

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: October 17, 2017

SUBJECT: Report for the October 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 two Corporate Guaranty documents and two Financial Responsibility Agreements for 7-11 Lottery retailers.
- iii. Reviewed various employment issues and documents for the Human Resources Division.

b. Upcoming tasks for this period:

- i. Work with Staff as needed on implementing any new legislation that impacts the Agency, and 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 from industry lobbyists for records pertaining to electronic instant bingo.

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 five Special Promotions from Creative Product Development.
- iii. Assisted Staff as needed in implementing the award of the Lottery central monitoring and control system contract.
- 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 Cash 4 Life games.
- vii. Assisted Staff as needed regarding the Lottery drawings RFP.
- viii. Worked with Staff on issues associated with the emergency suspension of a retailer located in Baltimore County, for alleged illegal activity.

b. Upcoming tasks for this period:

- i. Continue to assist Staff as needed on implementation of the award of the Lottery central monitoring and control system contract.
- 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 described above.
- iv. Continue to assist Staff as needed on issues associated with the Lottery drawings RFP.
- v. Continue to work with Staff on issues associated with the investigation of Baltimore County retailer described above.

c. Issues:

- i. N/A

III. Gaming

a. Key accomplishments last period:

- i. Assisted Staff in drafting amendments to the mandatory exclusion regulations (COMAR 36.03.07) to establish a reconsideration process for an individual placed on the mandatory exclusion list, and to make other minor clarifications. The proposed amendments will be presented by Mr. Mooney.
- 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 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 with responding to a sponsored gaming employee's request for a hearing on his recommended gaming employee license revocation.
- iv. File motion to dismiss a petition for judicial review in the Circuit Court for Prince George's County. The petition seeks review of the denial of the individual's video lottery employee license, however the individual has failed to timely file a pleading that is required in order for the petition to proceed.

c. Issues:

- i. N/A

IV. Electronic Gaming Devices

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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 reviewing the Skill-Based Amusement Device Applications.

