

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 **RTF**
Principal Counsel

DIVISION: Office of the Attorney General

DATE: September 17, 2014

SUBJECT: Report for the September 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 five contracts for the 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 four retailers on behalf of the Lottery's AFO Division in the total amount of \$25,233.37.
- iv. Reviewed various employment issues and related documents for the Human Resources Division, and six Family and Medical Leave Act leave requests.
- v. We continue to wait for the Maryland Commission on Civil Rights ("MCCR") to issue findings with respect to allegations of racial discrimination and retaliation filed by two employees who have since left the Agency. Findings (or an administrative closing) should be received by mid-October.
- vi. Worked with the Human Resources Division on two former Agency gaming compliance employees' appeals of discipline and subsequent termination of employment.

b. Upcoming tasks for this period:

- i. N/A

c. Issues:

- i. N/A

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II. Lottery

a. Key accomplishments last period:

- i. Reviewed three requests from Creative Product Development relating to new Lottery scratch-off games.
- 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.
- iii. Continued to assist Staff in working with Diamond Game, which was the successful bidder on the RFP for Veterans' Organization Instant Ticket Lottery Machines.
- iv. Worked with Lottery personnel in responding to a subpoena requesting documents of an individual lottery player's winnings.
- v. Worked with Lottery personnel and MUSL staff on game rules for a proposed multi-state Keno jackpot prize, as well as the proposed Monopoly-based multi-state game.

b. Upcoming tasks for this period:

- i. Continue to assist Staff in implementing the Veterans' Organization Instant Ticket Lottery Machines program.
- ii. Continue to work 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.

c. Issues:

- i. N/A

III. Gaming

a. Key accomplishments last period:

- i. Continued to assist Staff on enforcement issues associated with casino operations.
- ii. Continued to provide Staff with advice on licensing processes.
- iii. Assisted Staff in drafting regulatory amendments to 25 gaming regulations. The Assistant Director for Gaming will present the amendments.
- iv. Assisted Staff in drafting a minor amendment to a regulation pertaining to a Commission delegation. The Director will present the amendment.
- v. Assisted Staff in responding to requests under the Public Information Act (PIA) for information about Voluntary Exclusion Program violators and player complaints about Maryland Live!.
- vi. Prepared the response to a subpoena from the Anne Arundel County Attorney for the Proposal submitted in 2009 by Laurel Racing Association for a VLT facility at its racetrack.

b. Upcoming tasks for this period:

- i. Work with Staff in responding to PIA request from Maryland Live! for information about Horseshoe employees.
- ii. Work with Staff as necessary on issues associated with MGM's license award.

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- 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.

c. Issues:

- i. 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:

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

c. Issues:

- i. N/A