

**OFFICE OF THE ATTORNEY GENERAL**  
**MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY**

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

FROM: Robert T. Fontaine, Assistant Attorney General *RTF*  
Principal Counsel

DATE: December 12, 2017

SUBJECT: Report for the December Commission Meeting

---

This is a status update of ongoing and special projects in the Office of the Attorney General.

**I. Contracts, Human Resources, and Administrative**

**a. Key accomplishments last period:**

- i. Reviewed two contracts for the Lottery's Communications Division for promotion of public affairs events.
- ii. Reviewed various employment issues and documents for the Human Resources Division and resolved several issues.
- iii. Prepared a standard Promotional Lottery Tickets Agreement (PLTA) for the Lottery's use with its partnerships with radio and TV stations; reviewed eight PLTAs.
- iv. Filed a lien against a retailer on behalf of the Lottery's AFO Division in the total amount of \$1,348.89.

**b. Upcoming tasks for this period:**

- i. Work with Staff as needed in reviewing any legislative proposals for the 2018 Session of the General Assembly that may impact the Agency.
- ii. Assist Staff in responding to two Public Information Act requests: (1) a union's request for records MGM submitted with its video lottery operation license application; and (2) a financial company's request for information about winners of lottery prizes of \$250,000 and above, as well as all assignments, since 2015.
- iii. Assisted three Agency staff prepare for and undertake their depositions, taken on December 6, in the matter of *Harbourt, et al. v. PPE Casino Resorts Maryland, LLC*, which is the Fair Labor Standards Act lawsuit against Maryland Live! pending in federal district court.

**c. Issues:**

- i. N/A

**II. Lottery**

**a. Key accomplishments last period:**

- i. Reviewed three requests from Creative Product Development relating to new Lottery scratch-off games.
- ii. Reviewed several promotions from Creative Product Development.

- iii. Assisted Staff as needed in implementing the award of the Lottery central monitoring and control system and drawings contracts.
- iv. Continued to assist Creative Services Division in developing and implementing the *My Lottery Rewards Program* by reviewing rules, licenses and other related documents for new promotions using MLR.
- v. Continued to work with Staff on issues associated with investigations of two retailers charged with conspiracy and bribery of Prince George's County Liquor Board officials. Both retailers' licenses are currently suspended.
- vi. Continued to work with Staff on review and revision of the Rules for the Mega Millions and Powerball games.
- vii. Worked with Staff on issues associated with the emergency suspension of a Baltimore County retailer for alleged illegal activity.

**b. Upcoming tasks for this period:**

- i. Continue to assist Staff as needed on implementation of the Lottery central monitoring and control system and drawings contracts.
- ii. Work with Staff on implementing a paperless application process.
- iii. Continue to work with Staff on issues associated with investigations of the two suspended Prince George's County retailers, and the Baltimore County retailer, described above.
- iv. Continue to assist Staff as needed on issues associated with implementing the Lottery drawings contract.
- v. Continue to work with Staff on issues associated with the investigation of Baltimore County retailer described above.
- vi. Work with Staff on a sole-source licensing agreement relating to a new Lottery scratch off game and second chance promotion.
- vii. Work with Staff in developing a Memorandum of Understanding with the Department of Human Services relating to interception of outstanding child support from players' Lottery winnings.

**c. Issues:**

- i. N/A

**III. Gaming**

**a. Key accomplishments last period:**

- i. Continued to assist Staff on enforcement and licensing issues associated with casino operations.
- ii. Awaiting decision by the Circuit Court for Prince George's County on our motion to dismiss a petition for judicial review of the Commission's decision to deny an individual's video lottery employee license. The individual's response to our motion was due December 6; if the court does not grant our motion to dismiss, a hearing is set for January 5.

**b. Upcoming tasks for this period:**

- i. Continue to assist Staff on enforcement and licensing issues associated with casino operations.
- ii. Assist Staff with preparing the Agency's record for a petition for judicial review filed by an applicant for a video lottery employee license. The petition was filed in the Circuit Court for Anne Arundel County, and seeks

judicial review of the June 30, 2017, Office of Administrative Hearings decision recommending the denial of the applicant's license application.

- iii. Assist Staff in preparing for a hearing before the Office of Administrative Hearing pertaining to revocation of a sponsored video lottery employee license; the hearing is scheduled for January 8, 2018.
- iv. Assist Staff with preparing the Agency's record for the Circuit Court for Baltimore County for an individual's petition for judicial review of the Commission's revocation of the individual's gaming license.

**c. Issues:**

- i. N/A

**IV. Electronic Gaming Devices**

**a. Key accomplishments last period:**

- i. N/A

**b. Upcoming tasks for this period:**

- i. Provide advice to Staff as needed concerning the Commission's regulation of electronic gaming devices.

**V. Amusement Gaming Licenses**

**a. Key accomplishments last period:**

- i. Worked with Staff to prepare correspondence notifying a business that it may be operating illegal or unregistered amusement devices.

**b. Upcoming tasks for this period:**

- i. Provide advice to Staff as needed concerning the Commission's regulation of amusement gaming license regulations.
- ii. Assist Staff as needed on reviewing Skill-Based Amusement Device Applications.
- iii. Work with Staff on issues associated with operators of electronic gaming devices that may not have properly registered devices in their establishments.