranging something this year to have some of the Commissioners go to the plant in Michigan to see the plant.

Commissioner Mosby wanted to know if the 36% for MBE spend is disaggregated for Maryland business or was it overall. Mr. Priest said it was specifically for the Maryland contract. Commissioner Mosby said it was important to designate that particularly for national vendors. Commissioner Mosby said he was about to ask SciGames about that but asked Mr. Priest instead.

Chair Browning thanked Mr. Priest for Pollard's partnership with Maryland Lottery. He said Maryland is growing, and finding new ways to partner with the Agency makes a difference as the industry changes. Chair Browning asked Mr. Priest to let the Commission know what can be done to stay competitive. Chair Browning then asked Mr. Priest if he traveled from Michigan to come to the meeting? Mr. Priest confirmed he did. Chair Browning thanked him for coming to Maryland to present in person.

International Game Technology (IGT)

Chair Browning asked Ms. Carmen Vegas, Site Manager for IGT, to speak about the services provided to the Agency. Ms. Vegas said IGT is the central system provider for slot machines in Maryland. She then reported the independent assessments for the first quarter for security and compliance that included a penetration test that showed no significant findings. The SOC-2 testing is under way at 51% as of this morning. IGT conducted a disaster recovery exercise that validated sustainable operations in the event of disruption. The test showed everything continues to perform as expected. Routine maintenance and patch management were conducted. Operationally, there is nothing to report.

Chair Browning thanked Ms. Vegas for the report and for working with the team to make sure the number of slot machines on the floors are being tracked for revenue purposes and also for a fair experience for customers. He asked that on IGT's next quarterly report to include MBE spending and how IGT works with subcontractors. Ms. Vegas said MBE spend is 27%, all spend is MBE from a women owned business. There is nothing purchased for the Maryland site that does not go through an MBE. The goal last year was 20% and spend is over that at 27%.

Commissioner Mosby asked if there was a way to go back to SciGames' report and have the same question. He wanted to know if SciGames percentages were disaggregated for Maryland business? Mr. Hale said it is entirely Maryland only. He said not 100% of vendors are Maryland as some things are very specific for what is required in the contract, but it is a large percentage. SciGames has over 50 employees that are through an MBE here in Maryland. Mr. Hale said 99% of employees live within the State. Most of the other vendors bring on people and use several companies that are from Maryland.

DIRECTOR'S REPORT

Director's Report — Craig Lindsey, Deputy Director

Deputy Director Craig Lindsey reported that heading into the end of the Fiscal Year sales were down 2.2%, equating to daily sales of \$7.5 million/day. May 2026 lottery sales were up 1.7%, and profit was down .2%. Year-to-date profit is up 2.2%, and the Agency hopes to continue to experience the ever-growing jackpots which help boost sales as the jackpots continue to climb, closing out the fiscal year with a bang and bringing in new fiscal year with a bang as well. Casino revenue was up .9%, table games were down 14.4%, overall year-to-date casino revenue was down 1.6%. Monthly casino contributions to the State were down 1.3%, and year-to-date casino contributions to the State were down 1.1%. Sports wagering handle was up 9.9% year-to-date, hold was up 17.9%, and year-to-date contributions were up 56.5%. The Agency is poised to wrap up sales during the last week of this fiscal year.

Commissioner Hodges asked if Mr. Lindsey said slots were down 2%? Mr. Lindsey confirmed slots were down 2.2%. Commissioner Hodges wanted to know if Mr. Lindsey was referring to just slots? Mr. Lindsey confirmed that was correct. Commissioner Hodges then asked what it was attributable to in general? Mr. Lindsey said that would be a question that needs to be asked of the casinos.

Chair Browning thanked Mr. Lindsey for the report and for the information that he and Director Martin provide to the Commission. He said Maryland is a unique market in the nation, which has casinos and sportsbook all under one roof. Chair Browning said the Commission appreciated the expert way the Agency keeps the Commission informed.

COMMISSION ACTION ITEMS

Deputy Director, COO – Craig Lindsey

Commission Action Item – Random Number Generator (RNG) System Contract Renewal (#2022-15)

Mr. Lindsey reported that the Agency entered into Contract #2022-15 "Random Number Generator (RNG) System" with Smartplay International, LLC on December 11, 2022, to provide all hardware, software and related services necessary to install, implement, operate, and maintain an RNG System to conduct Agency lottery drawings (the "Contract"). The base term of the Contract is 4-years (ending December 12, 2026) with a Not-To-Exceed (NTE) amount of \$382,170. There is one Contract renewal option for an additional 4-years with an NTE of \$150,000.

