

OFFICE OF THE ATTORNEY GENERAL
MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY

TO: Maryland Lottery and Gaming Control Commission
Gordon Medenica, Director

FROM: Robert T. Fontaine, Assistant Attorney General
Principal Counsel

DATE: February 19, 2019

SUBJECT: Report for the February Commission Meeting

This is a status update of ongoing and special projects in the Office of the Attorney General.

I. Contracts, Human Resources, and Administrative

a. Key accomplishments last period:

- i. Reviewed several contracts for the Communications Division for promotion of public affairs events.
- ii. Reviewed several contracts for the Marketing Division.
- iii. Reviewed various employment issues and documents for the Human Resources Division, and assisted Staff in resolving several issues.
- iv. Filed several liens against retailers on behalf of the AFO Division.
- v. Assisted Staff in responding to a Public Information Act ("PIA") request from a: (1) university researcher, seeking records pertaining to Mega Millions drawings; (2) media outlet, seeking records pertaining to prize amounts paid by Lottery retailer; and (3) marketing firm, seeking records pertaining to the Agency's Advertising, Marketing, and Media Related Services Contract.
- vi. Assisted Staff in preparing a response to a subpoena seeking Licensing Division records related to 21 persons.
- vii. Reviewed bills filed during the 2019 session of the Maryland General Assembly that may impact the Agency.

b. Upcoming tasks for this period:

- i. Assist Staff with matters related to contracts and personnel.
- ii. Continue to assist Staff in preparing a response to the subpoena described above.
- iii. Continue to review bills filed during the 2019 session of the Maryland General Assembly that may impact the Agency.

c. Issues:

- i. N/A

II. Lottery

a. Key accomplishments last period:

- i. Reviewed several requests from Product Development relating to new Lottery scratch-off games.
- ii. Reviewed several new XCAP Agreements.

- iii. Reviewed several promotions from Product Development.
- iv. Reviewed several contracts for Lottery sponsorship.
- v. Assisted Staff as needed in implementing the award of the Lottery central monitoring and control system contract.
- vi. Continued to assist Creative Services and Communications Divisions in developing and implementing the My Lottery Rewards Program by revising the online waiver, identifying notices needed regarding the accumulation of points, and reviewing and revising license agreements pursuant to My Lottery Rewards.
- vii. Worked with Staff on a license and merchandise agreement for a Baltimore Ravens scratch-off game and second chance promotion.
- viii. Worked with Staff on a license agreement for a Skee-Ball lottery game and second chance promotions.
- ix. Assisted Staff with notifying retailers that the Agency intends to revoke their retailer licenses.
- x. Assisted Staff in reviewing and addressing specific procurement related questions.
- xi. Successfully asserted trademark protections for the unauthorized use of the Mega Millions trademark.

b. Upcoming tasks for this period:

- i. Continue to assist Staff as needed on implementation of the Lottery central monitoring and control system contract.
- ii. Work with Staff on implementing a paperless application process.
- iii. Continue to assist Staff as needed on working with the Mega Millions Consortium on issues related to exploring use of the Mega Million trademark in international sales.
- iv. Work with Staff to update the Online Waiver and Release for Second Chance and Points for Drawing promotions and adapt related documents to reflect the updates.
- v. Work with Staff to prepare a new Ravens sponsorship agreement.
- vi. Work with Staff to implement Skee-ball promotions.
- vii. Work with Staff to prepare the New Year's Rockin' Eve Powerball promotion.
- viii. Continue to assist Staff as needed on issues associated with the Advertising, Marketing, and Media Related Services RFP.
- ix. Assist Staff with procurement-related matters.

c. Issues:

- i. N/A

III. Gaming

a. Key accomplishments last period:

- i. Continued to assist Staff on enforcement and licensing issues associated with casino operations.
- ii. The Agency referred a recommended revocation of a video lottery employee license to the Office of Administrative Hearings ("OAH") to conduct a full evidentiary hearing. A hearing was scheduled for March 13, but the licensee who requested the hearing has resigned from her

position at Live! Casino, returned her video lottery employee license to the Agency, and withdrawn her request for a hearing.

- iii. Submitted the Agency's answering memorandum in the case filed in the Circuit Court for Prince George's County by an individual seeking judicial review of the Agency's termination of his temporary video lottery employee license.

b. Upcoming tasks for this period:

- i. Continue to assist Staff on enforcement and licensing issues associated with casino operations.
- ii. Develop a chronicle of the work of the Video Lottery Facility Location Commission in awarding the State's six casino licenses.
- iii. On February 27, represent the Agency in the hearing in the Circuit Court for Prince George's County on the termination of a temporary video lottery employee license.

c. Issues:

- i. N/A

IV. Electronic Gaming Devices

a. Key accomplishments last period:

- i. N/A

b. Upcoming tasks for this period:

- i. Provide advice to Staff as needed concerning the Commission's regulation of electronic gaming devices.

c. Issues:

- i. N/A

V. Amusement Gaming Licenses

a. Key accomplishments last period:

- i. N/A

b. Upcoming tasks for this period:

- i. Provide advice to Staff as needed concerning the Commission's regulation of amusement gaming licenses.
- ii. Work with Staff on reviewing issues associated with skills-based amusement device registration and licensing.
- iii. Assist Staff with issues associated with operators of electronic gaming devices.

c. Issues:

- i. N/A

VI. Fantasy Competition

a. Key accomplishments last period:

- i. N/A

b. Upcoming tasks for this period:

- i. Assist Staff as needed in implementing the fantasy competition regulations.

c. Issues:

- i. N/A

