# Maryland Lottery and Gaming Control Agency

Wes Moore, Governor • John Martin, Director



Montgomery Park Busness Center 1800 Washington Blvd., Ste. 330 Baltimore, Maryland 21230

Tel: 410-230-880 TTY users call Maryland Rela www.mdlottery.com

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: January 17, 2024

SUBJECT: Report for the January 25, 2024 Commission Meeting

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

# I. GOVERNMENT RELATIONS MATTERS

# A. Legislative Update:

On January 10, 2024, the Maryland General Assembly convened for start of the 446th Legislative Session. Below are two (2) bills of interest, from the thirty-four (34) bills, that we are currently tracking during the 2024 session. In addition, the Department of Legislative Services (DLS) has requested that the Agency respond to five (5) bills in an effort to determine the fiscal and operational impact on the Agency or Commission, and to assist DLS in preparing its fiscal and policy note on the proposed legislation.

## 1. Sports Wagering Bills of Interest

- a. HB132 Sports Wagering Campaign Contributions Parity Act of 2024 (Delegate Cardin) This bill would repeal the prohibition on applicants for and holders of video lottery operation licenses and persons who own an interest in video lottery facility operations in the State from directly or indirectly making contributions to the campaign finance entity of a candidate for any nonfederal public office in the State or any other campaign finance entity organized in support of a candidate for any nonfederal public office in the State. The House Ways & Means Committee has scheduled a bill hearing for January 17, at 1:00 p.m. on this bill.
- b. SB272/HB224 Sports Wagering Sports Wagering Assistance Fund Repeal (Department of Commerce departmental bill) This bill would repeal provisions of law establishing the Small, Minority-Owned, and Women-Owned Business Sports Wagering Assistance Fund. The House Ways & Means Committee has scheduled a bill hearing for January 17, at 1:00 p.m., and the Senate Budget & Taxation Committee has scheduled a bill hearing for January 18, at 12:00 p.m. on these bills.

#### B. Budget Hearings:

The Agency is currently scheduled to appear before the following subcommittees to discuss our FY25 budget submission:

- a. Wednesday, February 14 at 1:00 p.m. House Appropriations Subcommittee on Education and Economic Development
- b. Monday, February 19 at 1:00 p.m. Senate Budget and Taxation Subcommittee on Public Safety, Transportation, and Environment

## C. Regulations:

The Joint Committee on Administrative, Executive, and Legislative Review (AELR) approved the Agency's request for emergency action on our proposed amendments to existing gaming and sports wagering regulations. This emergency action will be effective from December 12, 2023 to June 9, 2024. The Agency's proposed action appeared in the December 29 edition of the Maryland Register.

<u>See https://dsd.maryland.gov/MDRIssues/5026/Assembled.aspx</u> for more details. The Agency will submit a Notice of Final Action on the proposed regulations after the 30-day public comment ends on January 29.

## D. SWARC Update:

The Sports Wagering Application Review Commission (SWARC) will hold its next regular meeting in February 2024 (TBD) pending completion of the MLGCC finding applicants suitable for Sports Wagering licenses. <u>See https://swarc.org/meeting-records/</u> for more details.

#### II. HUMAN RESOURCES MATTERS

Joanne Grant, Director of Human Resources (HR), and her team continue to focus on recruiting for sports wagering positions and backfilling other positions so that the Agency meets the Department of Budget and Management's (DBM) vacancy rate reduction plan for the Agency.

It appears from union correspondence that one of the Agency's Annual Salary Reviews (ASRs) submissions to DBM at part of the union negotiations was accepted. More details will be forthcoming.

#### III. PROCUREMENT MATTERS

John Lloyd, Director of Procurement, and his team continue to process procurement requests as expeditiously as possible. Below are a few procurement matters that the Agency is currently working on:

Regarding the Agency's Lottery Central Monitoring and Control System (LCMCS) #2015-01, we have begun the Request for Proposals ("RFP") Development Process for this major procurement and have met with select staff to start brainstorming on specific requirements to include in this RFP. In addition, we've begun the process to establish the Minority Business Enterprise (MBE) and the Veteran-Owned Small Business Enterprise ("VSBE") goals for this RFP.

Regarding the RFP for Veterans' Organizations Instant Ticket Lottery Machines (ITLMs) and Related Services, the ITLM program launched in September 2014, and the current contract expires in February 2024. ITLMs are lottery devices that use animation to display predetermined play results that generate revenue for the benefit of the Veterans' Organizations and the State of Maryland. Currently, 92 Veterans' Posts in Maryland have ITLMs installed in their locations. We are issuing a Request For Information to gain insight into potential Vendors.

Regarding the RFP for Advertising, Digital, Web and Social Media Services, the current contract started in May 2019 and was set to expire on June 30, 2022, but the Agency exercised the available two-year option, which will expire on June 30, 2024. This RFP will encompass two specialties, including Functional Area I – Creative Development, Production, Digital, Website and Research Services, with an MBE goal of 29% and Functional Area II - Media Planning and Buying Services, with an MBE goal of 4%. There is also a VSBE goal of 1% under this RFP. The Procurement Officer has submitted a draft RFP to DGS for its review.