

**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: February 14, 2017

SUBJECT: Report for the February Commission Meeting

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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 five contracts for the Lottery's Communications Division for promotion of public affairs events.
- ii. Reviewed various employment issues and documents for the Human Resources Division.
- iii. Filed a lien against two retailers on behalf of the Lottery's AFO Division in the total amount of \$3,597.30.
- iv. Assisted Staff in responding to requests under Maryland's Public Information Act (PIA) for records pertaining to: (1) monthly gaming revenue; (2) proposals submitted in response to the Request for Proposals [RFP] for the Lottery central monitoring and control system; (3) reports regarding casino incidents involving juveniles; and (4) casino employment status of former Maryland Live! table game employees.
- v. Worked with Staff on the Agency's 2017 legislative initiatives.

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

- i. Continue to work with Staff on the Agency's legislative initiatives, and review proposed legislation as needed.
- ii. On January 9, represented the Agency at the Office of Administrative Hearings in a hearing pertaining to the revocation of a video lottery employee license; a decision is expected within ninety days of the hearing.

**c. Issues:**

- i. N/A

**II. Lottery**

**a. Key accomplishments last period:**

- i. Reviewed six requests from Creative Product Development relating to new Lottery scratch-off games.
- ii. Reviewed two Special Promotions from Creative Product Development.
- iii. Regarding the RFP for the Lottery central monitoring and control system, we entered into a Joint Stipulation of Dismissal with the unsuccessful

Offeror that had appealed the Agency's denial of its bid protest to the Board of Contract Appeals. The other unsuccessful Offeror did not appeal the Agency's denial of its bid protest. The formal appeals process for this RFP is concluded.

- iv. 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.
- v. Settled an action to quiet title on a property filed by a sibling of a former employee who was convicted of stealing Lottery tickets from retailers. The sibling has paid the State \$15,000, which will be applied to the former employee's restitution obligation; in exchange, the State will release the judgment lien on the sibling's property to quiet its title.
- vi. Worked with Staff on issues associated with investigations of two suspended retailers charged with conspiracy and bribery of Prince George's County Liquor Board officials.

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

- i. Assist Staff as needed with proceeding to the award of the award of the Lottery central monitoring and control system contract and its implementation.
- ii. Continue to work with Staff on issues associated with investigations of the three retailers implicated in fraud allegations associated with the Supplemental Nutrition Assistance Program, of which two have submitted change of ownership applications and one has been emergently suspended.
- iii. Continue to work with Staff on issues associated with investigations of the two suspended Prince George's County retailers described in item II.a.vi. above.

**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.

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

- i. Continue to assist Staff in monitoring the impact of Caesars' financial status on Horseshoe.
- ii. Provide assistance as necessary to staff regarding licensing and enforcement, including enforcement action against individual licensees.
- iii. Monitor any developments related to daily fantasy sports.
- iv. Assist Staff as needed in implementation of the Mandatory Exclusion List.

**c. Issues:**

- i. N/A

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**IV. Electronic Gaming Devices**

**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 implementing the Skill-Based Amusement Device Applications.

