

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • Gordon Medenica, Director



Montgomery Park Business Center
1800 Washington Blvd., Suite 330
Baltimore, Maryland 21230

Tel: 410-230-8800
TTY users call Maryland Relay
www.mdlottery.com

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

FROM: John J. Mooney

DIVISION: Managing Director Regulatory Oversight

DATE: October 17, 2017

SUBJECT: Report for the October Commission Meeting

Commission Action Item

Interblock d.d. and Interblock USA L.C. – Manufacturers License Hearing (Renewal)

Commission Action Item

Mandatory Exclusion Regulation Change (see attached regulation)

The basis for these proposed amendments is to expand .04 to allow an individual who the Director decides should be mandatorily excluded from the State's casinos to ask for a reconsideration meeting with the Director or the Director's designee as an intermediary step before appealing to the Commission. This process parallels the process for individuals who are recommended for license denial, and by these amendments would also apply in .05 to an excluded individual requesting removal from the list. The other amendments are primarily clean-up: the deletion in .03C accounts for the fact that not all of the listed items may be available for each individual; the amendment to .03D updates a statutory citation; and the deletion of .08B(7) removes the requirement for casinos to monitor other states' exclusion lists.

Commission Action Item – Consent Agenda

Hollywood Casino – Regulatory Violations – May 2017
Hollywood Casino – Regulatory Violations – June 2017
Hollywood Casino – Underage Violation – Case No. 2017-01-033
Horseshoe Casino – Underage Violations – Case Nos. 2017-05-072, -074, -075, -079, -081 and -084
Maryland Live Casino – Regulatory Violations – May 2017
Maryland Live Casino – Regulatory Violations – July 2017
Maryland Live Casino – Underage Violations – Case Nos. 2017-03-064, -071, -073, -074 and -075

Commission Action Item – Consent Agenda

Licensing Denials/Revocations – Forty-seven (47)

Licensing Denial Reversal –

On November 8, 2016, an applicant (#39159) for a gaming license, G-13152, submitted an application for a Temporary Gaming License. During the background investigation it was determined that the applicant has outstanding debts to the State of Maryland. The applicant failed to satisfy the debt and her license application was processed for denial. Prior to the September commission meeting the applicant satisfied the debt to the State of Maryland. Unfortunately, the case was not removed from the list of licenses that were denied or revoked during the September commission meeting. As a result, I am asking the commission to reverse the denial of applicant #39159, Gaming License G-13152.

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-seven (47) 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.

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • Gordon Medenica, Director



Montgomery Park Business Center
1800 Washington Blvd., Suite 330
Baltimore, Maryland 21230

Tel: 410-230-8800
TTY users call Maryland Relay
www.mdlottery.com

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-seven (47) 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.

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • Gordon Medenica, Director



Montgomery Park Business Center
1800 Washington Blvd., Suite 330
Baltimore, Maryland 21230

Tel: 410-230-8800
TTY users call Maryland Relay
www.mdlottery.com

Staff is requesting that the Commission adopt as final the Director's recommendation to deny/revoke the gaming license applications of the forty-seven (47) applicants identified on the spreadsheet.

Located on the Agency's Shared Drive under Commission files (October 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.