

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

TO: Maryland Lottery Commission
Gordon Medenica, Director

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

DATE: August 9, 2016

SUBJECT: Report for the August 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 seven contracts for the Lottery's Communications Division for promotion of public affairs events.
- ii. Reviewed five Corporate Guaranty documents and five Financial Responsibility Agreements submitted for 7-11 Lottery retailers.
- iii. Filed liens against two retailers on behalf of the Lottery's AFO Division in the total amount of \$14,484.58.
- iv. Reviewed various employment issues and documents for the Human Resources Division.
- v. Assisted Staff in implementation of legal requirements for revocation of the professional license of an individual licensee who is in arrears on child support payments.
- vi. Assisted Staff in responding to requests under Maryland's Public Information Act (PIA) for records pertaining to: (1) Destron, a subsidiary of MGM; (2) narrative statements supporting April's casino compliance reports; (3) correspondence between Agency and Ocean Downs staff pertaining to a banned player; (4) correspondence between Agency staff and Jim Murren (Chairman and CEO of MGM Resorts International); (5) job descriptions submitted by MGM; and (6) examples of bases for video lottery employee license revocation.

b. Upcoming tasks for this period:

- i. Continue to assist Staff in responding to (5) and (6) PIA requests described above.
- ii. Assist Staff in responding to a PIA request for records pertaining to Horseshoe Casino's removal of an individual on three occasions.
- iii. Continue to assist Staff in implementing legal requirements for revocation of the professional license of an individual licensee who is in arrears on child support payments.

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c. **Issues:**

- i. N/A

II. **Lottery**

a. **Key accomplishments last period:**

- i. Reviewed ten requests from Creative Product Development relating to new Lottery scratch-off games.
- ii. Reviewed a request from Creative Product Development relating to a new Lottery promotional coupon designed to introduce new players to a Lottery scratch-off format.
- iii. Filed with the US Patent and Trademark Office for continuation and renewal of the Lottery's mark "Keno Bonus."
- iv. Continued to work with Staff on the central monitoring and control system RFP.
- v. 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.

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

- i. Continue to assist Staff with the central monitoring and control system RFP.
- ii. Review court filings to ensure compliance with applicable statutes and regulations for judicial approval of the assignment of a lottery prize.

c. **Issues:**

- i. N/A

III. **Gaming**

a. **Key accomplishments last period:**

- i. In a pending petition for judicial review of a gaming license revocation, filed a motion to dismiss based on the petitioner's/former licensee's failure to file a required pleading; we await a court decision on the motion. The merits hearing on the petition is scheduled for September 1 in the Circuit Court for Baltimore County.
- ii. Continued to assist Staff on enforcement and licensing issues associated with casino operations.
- iii. Continued to assist Staff in monitoring the impact of Caesars' financial status on Horseshoe Casino Baltimore.

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

- i. Continue to assist Staff in monitoring the impact of Caesars' financial status on Horseshoe.
- ii. Work with Staff as necessary on issues associated with MGM's license award.
- iii. Provide assistance as necessary to staff regarding licensing and enforcement, including enforcement action against individual licensees.
- iv. Monitor any developments related to daily fantasy sports.

c. **Issues:**

i. N/A

IV. New Initiatives-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. New Initiatives-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.

