

**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

DIVISION: Office of the Attorney General

DATE: October 16, 2013

SUBJECT: Report for the October 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 two contracts for the 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 amount of \$20,608.01. The large amount was due to: 1) freezing of the retailer's bank accounts by the federal government upon the indictment of the retailer's owners for Food Stamp and Wire Fraud, causing two weekly sweep NSF's; and 2) the large quantity of instant ticket books in the retailer's inventory when it was "t'd down" on September 18.
- iv. Reviewed five Family and Medical Leave Act leave requests from the Human Resources Division.
- v. Worked with the Human Resources Division on a former Agency gaming compliance employee's appeals of her discipline and subsequent termination of employment. On September 13, the Office of Administrative Hearings (OAH) held a hearing on the employee's appeal of suspension; we await the OAH's decision. The OAH hearing on the employee's appeal of termination set for November 8 has been postponed and is likely to be rescheduled for early January 2014.

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

- i. Work with the Human Resources Division and casino compliance staff to prepare for the termination appeal hearing at OAH of the former gaming compliance employee.

**c. Issues:**

- i. N/A

## II. Lottery

### a. Key accomplishments last period:

- i. Reviewed nine requests from Creative Product Development relating to new Lottery scratch-off games.
- ii. Assisted Creative Services Division in developing and implementing the *My Lottery Rewards Program* by reviewing revisions from MDI to a license agreement to use licensed products, and drafting revisions.
- iii. Continued to assist staff in responding to questions about the Request for Proposals for Veterans' Organization Instant Ticket Lottery Machines and Related Services.
- iv. We received from the United States Patent and Trademark Office: Notice of Acceptance of the Section 8 continuance and Notice of Renewal Registration under Section 9 for "Let Yourself Play." We also received Notice of Approval of the Lottery's second request for Extension of Time to File a Statement of Use for the mark "Keno To Go."

### b. Upcoming tasks for this period:

- i. Continue to assist the Creative Services Division in developing and implementing the new *My Lottery Rewards* program by reviewing Lottery's portion of operating procedures.

### c. Issues:

- i. N/A

## III. Gaming

### a. Key accomplishments last period:

- i. Continued to assist Agency staff on compliance and enforcement issues associated with casino operations at the four casinos.
- ii. Continued to provide Agency staff with advice on the licensing process.
- iii. Assisted the Location Commission and staff in answering questions from applicants and other interested parties about the Request for Proposals for the video lottery facility operation license for Prince George's County.
- iv. Continued to provide Agency staff with advice on responses to requests under the Public Information Act for information included in operators' proposals.

### b. Upcoming tasks for this period:

- i. Provide assistance as necessary to Agency staff in support of the Location Commission's evaluation of the three proposals received for the Prince George's County operation license, and in preparation for the applicants' presentations and public hearings scheduled for October 21, 23 and 25.
- ii. Working with Licensing staff on a licensure issue associated with one of the individuals to whom the Commission denied a gaming license in September. The individual filed a petition in the Circuit Court for Baltimore County for judicial review of the denial. However, the denial was based on the individual's failure to provide Staff with a social security number, and the individual has now provided that information to Staff. The consent agenda for the October 24 Commission meeting includes a

reversal of the individual's license denial. After the individual receives his gaming license, we will request dismissal of the circuit court action.

**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.
- ii. The lawsuit brought against the State by the Crooked I Sports Bar & Grill in the Circuit Court for Anne Arundel County remains pending before the Court of Special Appeals, where argument was heard on October 10.

**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