

OFFICE OF THE ATTORNEY GENERAL
MARYLAND STATE LOTTERY AGENCY

TO: Maryland Lottery Commission
Gordon Medenica, Director

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

DATE: March 15, 2016

SUBJECT: Report for the March 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 two contracts for the Lottery's Communications Division for promotion of public affairs events.
- ii. Reviewed one Corporate Guaranty document and one Financial Responsibility Agreement 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 \$15,778.56.
- iv. Reviewed various employment issues and documents for the Human Resources Division, and one Family and Medical Leave Act leave request.
- v. Continued to work with Staff on the central monitoring and central system RFP.
- vi. Assisted Staff in following up to a previous request under Maryland's Public Information Act (PIA) for records pertaining to casinos' internal procedures related to facility exclusions and patron safety.
- vii. Assisted Staff in responding to a PIA request for daily Powerball sales for each zip code in Maryland back to 2010.
- viii. Responded to a subpoena requiring the Agency to provide records about a former employee.

b. Upcoming tasks for this period:

- i. Review court filings to ensure compliance with applicable status and regulations for judicial approval of the assignment of a lottery prize.
- ii. Continue to assist Staff with the central monitoring and central system RFP.
- iii. Provide any necessary follow-up regarding the subpoena described above.

c. Issues:

- i. N/A

II. Lottery

a. Key accomplishments last period:

- i. We initiated an action with the World Intellectual Property Organization (WIPO) for the transfer of the domain name "marylandlottery.com" to the Lottery from an entity that has a history of registering domain names in bad faith. On February 19, WIPO notified us that the transfer order was granted.
- ii. Reviewed two requests from Creative Product Development relating to new Lottery scratch-off games.
- iii. 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.
- iv. Reviewed documents related to multistate Cash4Life® game.

b. Upcoming tasks for this period:

- i. Continue to work with Staff to operationalize Cash4Life® game.

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.
- iii. Continued to assist Staff in preparing for the repeal of certain table game rules regulations and in preparing related regulatory amendments.
- iv. Filed a motion to dismiss a petition for judicial review of the Commission's revocation of a sponsored gaming license because the former licensee failed to timely file a required pleading with the Circuit Court for Baltimore City; we are awaiting a ruling on the motion.

b. Upcoming tasks for this period:

- i. On April 8, the Circuit Court for Prince George's County will hold a hearing on our motion to dismiss a petition for judicial review of the Commission's revocation of a sponsored gaming license.
- ii. Continue to assist Staff in monitoring the impact of Caesars' financial status on Horseshoe.
- iii. Work with Staff as necessary on issues associated with MGM's license award.
- iv. Assist Staff in reviewing and addressing the State's casino operators' recommendations for regulatory amendments.
- v. Provide assistance as necessary to staff regarding licensing and enforcement, including enforcement action against individual licensees.
- vi. 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. Worked with Staff on issues associated with the regulation of electronic gaming devices and skills-based amusement devices.

b. Upcoming tasks for this period:

- i. Continue to provide advice to Staff concerning issues associated with the Commission's regulation of electronic gaming devices and skills-based amusement devices.