

Maryland Lottery and Gaming Control Agency

Martin O'Malley, Governor • Stephen Martino, Director



Montgomery Park Business Center
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TO: Maryland Lottery and Gaming Control Commission
Stephen Martino, Director

FROM: John J. Mooney

DIVISION: Assistant Director for Enforcement

DATE: January 14, 2015

SUBJECT: Enforcement Division Report for the January Commission Meeting

Commission Action Items

Request for the Commission to issue the four instant bingo facility licenses on January 22, 2015

– This presentation will be handled by Charles LaBoy

Consent Agenda

There is an enforcement consent agreement on the consent agenda. Copies of the violations are included in the documents sent to the Commissioners.

Maryland Live Casino Regulatory Violations for January – June, 2014

Licensing Division

- Monthly statistics have been updated and included in your packet.
- There are thirty three (33) denials this month; they are on the Consent Agenda.
- Currently there is one administrative vacancy in Licensing Division.

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Casino Compliance Division

- Monthly statistics have been updated and included in your packet.
- The Division has five (5) compliance officer vacancies.
 - 1 vacancy at Hollywood
 - 1 vacancy at Ocean Downs
 - 1 vacancy at Maryland Live
 - 2 vacancies at Horseshoe Casino

Security / Investigations Division

- Currently there is one (1) vacancy in the Security Division.

Major Incidents at the Casinos

- Nothing to report

Commission Consent Agenda Item

1. Gaming License Application Denials

There are thirty three (33) gaming license applications being recommended for denial 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 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, along with the attached spreadsheet.

Gaming License Denials

Commissioners:

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The attached spreadsheet contains names of thirty three (33) gaming license applicants for whom Staff has recommended denial 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 after Licensing Division Staff conducted an investigation, and the investigation results were reviewed by a three-member review panel comprised of Gina Smith, Robert Howells and James Butler. The panel also recommended denial of these applicants' license applications, and the Director or his designee concurred.

COMAR sets forth the applicant's rights if his/her gaming license application is recommended for denial. 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 a gaming license, which is why these recommended denials are being presented to the Commission.

All of the applicants identified on the attached spreadsheet were mailed notification of the recommended denial, and of their right to timely request a reconsideration meeting with the Director or the Director's designee. The majority of the recommended denials are applicants who did not exercise that right. A smaller group of the recommended denials 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 the gaming license applications of the thirty three (33) applicants identified on the attached spreadsheet.

Located on the Agency's Shared Drive under Commission files (January) 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 of the applicant's license application.