

1 **Title 36 MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY**

2 **Subtitle 03 GAMING PROVISIONS**

3 **Chapter 02 Investigation and Licensing**

4 **Authority: State Government Article, §§ 9-1A-04, 9-1A-14,**  
5 **Annotated Code of Maryland**

6 **.12 Video Lottery Employee Licenses.**

7 A. General. Unless an individual holds a valid video lottery employee license issued by  
8 the Commission, the individual may not be employed by a licensed facility operator,  
9 manufacturer, or contractor as a video lottery employee.

10 B. License Categories. The Commission may issue a video lottery employee license that  
11 is a:

12 (1) Principal employee license;

13 (2) Gaming employee license;

14 (3) Nongaming employee license;

15 (4) ~~Sponsored or temporary~~ **Temporary** principal employee license; or

16 (5) ~~Sponsored or temporary~~ **Temporary** gaming employee license.

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 C. Requirements. The Commission may issue a video lottery employee license to an  
2 individual who has or has had on their behalf:

- 3 (1) Paid all required application and license fees;
- 4 (2) Submitted a completed license application to the Commission;
- 5 (3) Furnished the personal and background information required under Regulation  
6 .02 of this chapter;
- 7 (4) Provided the documentation required under Regulation .03 of this chapter;
- 8 (5) Executed the consent for investigation required under Regulation .04 of this  
9 chapter;
- 10 (6) Unless exempt, obtained a bond required under Regulation .15 of this chapter;
- 11 (7) Received at least a conditional offer of employment as a video lottery  
12 employee from a licensed facility operator, manufacturer, or contractor;
- 13 (8) Demonstrated that within the 365 days before the application is submitted, the  
14 applicant has not served as a Commission member or been employed by the  
15 Agency;
- 16 (9) For an applicant for a nongaming employee license, documented that the  
17 applicant has obtained an offer of at least conditional employment from a licensed  
18 facility operator, manufacturer or contractor, or a registered or certified vendor,  
19 and that the employer has:

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

- 1 (a) Obtained a bond if required under Regulation .15 of this chapter; and
- 2 (b) Performed, at a minimum, a Social Security database check, criminal  
3 check, employment verification, and national database search; and
- 4 (10) Provided the Commission with sufficient information, documentation, and  
5 assurances to establish, by clear and convincing evidence, that the individual:
- 6 (a) Has not been disqualified under State Government Article, §9-1A-14(c),  
7 Annotated Code of Maryland;
- 8 (b) Has met the applicable requirements of State Government Article, §9-  
9 1A-07(c), Annotated Code of Maryland; and
- 10 (c) Is otherwise qualified for a video lottery employee license.
- 11 ~~D. If the background investigation of an applicant reveals the commission of an act by the~~  
12 ~~applicant that would constitute an offense of moral turpitude or gambling under State~~  
13 ~~Government Article, §9-1A-14(c)(7), Annotated Code of Maryland, the Commission~~  
14 ~~shall consider that information as follows:~~
- 15 ~~(1) An act that was committed in any jurisdiction by an applicant shall disqualify~~  
16 ~~the applicant if the act occurred within 7 years before the date of the application~~  
17 ~~and would constitute a criminal offense involving moral turpitude or a gambling~~  
18 ~~offense under the criminal laws of any jurisdiction, and the act:~~
- 19 ~~(a) Was not prosecuted under the criminal laws of any jurisdiction; or~~

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

- 1                   (b) ~~Cannot be prosecuted under the criminal laws of any jurisdiction;~~  
2                   (2) ~~If an act described in §D(1) of this regulation was prosecuted but did not result~~  
3                   ~~in a conviction, it may be considered by the Commission in determining whether~~  
4                   ~~the applicant has established the required qualification criteria; and~~  
5                   (3) ~~The Commission shall determine the existence of an act described in this~~  
6                   ~~section by a preponderance of the evidence.~~

7 ~~E.~~ Application and License Fees.

- 8                   (1) For a principal employee, \$5,287.25, of which the:  
9                         (a) Application fee is \$2,500;  
10                        (b) License fee is \$750;  
11                        (c) Refundable advance deposit authorized under Regulation .01E(3) of this  
12                        chapter for the administrative costs of conducting the applicant's  
13                        background investigation is \$2,000; and  
14                        (d) Required fee for conducting a criminal history records check specified  
15                        in Regulation .03B of this chapter is \$37.25.  
16                   (2) For a gaming employee, \$437.25, of which the:  
17                         (a) Application fee is \$250;

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

- 1 (b) License fee is \$150; and
- 2 (c) Required fee for conducting a criminal history records check specified
- 3 in Regulation .03B of this chapter is \$37.25.
- 4 (3) For a nongaming employee, \$187.25, of which the:
- 5 (a) Application fee is \$50;
- 6 (b) License fee is \$100; and
- 7 (c) Required fee for conducting a criminal history records check specified in
- 8 Regulation .03B of this chapter is \$37.25.

9 **F E.** A video lottery employee license authorizes the licensee to be employed as a

10 principal, gaming or nongaming employee in the State.

