

OFFICE OF THE ATTORNEY GENERAL
MARYLAND STATE LOTTERY AGENCY

TO: Maryland Lottery Commission
Gordon Medenica, Director

FROM: Robert T. Fontaine, Assistant Attorney General *RTF*
Principal Counsel

DATE: May 17, 2016

SUBJECT: Report for the May 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 two contracts for the Lottery's Communications Division for promotion of public affairs events.
- ii. Reviewed one Corporate Guaranty document and one Financial Responsibility Agreement submitted 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 \$22,694.89.
- iv. Reviewed various employment issues and documents for the Human Resources Division.
- v. Assisted Staff in responding to a request under Maryland's Public Information Act (PIA) for all non-winning 4-digit combinations since the Lottery's inception.
- vi. Assisted Staff in following up to two previous PIA requests for: records pertaining to casinos' internal procedures related to facility exclusions and patron safety; and records of constituent correspondence to the Governor about lottery and gaming issues and the Agency's responses to those constituents on the Governor's behalf.

b. Upcoming tasks for this period:

- i. Review court filings to ensure compliance with applicable statutes and regulations for judicial approval of the assignment of a lottery prize.

c. Issues:

- i. N/A

II. Lottery

a. Key accomplishments last period:

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

- ii. Continued to work with Staff on the central monitoring and control system RFP.
- iii. 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.

b. Upcoming tasks for this period:

- i. Continue to assist Staff with the central monitoring and control system RFP.

c. Issues:

- i. N/A

III. Gaming

a. Key accomplishments last period:

- i. The Circuit Court for Baltimore City granted our motion to dismiss a petition for judicial review of the Commission's revocation of a sponsored gaming license because the former licensee failed to timely file a required pleading with the Circuit Court for Baltimore City.
- ii. In the Circuit Court for Baltimore County, filed responsive pleading to a new petition for judicial review of the Commission's revocation of a sponsored gaming license.
- iii. Continued to assist Staff in preparing for the repeal of certain table game rules regulations and in preparing related regulatory amendments. The package of amendments will be presented by the Managing Director of Gaming.
- iv. Assisted Staff in preparing amendments to gaming regulations that were suggested by the industry. The package of amendments will be presented by the Managing Director of Gaming.
- v. Continued to assist Staff on enforcement and licensing issues associated with casino operations.
- vi. 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. Work with Staff as necessary on issues associated with MGM's license award.
- iii. Provide assistance as necessary to staff regarding licensing and enforcement, including enforcement action against individual licensees.
- iv. Monitor any developments related to daily fantasy sports.

c. Issues:

- i. N/A

IV. New Initiatives-Electronic Gaming Devices

a. Key accomplishments last period:

- i. Assisted Staff in preparing amendments to regulations. These regulations will be presented by the Managing Director of Gaming.

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. New Initiatives-Amusement Gaming Licenses

a. Key accomplishments last period:

- i. Assisted Staff in preparing amusement gaming license regulations to implement SB 941, which was passed during the 2016 session of the General Assembly and is awaiting the Governor's signature.

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 and skills-based amusement devices.
- ii. Assist Staff in implementing amusement gaming license regulations.