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:

August 13, 2019

SUBJECT:

Report for the June 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 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 Public Information Act requests from: (1) two media outlets, seeking records related to the Lottery Central Monitoring and Control System contract; (2) a PhD candidate, seeking records pertaining to draw games; and (3) The Maryland Center for Excellence on Problem Gambling, seeking records pertaining to the Voluntary Exclusion Program.
- vi. Assisted Staff in ongoing procurement issues.
- vii. Assisted Staff in responding to a PIA request from Virginia's Joint Legislative Audit and Review Committee for records pertaining to the Agency's expenditures and staffing of casino operations.
- viii. Assisted Staff in preparing and providing Agency records about a lottery player in response to a subpoena issued by the Circuit Court for Frederick County.

b. Upcoming tasks for this period:

i. Assist Staff with matters related to contracts and personnel.

c. <u>Issues:</u>

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.

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iii. Reviewed several promotions from Product Development.

- iv. Reviewed several contracts for Lottery sponsorship and advertising campaigns.
- v. Continued to assist Creative Services and Communications Divisions in developing and implementing the My Lottery Rewards Program with ongoing reviews and revisions of license agreements.

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- vi. Worked with Staff on a sponsorship contract with the Baltimore Ravens to promote Lottery products.
- vii. Worked with Staff on two licensed Ravens instant ticket lottery games.
- viii. Assisted Staff with notifying retailers that the Agency intends to revoke their retailer licenses.
 - ix. Assisted Staff in reviewing and addressing specific procurement related issues.
 - x. Assisted Staff in reviewing a promotion for retailers, including reviewing the rules and procedures.
- xi. Assisted staff in reviewing rules regarding delaying entrance into Cash4Life.
- xii. Continued to work with Staff on issues associated with the emergency suspension of a retailer in Baltimore County.
- xiii. Continued to work with Staff to resolve issues with how Lottery liens are recorded in the Circuit Court for Prince George's County.
- xiv. Assisted in drafting regulations to implement a new lottery ticket play style, which will be presented by the Chief Operating Officer.

b. Upcoming tasks for this period:

- i. Continue to work with Staff to resolve the Lottery lien issue.
- 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. Continue to work with Staff on the Ravens sponsorship agreement.
- v. Continue to work with Staff on reviewing and preparing documents to participate in the New Year's Rockin' Eve Powerball Promotion.
- vi. Assist Staff in drafting rules for Double Play, an add-on Mega Millions game.

c. <u>Issues:</u>

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. Represented the Agency at a hearing at the Office of Administrative Hearings ("OAH") on July 30, 2019, where we sought an order of default because the video lottery employee license applicant failed to appear. On August 2, 2019, OAH issued a final default order dismissing the case. The

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parties have 30 days from the date of that order to file a motion to modify

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- iii. Resolved an OAH hearing scheduled for August 6, 2019, prior to the hearing; the applicant withdrew his request for OAH hearing and withdrew his application for a video lottery employee license.
- iv. Entered our appearance, and filed the official record, in a case pending in the Circuit Court for Baltimore City, in which a former temporary licensee challenges the Commission's decision to terminate her temporary license.

b. Upcoming tasks for this period:

- i. Continue to assist Staff on enforcement and licensing issues associated with casino operations.
- ii. Assist Staff with preparing for a hearing that is scheduled for August 23, 2019, at OAH for the recommended revocation of a non-gaming video lottery employee license.
- iii. Prepare and file appropriate pleadings in the above-referenced case pending in the Circuit Court for Baltimore City.

c. <u>Issues:</u>

i. N/A

IV. Electronic Gaming Devices

- a. Key accomplishments last period:
 - i. N/A

b. Upcoming tasks for this period:

- i. Work with 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. Work with Staff as needed concerning the Commission's regulation of skills-based amusement devices and amusement gaming licenses.

c. Issues:

i. N/A

VI. Fantasy Competition

- a. Key accomplishments last period:
- **b.** N/A

c. <u>Upcoming tasks for this period</u>:

i. Work with Staff as needed concerning the Commission's regulation of fantasy competitions.

c. <u>Issues</u>:

i. **N/A**

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