The Agency's exercise of its option to renew the Contract is in the best interest of the State. The RNG System provided by Smartplay International, LLC ensures reliable operation of the Agency's Draw game program. The system ensures every RNG drawing is random, secure, auditable and conducted in a manner that instills and maintains a high-level of player confidence in the integrity of the drawing process and the Lottery. If the Commission provides approval, the Contract will be submitted for signature to the Agency Director for its final approval.

Chair Browning asked if any Commissioners had questions.

Commissioner Hodges asked if the term of the proposal is to exercise a renewal option for 1 year? Mr. Lindsey said it is for 4 years.

Commissioner Hodges wanted to know if there was an effort to solicit new bids for a new vendor, or how the Agency decides to renew? Mr. Lindsey said it is what is in best interest of the State to renew with the existing vendor. Initially it was \$382,170, for the contract, and the renewal is only \$150,000, which is in the best interest of the State.

Chair Browning asked if that was for the life of the contract? Mr. Lindsey said yes, 4 years.

Mr. Lindsey asked for a motion to approve the 4-year renewal option for Contract #2022-15, which would otherwise end on December 26, 2026, with Smartplay International, LLC in the NTE amount of \$150,000. Chair Browning asked for a motion, Commissioner Hodges motioned to approve, Commissioner Mosby seconded, and the motion was unanimously approved.

Gaming – Michael Eaton, Managing Director

Commission Action Item – Annual Promotional Play Reports – Casinos and Sports Wagering

1. Casinos

Mr. Eaton reported that in accordance with COMAR 36.03.10.36(G), each facility operator is required to submit a report of its use of free promotional play during the prior fiscal year and recommend any adjustment to the limitation on free promotional play established in regulation. Current regulation COMAR 36.03.10.36(F) states that each facility operator may exclude from taxable proceeds an amount that equates to 20% of proceeds the facility generated in the prior full fiscal year.

The reports submitted by the facility operators provide the following recommendations: Hollywood Casino at Perryville - No change; Ocean Downs Casino - No change; Live! Casino - No change; Rocky Gap Casino and Resort - No change; Horseshoe Casino Baltimore - No change; and MGM National Harbor Casino - No change.

The Commission may direct staff to adjust in regulation the amount of free promotional play that is excluded from taxable proceeds or take no action and leave the rate at 20%. MLGCA recommends taking no action and leaving the rate at 20%.

Mr. Eaton requested a motion to maintain the current 20% cap on video lottery facility licensees' promotional play deductions for 2026, based on proceeds from the previous year. Chair Browning asked for a motion, Commissioner Hodges motioned, Commissioner Mosby seconded, and the motion was unanimously approved.

2. Sports Wagering

Mr. Eaton reported that in accordance with COMAR 36.10.13.39(G), each sports wagering licensee is required to submit a report of its use of free promotional play during the prior fiscal year and recommend any adjustment to the limitation on free promotional play established in regulation. Current regulation COMAR 36.10.13.39(F) states that through the first full fiscal year of a sports wagering licensee's operations, a licensee's proceeds exclude money given away by the licensee as free promotional play and used by bettors to make a sports wager. After the first full fiscal year of a sports wagering licensee's operations, the amount of money given away as free promotional play in a fiscal year may not exceed a percentage of the licensee's proceeds received in the prior fiscal year that equates to 20% of total sports wagering proceeds that the sports wagering licensee generated in the prior fiscal year.

The reports submitted by the sports wagering licensees provide the following recommendations:

a. Retail Sports Wagering Licensees

MGM National Harbor Casino - No change; Live! Casino - No change; Hollywood Casino - No change; Horseshoe Casino - No change; Ocean Downs Casino - No change; Bingo World - No change; Greenmount OTB - No change; Long Shot's - No change; Riverboat on the Potomac - No change; Maryland Stadium Sub - No change; and Whitman Gaming - No change.

Mr. Eaton requested a motion to maintain the current 20% cap on retail sports wagering licensees' promotional play deductions for 2026, based on proceeds from the previous year. Chair Browning asked for a motion, Commissioner Hodges motioned, Commissioner Mosby seconded, and the motion was unanimously approved.

b. Mobile Sports Wagering Licensees

BetMGM - No change; Live! Casino - No change; DraftKings - No change; Hollywood Casino - No change; Caesars - No change; Bingo World - No change; Maryland Stadium Sub - No change; Crab Sports - No change; Greenmount OTB - No change; VSC - No change; Bally's - No change; and Riverboat on the Potomac - No change.

