

# Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • John Martin, Director



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TO: Maryland Lottery and Gaming Control Commission  
John Martin, Director

FROM: James Butler, Assistant Deputy Director, Chief of Staff

DEPARTMENTS: Government Relations, Human Resources, and Procurement

DATE: November 17, 2022

SUBJECT: Report for the November 2022 Commission Meeting

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Following is the status update of ongoing topics in Government Relations, Human Resources, and Procurement for November.

## **I. GOVERNMENT RELATIONS MATTERS**

**1. *Sports Wagering Application Review Commission (SWARC)*** - SWARC will hold its next monthly meeting on Wednesday, November 16, at Maryland Lottery and Gaming Headquarters. At this meeting, SWARC's consultants - Taft Stettinius & Hollister LLP and Spectrum Gaming Group - will make a presentation to the SWARC about each qualified applicant for a mobile sports wagering license. After each presentation, the Commissioners will vote on whether to award a mobile sports wagering license to the applicant.

**2. *Regulations Update*** - Below is an update of proposed regulations that were approved by the Commission:

### **Annual Gaming Regulatory Review**

In February, Agency staff invited our casino partners to submit proposed changes to our existing Gaming regulations. The proposed amendments appeared in the July 29 edition of *the Maryland Register*. On October 20, the Agency filed its Notice of Final Action with the Division of State Documents (DSD), to finalize these amendments to existing Gaming regulations. DSD published our notice in the November 4 edition of the *Maryland Register*, and the final action became effective on November 14. See <https://dsd.maryland.gov/MDRIssues/4923/Assembled.aspx> for more details.

### **SWARC Proposed Regulations**

SWARC approved its proposed sports wagering regulations on July 13. The Joint Committee on Administrative, Executive, and Legislative Review granted emergency status for these proposed regulations beginning on September 2 and expiring on March 3, 2023. SWARC's proposed regulations appeared in the August 26 edition of *the Maryland Register*, and the Notice of Final Action appeared in the November 4 edition of the *Maryland Register*. These SWARC regulations became effective on November 14.

## **II. HUMAN RESOURCES MATTERS**

The Human Resources (HR) Department is working with the Department of Budget and Management on a scheduled audit of our recruitment process. HR is also working with the Agency's Internal Auditor to complete an audit of our Personnel Files. As required, HR notified staff who have been designated by

the Agency as Emergency Essential Employees for calendar year 2023 so that proper planning can be initiated by each department for office coverage. HR continues to focus on recruiting for sports wagering positions in preparation for the launch of mobile sports wagering.

### **III. PROCUREMENT MATTERS**

The Procurement Department works closely with all Divisions to support the MLGCA's daily operations to include, but not limited to, procurement of printing of POS materials and various information sheets/brochures to support all games; promotional items, sponsorship agreements for events; and supplies/equipment for the Lottery's internal use, as well as the processing of all payments under \$5,000.00 using the State P-Card and monthly reconciliation of bank statement.

Procurement staff are working with other departments to implement tools available to modernize the procurement processes with a goal of reducing paper handling and allowing users more visibility into the status of requests. We hope to also integrate an inventory system for consumables and fixed assets.

*RFP for Random Number Generator (RNG) System for MLGCA (#2022-15):* The Agency awarded a four-year contract (with one 4-year Renewal Option) resulting from the subject RFP for Random Number Generator (RNG) System for MLGCA (#2022-15) to Smartplay International, Inc. This final award is contingent upon the approval of the Maryland Department of General Services and the Maryland Board of Public Works ("BPW"), as well as the execution of a contract with the Agency. The BPW meeting for approval of this award is scheduled for November 16, 2022.

*RFP for Auditing and Accounting Services for MLGCA (#2022-10):* This RFP is to obtain a Certified Public Accounting firm to provide auditing, accounting, and management services and technical advice and assistance on various aspects of both Lottery and Gaming operations, including changes to accommodate the implementation of sports wagering and a new RNG process for Lottery Drawings. The RFP has completed internal review as well as the DGS-Office of State Procurement review. On October 28, the RFP solicitation notice was placed in the electronic Maryland Marketplace Advantage (eMMA) portal. A Preproposal Conference was held on November 10 at MLGCA Headquarters, and proposals are due to the Agency by December 9.

MBE/VSBE/SBR Activities: A summary of the MLGCA's MBE/VSBE participation is attached.