

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • Gordon Medenica, Director



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

FROM: John J. Mooney

DIVISION: Managing Director Regulatory Oversight

DATE: August 24, 2017

SUBJECT: Report for the August Commission Meeting

Commission Action Item

JCM American Corporation – Manufacturers Hearing

Commission Action Items – Consent Agenda

Horseshoe Casino – Underage Violations – 2017-05-042, -050 and -057
Horseshoe Casino – Underage Violation – 2017-05-059
Horseshoe Casino – Regulatory Violations – March 2017
Horseshoe Casino – Regulatory Violations – April 2017
Maryland Live Casino – Underage Violations – 2017-03-024, -032, -036 and -037
Maryland Live Casino – Underage Violations – 2017-03-043, -047, -049, -055, -056, -
058 and -059
Maryland Live Casino – Regulatory Violations – April 2016
Maryland Live Casino – Regulatory Violations – March 2017
Maryland Live Casino – Regulatory Violations – April 2017
MGM – Underage Violations – 2017-06-043, -098, -100 and -105
MGM – Underage Violations – 2017-06-109, -115, -124, -134, -135, -138 and -144
MGM – Regulatory Violations – December 2016
MGM – Regulatory Violations – January 2017
MGM – Regulatory Violations – February 2017
MGM – Regulatory Violations – March 2017

Commission Action Item – Consent Agenda

Licensing Denials/Revocations – Forty Four (44)

Licensing Division

- Monthly statistics have been updated and are included in your packet.

Casino Compliance Division

- Monthly statistics have been updated and are included in your packet.

Major Incidents at the Casinos

N/A

Mandatory Exclusion List

We are in the process of developing a statewide mandatory exclusion list. The list is being developed in cooperation with the casinos. Individuals will be placed on the mandatory exclusion list for a variety of reasons related to the individual's conduct and the integrity of the State's gaming program.

Commission Consent Agenda Item

1. Gaming License Application Denials/Revocations

There are forty-four (44) gaming license applications recommended for denial/revocation based on the applicant's criminal history or failure to cooperate with, or provide requested information to, a background investigator.

Commission Action:

It is requested that the Commission adopt as final the recommendation of the Director, or the Director's designee, for denial/revocation of the specified gaming license applications for the respective applicant's failure to establish his/her qualifications by clear and convincing evidence.

Please see the description below. A spreadsheet containing the denial/revocations is on the MLGCA shared drive under commission reports.

Gaming License Denials/Revocations

Commissioners:

The spreadsheet on the MLGCA shared drive under commission reports, (Mooney Confidential, licensing denial/revocations) contains names of forty-four (44) gaming license applicants for whom Staff has recommended denial/revocation of their applications for gaming license for failure to prove by clear and convincing evidence that they meet the statutory requirements for licensure. *See* State Gov't, Section 9-1A-14 (below). The license applications were recommended for denial/revocation after Licensing Division Staff conducted an investigation.

COMAR sets forth the applicant's rights if his/her gaming license application is recommended for denial/revocation. An applicant has a right to timely request a reconsideration meeting, and, if he or she is dissatisfied with the recommendation following the reconsideration meeting, the applicant may timely request a full hearing before the Commission. If the applicant fails to exercise these rights, the Commission may adopt as final the Director's recommendation to deny the license. Only the Commission, not Staff, is authorized to deny/revoke a gaming license, which is why these recommended denials/revocations are being presented to the Commission.

All of the applicants identified on the spreadsheet were mailed notification of the recommended denial/revocation, and of their right to timely request a reconsideration meeting with the Director or the Director's designee. The majority of the recommended denials/revocations are applicants who did not exercise that right. A smaller group of the recommended denials/revocations are applicants who received a reconsideration meeting and were notified of their right to timely request a full hearing before the Commission, but did not exercise that right.

Staff is requesting that the Commission adopt as final the Director's recommendation to deny/revoke the gaming license applications of the forty-four (44) applicants identified on the spreadsheet.

Located on the Agency's Shared Drive under Commission files (August 2017) there are PDF files for your review. The PDF files contain documentation for each of the recommended denials, including: notice of recommended denial (which includes the basis for the recommendation and notice of right to request reconsideration meeting); documentation that Staff mailed the required notices; and relevant documents from the background investigation conducted by Staff that supports the recommended denial/revocation of the applicant's license application.

