

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: April 11, 2017

SUBJECT: Report for the April 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 three 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.
- iii. Filed a lien against a retailer on behalf of the Lottery's AFO Division in the total amount of \$2,691.23.
- iv. Assisted Staff in responding to requests under Maryland's Public Information Act (PIA) for records pertaining to: (1) daily Lottery sales at a specific retailer; (2) all players who have ever redeemed a winning Lottery ticket; (3) all open and closed games ever offered by the Lottery; and (4) training for table game dealers.
- v. Worked with Staff on the Agency's 2017 legislative initiatives.

b. Upcoming tasks for this period:

- i. Work with Staff as needed on implementing any new legislation that impacts the Agency.

c. Issues:

- i. N/A

II. Lottery

a. Key accomplishments last period:

- i. Reviewed two requests from Creative Product Development relating to new Lottery scratch-off games.
- ii. Reviewed two Special Promotions from Creative Product Development.
- iii. Assisted Staff finalize contract for the Lottery central monitoring and control system.
- iv. Continue 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. Worked 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. Worked with Staff on issues associated with the suspension of the license of a retailer identified by the Office of the Comptroller of Maryland as one of the "2017 Tax Evasion Top 25 Business Tax Evaders." This retailer was first on the Comptroller's list with a tax liability of \$926,464.
- vii. Worked with Staff on review and revision of the Rules for the Mega Millions and Cash 4 Life games.

b. Upcoming tasks for this period:

- i. Assist Staff as needed with proceeding to the award of the Lottery central monitoring and control system contract and its implementation.
- ii. Continue to work with Staff on issues associated with investigations of the three retailers implicated in fraud allegations associated with the Supplemental Nutrition Assistance Program, of which two have submitted change of ownership applications and one has been emergently suspended.
- iii. Continue to work with Staff on issues associated with investigations of the two suspended Prince George's County retailers described in item II.a.v. above.

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. Continued to assist Staff in monitoring the impact of Caesars' financial status on Horseshoe Casino Baltimore.

b. Upcoming tasks for this period:

- i. Continued to assist Staff on enforcement and licensing issues associated with casino operations.
- ii. Continued to assist Staff in monitoring the impact of Caesars' financial status on Horseshoe Casino Baltimore.
- iii. Assist Staff in preparing for a hearing before the Office of Administrative Hearings pertaining to the recommendation for denial of a video lottery employee license. The hearing is scheduled for May 1, 2017.

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 any necessary advice to Staff concerning issues associated with the Commission's regulation of electronic gaming devices.

V. Amusement Gaming Licenses

a. Key accomplishments last period:

i. N/A

b. Upcoming tasks for this period:

- i. Provide any necessary advice to Staff concerning issues associated with the Commission's regulation of amusement gaming license regulations.
- ii. Assist Staff as needed on implementing the Skill-Based Amusement Device Applications.