The Commission may direct staff to adjust in regulation the amount of free promotional play that is excluded from taxable proceeds or take no action and leave the rate at 20%. MLGCA recommends taking no action and leaving the rate at 20%.

Mr. Eaton requested a motion to maintain the current 20% cap on sports wagering facility licensees' promotional play deductions for 2026, based on proceeds from the previous year. Chair Browning asked for a motion, Commissioner Hodges motioned, Commissioner Mosby seconded, and the motion was unanimously approved.

Regulatory Oversight - John Mooney, Managing Director

Commission Action Item – BetMGM 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 BetMGM, LLC (BetMGM). 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 who may testify or answer questions in the hearings. John Mooney was sworn in. No one from BetMGM attended the meeting.

Mr. Mooney reported that the hearing today was to establish that BetMGM 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 BetMGM for a sports wagering facility operator license. Currently, BetMGM operates the retail sportsbook at MGM National Harbor and has done so since the sportsbook opened on December 9, 2021, with its five-year license set to expire on November 3, 2026.

Mr. Mooney summarized the background information on BetMGM and its holdings. He said Agency Staff performed a detailed analysis of BetMGM's operating performance and financial condition for the period from December 31, 2021, through December 31, 2025.

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 BetMGM is qualified for the renewal of its Sports Wagering Facility Operator License. Upon the Commission's approval of this renewal, Staff will issue a new license effective November 4, 2026, following the conclusion of the current five-year term.

Chair Browning asked if any Commissioners had questions.

Commissioner Hodges asked why no representatives from BetMGM were present. Mr. Mooney stated he was not given a reason. BetMGM was notified about the meeting but indicated they would not attend. Commissioner Hodges remarked that their absence was in poor taste and emphasized that the license renewal should not be viewed as a formality.

Commissioner Hodges said Mr. Mooney noted in the report that BetMGM had some issues. One of the issues according to a Dun & Bradstreet report was that BetMGM did not have a great rating and had a high business risk. He wanted to know how that translates to BetMGM being a good business partner to Maryland? Mr. Mooney said reading the entire report and taking everything into account, BetMGM's revenue has increased. BetMGM has a \$150 million line of credit, they have a reserve, over last 4½ years between retail and mobile. Looking at the financial background for both, BetMGM has taken over \$1.8 billion, paid out \$1.6 billion, taxable amount to the State is \$1.4 million, and over \$22 million in revenue over the last six years. Taking everything into consideration, yes they have issues, but they are qualified to be relicensed.

Commissioner Mosby said he wanted to back up to what Commissioner Hodges said about identifying partners is an important institution of operation for the State. It is not professional for BetMGM to not show up at the meeting when requesting a license renewal. He said he wanted to put that on the record. Commissioner Mosby noted that the Commission does not conduct license renewals often, but as relates to expectations of this Commission, when staff does all this work, the individual entity should show up for the hearing.

Commissioner Croghan agreed that a lot of work goes into the investigations, and the hearing only took 5 minutes, which is not a lot of time for BetMGM to show up and answer any questions.

Chair Browning said the option was available for BetMGM to join virtually if they were unable to be present in person. Chair Browning requested a vote that the license renewal for BetMGM be postponed until BetMGM can be present for the meeting. Commissioner Mosby motioned, Commissioner Hodges seconded, and the vote passed unanimously.

Chair Browning requested that Mr. Mooney notify BetMGM to be present at the August Commission meeting.

Mr. Mooney followed up to the previously asked question about the licenses for casinos. He said there are 9,781 licenses that have been issued, and there are 7,377 licensed employees who work at the casinos. In 2025, the Agency received 3,835 applications and fees, receiving over \$2 million in licensing fees.

Chair Browning thanked Mr. Mooney for the update. He said the Commission respects the amount of time the Agency puts into the reviews and the effort made. Chair Browning said the Commission wants to make sure the applicants, whose paperwork has been completed for investigation, are present at the meeting to answer questions. It impacts the companies, and their licensing in Maryland. Chair Browning said the Commission would like to hear from BetMGM.

Mr. Mooney thanked the Commission for their support, and he would relay to staff that the work is appreciated. He said the Agency was also shocked that BetMGM did not plan on attending.

Chair Browning noted that BetMGM should be happy that the vote was postponed.

CLOSED SESSION

There was no need for a closed session.

DATE AND TIME OF NEXT MEETING

Chair Browning announced the next Commission meeting will be held on Thursday, August 27, 2026, at 10:00 a.m. in person at Lottery Headquarters.

ADJOURNMENT

There being no further business, Chair Browning adjourned the meeting at 11:50 a.m.

Respectfully submitted,


John Martin
Director