

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

RTF/HKC

DIVISION: Office of the Attorney General

DATE: August 6, 2014

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 and Human Resources

a. Key accomplishments last period:

- i. Reviewed five contracts for the Communications Division for promotion of public affairs events.
- ii. Reviewed ten Corporate Guaranty documents and ten Financial Responsibility Agreements submitted for 7-11 Lottery retailers.
- iii. Reviewed various employment issues and related documents for the Human Resources Division, and five Family and Medical Leave Act leave requests.
- iv. Worked with Agency staff and Human Resources Division to prepare for Fact-Finding Conference in three cases before the Maryland Commission on Civil Rights ("MCCR"). The first Fact-Finding Conference ("FFC") was held on July 2, 2014 in a retaliation case filed by an employee. This case was administratively closed with reaching a pre-decisional settlement agreement that entailed one mediation session between this employee and an Agency manager. Because the other two cases alleging racial discrimination and retaliation were filed by one employee, those FFCs were held together on July 15, 2014. The MCCR will issue a finding of probable cause or no probable cause within 60 to 90 days from the date of the FFC.
- v. Worked with the Human Resources Division on two former Agency casino compliance employees' appeals of discipline and subsequent termination of employment.
- vi. Following a hearing held March 5, the Office of Administrative Hearings ordered the Agency to reinstate, with back pay, the former employee who appealed the termination of her employment. The Agency has not appealed, and has returned the employee to work. We continue to await

response from the EEOC on the Agency's position statement on the individual's allegations of sex discrimination and retaliation.

b. Upcoming tasks for this period:

i. N/A

c. Issues:

i. N/A

II. Lottery

a. Key accomplishments last period:

- i. Reviewed twelve 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 procedures for new promotions using MLR.
- 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 Staff in responding to a subpoena requesting records of an individual lottery player's winnings.

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 to prepare for an August 20, 2014 circuit court hearing regarding a former retailer's challenge to a lien that the Agency filed against him in the amount of \$4,298.08. The hearing was scheduled for June 2, 2014, but after three hours of testimony the court postponed the balance of the hearing for a full day on August 20, 2014.

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. Advised Staff on licensing issues associated with the planned opening of Horseshoe Casino Baltimore.
- iii. Assisted Staff in drafting regulatory amendments updating the table game rules for craps. The Assistant Director for Gaming will present the proposed amendments.
- iv. Assisted Staff in responding to requests under the Public Information Act for records related to a complaint against a casino, and records describing a facility operator's table of organization.
- v. With the assistance of a summer law clerk, provided research support to Staff on gaming-related issues.

b. Upcoming tasks for this period:

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- i. Work with Staff as necessary on issues associated with MGM's license award.
 - ii. Provide assistance as necessary to Staff regarding licensing, enforcement, public information, and VEP issues.
 - iii. Provide assistance as necessary to Staff on gaming-related legislation that was enacted by the General Assembly.
 - iv. Work with Staff to prepare for potential license denial and sponsored gaming license revocation hearings.
- 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