OFFICE OF THE ATTORNEY GENERAL

MARYLAND LOTTERY AND GAMING CONTROL AGENCY

TO:

Maryland Lottery and Gaming Control Commission

Stephen Martino, Director

FROM:

Robert T. Fontaine, Assistant Attorney General

Principal Counsel

DIVISION:

Office of the Attorney General

DATE:

January 14, 2015

SUBJECT:

Report for the January Commission Meeting

This is a status update of ongoing and special projects in the Office of the Attorney General.

I. Contracts and Human Resources

a. Key accomplishments last period:

- i. Reviewed one contract for the Communications Division for promotion of a public affairs event.
- ii. Reviewed six Corporate Guaranty documents and six Financial Responsibility Agreements for 7-11 Lottery retailers.
- iii. Filed a lien against one retailer on behalf of the Lottery's AFO Division in the total amount of \$2,944.48.
- iv. Reviewed various employment issues and documents for the Human Resources Division, and four Family and Medical Leave Act leave requests.
- v. Received two written findings from the Maryland Commission on Civil Rights (MCCR) finding no probable cause with respect to a former employee's allegations of racial discrimination and retaliation.
- vi. Worked with Human Resources Division and other Agency personnel to investigate and prepare the Agency's Position Statement in a new (third) discrimination and retaliation case that the former employee filed with the MCCR. We filed the position statement with MCCR on January 9 and participated in interviews of Agency staff by MCCR on January 13 and 14.

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

- i. Continue to work with Human Resources and other Agency personnel to prepare the defense for the former employee's third MCCR case.
- ii. Review court filings to ensure compliance with applicable statute and regulations for judicial approval of the assignment of a lottery prize.

c. <u>Issues:</u>

i. N/A

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II. Lottery

a. Key accomplishments last period:

i. Reviewed eight requests from Creative Product Development relating to new Lottery scratch-off games.

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- ii. Continued to assist Creative Services Division in developing and implementing the *My Lottery Rewards Program* by reviewing rules for new promotions using MLR and by proposing revisions to the overall official rules to address prizing from entities other than MDI. Met with Creative Services and others to discuss streamlining rules.
- iii. Worked with Lottery and MUSL Staff on a proposed multi-state Keno jackpot prize, and on issues associated with suspension of sales of the Monopoly Millionaires' Club multi-state game ticket.
- iv. Assisted Staff in responding to a request under the Public Information Act (PIA) from *USA Today* and University of Maryland School of Journalism for lottery-related records.
- v. Worked with Agency staff and counsel for Central Collection Unit to prepare a settlement agreement regarding a former retailer's challenge to a lien that the Agency filed against him. The settlement agreement was executed and the case was dismissed on December 12, 2014.
- vi. Reviewed and submitted comments on proposed changes in Powerball game rules.

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

i. Continue to assist Staff in implementing the Veterans' Organizations Instant Ticket Lottery Machines program.

c. <u>Issues:</u>

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. Assisted the Video Lottery Facility Location Commission in convening its final meeting, which was necessary to respond to a request by MGM National Harbor, LLC, for the Location Commission to amend the effective date of its December 23, 2013 license award prior to the Location Commission's expiration on January 1, 2015.
- iv. Assisted Staff in drafting new table game regulations for Five Card Omaha and Badugi Poker, which will be presented by the Assistant Director for Gaming.
- v. Assisted Staff in responding to a PIA request for casino complaint records and a request for a video lottery facility operation license.

b. <u>Upcoming tasks for this period:</u>

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

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ii. Work with Staff as necessary on issues associated with MGM's license award.

- iii. Provide assistance as necessary to Staff regarding licensing, enforcement, public information, and VEP issues.
- iv. Provide assistance as necessary to Staff on gaming-related legislation that was enacted by the General Assembly.
- v. Provide assistance to staff on the sale of state-owned VLTs in anticipation of the March 31, 2015 change in ownership requirements.

c. <u>Issues:</u>

N/A

IV. New Initiatives - Electronic Gaming Devices

a. Key accomplishments last period:

i. Continue to assist Agency staff with planning the regulation of electronic gaming devices.

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

 Continue to analyze the impact of legislation passed during the Second Special Session, and assist Staff in meeting additional resulting responsibilities.

c. <u>Issues:</u>

i. N/A