

Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • Gordon Medenica, Director



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TO: Maryland Lottery and Gaming Commission
Gordon Medenica, Director

FROM: James Nielsen, Assistant Deputy Director/COO

DATE: June 20, 2017

SUBJECT: Gaming Division Report for the June 2017 Commission Meeting

A Gaming Division

- 1) Skills-Based Amusement Device – The registration applications are available on our website and an informational flyer went out in mid-March via the Comptroller’s Admission and Amusement tax filing to 1,300 coin operated machine filers throughout Maryland explaining the program and need to register with the MLGCA.
- 2) As of June 14, staff has received skills-based amusement device registration forms from 31 owners with 492 locations.
- 3) To date, staff received 5 applications from entities that qualify for the Worcester County Family Entertainment Center Gaming License.

B VLT Audit Department

Audit Summary			
Location	Audit Area	Status	Periods Covered
Maryland Live Casino	Compliance & Operations	Completed	April
Rocky Gap	Compliance & Operations	Completed	April
Ocean Downs	Compliance & Operations	Completed	April
Hollywood Casino	Compliance & Operations	Completed	April
Horseshoe Casino	Compliance & Operations	Completed	April
MGM NH Casino	Compliance & Operations	Completed	April
Maryland Live Casino	Compliance & Operations	In Process	May – June
Rocky Gap	Compliance & Operations	In Process	May – June
Ocean Downs	Compliance & Operations	In Process	May – June
Hollywood Casino	Compliance & Operations	In Process	May – June
Horseshoe Casino	Compliance & Operations	In Process	May – June
MGM NH Casino	Compliance & Operations	In Process	May – June
Bingo World	Compliance & Operations	In Process	June
Delta Bingo – Laurel	Compliance & Operations	In Process	June
Delta Bingo – Wayson’s	Compliance & Operations	In Process	June
Mayo American Legion #226	Compliance & Operations	In Process	June

Laurel Elks #2283	Compliance & Operations	In Process	June
American Legion Post #7	Compliance & Operations	In Process	June
Annapolis Elks (#622)	Compliance & Operations	In Process	June
Annapolis Moose (#296)	Compliance & Operations	In Process	June
Severna Park American Legion (#175)	Compliance & Operations	In Process	June
Rod 'N' Reel	Compliance & Operations	In Process	June
Abner's Crab House & Restaurant	Compliance & Operations	In Process	June
Traders	Compliance & Operations	In Process	June
American Legion Post 206	Compliance & Operations	In Process	June

- 1) Staffing – one vacancy for an auditor at Maryland Live!
- 2) Proposed regulatory changes for the 2017 Regulatory Review Process were received from licensees and reviewed by management. A meeting with the licensees was held May 23 to review and discuss our recommended regulations. As a result, 18 new regulations are being presented for consideration today.
- 3) Standard Game Rules - Changes
 - a) Blackjack – Adding an option to allow a facility operator to offer a version of Blackjack on a dealer controlled electronic table game where the dealer does not receive a hole card, and one or more community cards are used.

C Electronic Gaming Device Operations

	Hollywood	Ocean Downs	MD Live	Rocky Gap	Horseshoe	MGM-NH	Bingo Halls
VLT Installs	14	0	6	0	50	204	22
VLT Removals	18	0	8	0	50	204	0
Floor Moves	16	155	34	0	8	48	0
Game Changes	0	0	68	50	15	90	7
Change Requests	6	4	17	3	8	27	4
Operation Reviews	1	0	1	0	1	1	4

- 1) ITLM Update - As of 5/10/17, 329 ITLMs in 77 unique Veterans' Posts are currently operational. Three new locations are scheduled for installation in July and August, and one additional game will be installed in June. The ITLM Program as a whole has contributed over \$9.3 million in profits to the participating Posts since September 2014.
- 2) VLT Ownership Transfer – As now authorized, both Rocky Gap Casino and the Casino at Ocean Downs plan to quickly acquire ownership of the VLTs in their locations, and take advantage of a 10% reduction in their tax rate.
 - a) Rocky Gap Casino plans minimal changes to the existing floor and will take ownership on July 3, 2017.
 - b) Casino at Ocean Downs plans to replace over 300 existing games over several weeks beginning on July 31, 2017.

D Responsible Gambling

- 1) Voluntary Exclusion Program
 - a) 41 new participants joined the casino VEP program since the last report; the total number of participants is 1,464. (Note there was a database error causing an overstatement of last month's total by 2.)
 - b) There have been 110 removals from the VEP.
 - c) To date, 330 violations have occurred since the casino VEP program began. All have been cited for criminal trespass and court resolution is pending. (Note there was a database error causing an overstatement of last month's total by 11.)
 - d) There are 2 additional enrollments on the lottery VEP list; the total number of participants is 268.
 - e) There was one additional enrollment in the bingo hall VEP program for this reporting period; the total number of participants is 6.

- 2) We will participate in the Center of Excellence Conference on Responsible Gaming on June 16, 2017.