

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
Principal Counsel

DATE: March 8, 2017

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 three 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. Assisted Staff in responding to requests under Maryland's Public Information Act (PIA) for records pertaining to: (1) correspondence the Agency received regarding the Voluntary Exclusion Program (VFP); (2) reports regarding casino incidents involving juveniles; and (3) casino employment status of former Maryland Live! table game employees; (4) reports of card counting at MGM; and (5) daily Lottery sales at a specific retailer.
- iv. 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.

c. Issues:

- i. N/A

II. Lottery

a. Key accomplishments last period:

- i. Reviewed two requests from Creative Product Development relating to new Lottery scratch-off games.
- ii. Reviewed four Special Promotions from Creative Product Development.
- iii. Assisted Staff finalize contract for the Lottery central monitoring and control system.
- 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. Worked with Staff on issues associated with investigations of two retailers charged with conspiracy and bribery of Prince George's County Liquor Board officials. Both retailers' licenses have been suspended. The Director's designee held a reconsideration meeting for one retailer in February and the other retailer's reconsideration meeting is scheduled for March 23.

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. On February 28, 2017, the Office of Administrative Hearings (OAH) issued a written decision affirming the Agency's recommendation to revoke a licensee's video lottery employee license. The decision is attached to this report. The individual has 30 days from February 28 within which to appeal. If no appeal is taken by the licensee, the revocation will be presented to the Commission on its Consent Agenda, most likely at the May meeting.
- ii. Continued to assist Staff on enforcement and licensing issues associated with casino operations.
- iii. Continued to assist Staff in monitoring the impact of Caesars' financial status on Horseshoe Casino Baltimore.

c. Issues:

- i. N/A

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.

