

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor



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TO: Maryland Lottery and Gaming Control Commission

FROM: Charles LaBoy, Assistant Director for Gaming

DIVISION: Executive - Gaming

DATE: May 18, 2015

SUBJECT: Report for the May 28th Commission Meeting

A. VLT Audit Department

Audit Summary			
Video Lottery Facility	Audit Area	Status	Periods Covered
Maryland Live Casino	Compliance & Operations	Completed	March
Rocky Gap	Compliance & Operations	Completed	March
Ocean Downs	Compliance & Operations	Completed	March
Hollywood Casino	Compliance & Operations	Completed	March
Horseshoe Casino	Compliance & Operations	Completed	March
Delta Bingo	Compliance & Operations	Complete	March-April
Maryland Live Casino	Compliance & Operations	In Process	April-May
Rocky Gap	Compliance & Operations	In Process	April-May
Ocean Downs	Compliance & Operations	In Process	April-May
Hollywood Casino	Compliance & Operations	In Process	April-May
Horseshoe Casino	Compliance & Operations	In Process	April-May

- a. Staffing Update
 1. Vacant Positions
 1. Gaming Auditor – 1 vacant – under recruitment
 2. Internal Auditor – 2 vacant – under recruitment
- b. The next Audit Committee meeting is scheduled for June 12.
- c. 2015 Regulatory Review – Staff is currently working on approximately 50 suggested regulation changes submitted by industry representatives and staff. The regulations are expected to be submitted to the Commission during the June meeting.

B. Electronic Gaming Device Operations

	Hollywood	Ocean Downs	MD Live	Rocky Gap	Horseshoe	Bingo Halls
VLT Installs	8	194	110	162	0	10
VLT Removals	0	194	287	162	50	10
Floor Moves	0	7	74	41	13	13
Game Conversions	6	0	4	15	29	1
Change Requests	4	8	27	3	8	3

- a. 436 State owned VLTs were successfully auctioned on May 12 raising \$800,000, exceeding estimates by \$300,000. All devices should be out of the state warehouse by May 29th.
- b. The above transaction brings to a close the VLT Asset Transition Project that has been underway for nearly a year and involved the relocation of 4,000 VLTs throughout the State and sale of nearly 1,900 VLTs generating over \$8 million in proceeds for the state while ensuring minimal disruption to gaming operations. The Hollywood Casino at Perryville and Maryland Live Casino both successfully transitioned from state VLT ownership to facility VLT ownership on April 1, 2015 with no issues.
- c. Staff has concluded testing on a casino wide server based progressive at MD Live. The system is anticipated to live later this month.
- d. Rocky Gap is installing IGT's SBX server based gaming system on 50 VLTs to allow for download and configuration of content.
- e. ITLMs – In April and May there were 10 new sites launched with 32 machines. Existing locations added 7 machines. This brings the total to 52 locations with 205 ITLMs.

C. Responsible Gambling

- a. Voluntary Exclusion Stats
 1. 26 new participants joined the casino VEP since the last report, bringing the total number of participants April 30th to 788.
 2. Currently there are 9 requests for removal from the VEP list in process.
 3. To date, there are now 121 violations that have occurred since the Casino VEP program began, 11 occurring in April; all cited for criminal trespass, court pending.
 4. There are 2 additional enrollments on Lottery VEP list bringing the total number of participants to 113.
- b. Staff continues to participate on behalf of the MLGCA on the National Council on Problem Gambling Conference Planning and Program Committees for the 2015 NCPG Conference to be held in Baltimore in July, 2015.
- c. The Bingo Facilities' webinar on Problem and Responsible Gambling is now available on the MLGCA's website for Bingo staff/volunteers to take as part of

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their licensing requirements. To date, 176 staff/volunteers of the 13 facilities have successfully completed the training. The target date for completion of the webinar by all staff and volunteers still remains at June 30, 2015.

- d. Continue to work on the process to accredit the MLGCA through a newly developed National Lottery Verification Process developed between the National Council on Problem Gambling and NASPL. Also will begin training in the next few months on Responsible gambling for Lottery staff and retailers.