

IN THE MATTER OF THE
MGM National Harbor, LLC,
Respondent.

* BEFORE THE
* MARYLAND LOTTERY
* AND GAMING CONTROL
* COMMISSION
* May 2018 Regulatory Violations

* * * * *

CONSENT AGREEMENT

Pursuant to the Annotated Code of Maryland, State Government Article (“SG”), §§ 9-1A-01, *et seq.* (“Gaming Law”), and Code of Maryland Regulations (“COMAR”) 36.03.04.06, the Maryland Lottery and Gaming Control Commission (“Commission”) and MGM National Harbor, LLC (“MGM National Harbor”) desire to resolve this matter without a formal administrative hearing. Accordingly, the parties recite the following facts and make the following agreements:

BACKGROUND

The Commission, with the assistance of the Maryland Lottery and Gaming Control Agency (“MLGCA” or “Agency”), regulates the operation of the State’s video lottery terminals (“VLTs”) and table games, and is responsible for licensing qualified facility operators and ensuring that the operation of video lottery facilities, VLTs and table games is conducted legally. SG §§ 9-1A-02(b), 9-1A-04(b)(14).

If a licensee violates a provision of the Gaming Law, a regulation promulgated by the Commission, or a directive of the Commission or the Director of the MLGCA, the Commission is authorized to, after a hearing, take action against a licensee that may include suspension or revocation of a license, and levying a civil penalty for each violation. SG §§ 9-1A-04(a)(3) – (8), -25; Code of Maryland Regulations (“COMAR”) 36.03.04. The Commission may also take other enforcement action, such as a corrective action plan, a reprimand, or imposition of a condition on

a license. SG §§ 9-1A-04(a)(3), -25; COMAR 36.03.04. The Commission may also agree with a licensee to reach a settlement to resolve a violation. COMAR 36.03.04.06.

MGM National Harbor is licensed by the Commission as the operator of the video lottery facility in Prince George's County.

By letter dated August 3, 2018 (Amended, October 3, 2018), the Agency notified MGM National Harbor of alleged violations of the Gaming Law – regulatory violations for the audit period of May 1, 2018 through May 31, 2018. The Agency included the monthly audit report for May 2018 indicating those violations for which the Agency is proposing a settlement amount. The Notice of Alleged Violations asserted that these actions violated the Gaming Law and regulations promulgated thereunder, and that these actions were sanctionable.

MGM National Harbor has taken corrective measures to ensure future compliance with these regulations.

The parties agree to the following terms and conditions as a means of resolving the captioned alleged violations.

TERMS AND CONDITIONS

1. This Consent Agreement is being entered into as a means of settling the alleged violations and avoiding the potential expense and inconvenience of a formal hearing.
2. There has not been a formal finding as to the merits of the allegations in the Notices of Violation. This Consent Agreement does not constitute an admission or denial by either party that a violation of law or regulation has occurred.
3. Upon the parties' execution of this Consent Agreement, Commission staff shall submit this Consent Agreement to the Commission for review and final approval at its meeting on October 25, 2018.

4. Upon the Commission's final approval of this Consent Agreement, and no later than 10 days after, MGM National Harbor shall remit payment of \$1,250.00 to the Commission.
5. Upon receipt of payment from MGM National Harbor, the Commission will close these matters.
6. MGM National Harbor will continue to take appropriate measures to ensure future compliance with these violations.
7. If MGM National Harbor violates a term of this Consent Agreement, the Commission may impose a sanction or penalty on MGM National Harbor for violating the Agreement or for the underlying violations. COMAR 36.03.04.06.
8. By entering into this Consent Agreement, MGM National Harbor waives all rights to administrative or judicial review of these alleged violations.
9. This Consent Agreement extends only to those alleged violations referenced in the August 3, 2018 (Amended, October 3, 2018), Alleged Notice of Violations. If the Commission subsequently discovers additional facts of a material and substantial nature involving any of the incidents cited in the August 3, 2018 (Amended, October 3, 2018), Alleged Notice of Violations, and said facts constitute additional alleged violations, the Commission may pursue such additional alleged violations. MGM National Harbor may dispute such additional alleged violations.
10. This Consent Agreement constitutes the entire agreement between the parties. No prior or subsequent understandings, agreements, or representations, oral or written that are not specified or referenced within this document will be valid provisions of this Consent Agreement.

11. This Consent Agreement may not be modified, supplemented or amended, in any manner, except by written agreement signed by the parties.

12. This Consent Agreement is not final and binding until it is approved by the Commission.
COMAR 36.03.04.06B(2).

IN WITNESS WHEREOF, the parties have signed this Consent Agreement as set forth below:

Melonie Johnson (date)
General Manager
MGM National Harbor

Gordon Medenica (date)
Director
Maryland Lottery and Gaming

APPROVED:

E. Randolph Marriner (date)
Chair, Maryland Lottery and Gaming Control Commission

MGM National Harbor – Regulatory Violations – May 2018

The Gaming Audit Division conducted an audit of MGM National Harbor for the period beginning, May 1, 2018, and ending May 31, 2018, pursuant to the Audit Plan.

Slot Operations Condition:

Subject – On May 23, 2018, a bank of slot machines was placed in service without proper approval from MLGCA staff. Patrons were observed gaming on slot machines located in Section E for approximately 30 minutes. A Slot Technician removed the patrons and placed the VLTs out of service.

Risk Level: HIGH

Repeat Violation in Past 12 Months: NO

Proposed Settlement Amount: \$1,000.00

Cape Department Condition:

Subject – On May 30, 2018, MLGCA staff observed an individual in the main bank without a gaming license or vendor ID. The individual was found to be an unlicensed contactor working for the MGM Engineering Department that was allowed into the main bank by the Credit Manager.

Risk Level: MEDIUM

Repeat Violation in Past 12 Months: NO

Proposed Settlement Amount: \$250.00