11 **G F.** A licensed video lottery employee, sponsored gaming employee or temporary

12 licensee may not play a video lottery terminal or table game at, or receive a jackpot from,

13 a facility:

- 14 (1) Where the individual is employed;
- 15 (2) That is operated by the individual's employer; or
- 16 (3) Where the individual is currently assigned to work.

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (Video Lottery Employee Licenses)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (Manufacturer Licenses) and 14.D (Contractor Licenses)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (Denial of a License)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (Qualification by the Commission)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 **H G.** A licensee has a continuing duty to inform the Commission of an act or omission  
2 that the licensee knows or should know constitutes a violation of State Government  
3 Article, Title 9, Subtitle 1A, Annotated Code of Maryland, or the Commission's  
4 regulations.

5 **I H.** Term; Renewal.

6 (1) The term of a video lottery employee license is 5 years from the date of initial  
7 licensure.

8 (2) The Commission may stagger the terms of licenses.

9 (3) Except for a sponsored principal or sponsored gaming employee, or temporary  
10 licensee, the Commission may renew the license if, before the term of the license  
11 expires, the licensee:

12 (a) Applies for renewal;

13 (b) Continues to comply with all licensing requirements;

14 (c) Maintains employment as a video lottery employee;

15 (d) Submits to a background investigation under Regulation .03 of this  
16 chapter; and

17 (e) Pays the fees described in §I(4) of this regulation.

18 (4) The fee required for processing a licensing renewal is:

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 (a) For a principal employee, \$2,787.25, of which the:

2 (i) License fee is \$750;

3 (ii) Refundable advance deposit for administrative costs of  
4 conducting the applicant's background investigation is \$2,000; and

5 (iii) Required fee for conducting a criminal history records check  
6 specified in Regulation .03B of this chapter is \$37.25.

7 (b) For a gaming employee, \$187.25, of which the:

8 (i) License fee is \$150; and

9 (ii) Required fee for conducting a criminal history records check  
10 specified in Regulation .03B of this chapter is \$37.25.

11 (c) For a nongaming employee, \$97.25, of which the:

12 (i) License fee is \$60; and

13 (ii) Required fee for conducting a criminal history records check  
14 specified in Regulation .03B of this chapter is \$37.25.

15 (5) Except as provided in §H(5) of this regulation, a video lottery employee shall  
16 submit an application for renewal to the Commission at least 90 days before the  
17 video lottery employee's license expires.

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to "sponsored" licenses, as those can no longer be issued now that the Commission is authorized to issue "temporary" licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred "in any jurisdiction", and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 (6) A principal employee shall submit an application for renewal to the  
2 Commission at least 6 months before the principal employee's license expires.

3 ~~J I.~~ **Sponsored or Temporary License.**

4 (1) The Commission may issue to a video lottery employee license applicant a  
5 ~~sponsored or~~ temporary license to permit the individual to work legally as a video  
6 lottery employee before the Commission completes the full licensing process.

7 (2) A licensed facility operator, manufacturer, or contractor may submit an  
8 application for a ~~sponsored or~~ temporary license on behalf of an individual who is  
9 seeking a principal or gaming employee license.

10 (3) An application for a ~~sponsored or~~ temporary license shall be in a format  
11 designated by the Commission and shall include:

12 (a) A completed application for a principal or gaming employee license;

13 (b) Payment of the fees required under §D of this regulation;

14 (c) Documentation to verify that the applicant has obtained an offer of at  
15 least conditional employment from a licensed facility operator,  
16 manufacturer or contractor, or a registered or certified vendor, and that the  
17 employer has:

18 (i) Obtained a bond if required under Regulation .15 of this chapter;  
19 and

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to "sponsored" licenses, as those can no longer be issued now that the Commission is authorized to issue "temporary" licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred "in any jurisdiction", and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 (ii) Performed, at a minimum, a Social Security database check,  
2 criminal check, employment verification, and national database  
3 search; and

4 (d) ~~For a temporary license, documentation~~ **Documentation** that the  
5 applicant has acknowledged, in writing, that the State is not financially  
6 responsible for any consequences resulting from termination of a temporary  
7 license under State Government Article, §9-1A-14(d)(4), Annotated Code  
8 of Maryland.

9 (4) The Commission may grant a ~~sponsored or~~ temporary license after:

10 (a) Receiving all items required under §I(3) of this regulation; and

11 (b) Performing on the individual a:

12 (i) Criminal background investigation under Regulation .03 of this  
13 chapter; and

14 (ii) Financial stability investigation.

15 (5) ~~A sponsored license:~~

16 (a) ~~Is valid for one nonrenewable 5-year term;~~

17 (b) ~~Is not transferable to employment with a different facility operator,  
18 manufacturer, or contractor unless the new employer submits to the~~

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 ~~Commission a Certificate of Sponsorship for the sponsored licensee before~~  
2 ~~the sponsored licensee commences employment with the new employer;~~

3 ~~(e) Automatically converts to a principal, gaming, or nongaming employee~~  
4 ~~license when the Commission notifies the sponsor that the individual meets~~  
5 ~~the license qualification requirements under §C of this regulation; and~~

6 ~~(d) May not be granted after July 1, 2015.~~

7 ~~(6)~~ A temporary license:

8 (a) Expires 180 days after the date of issue; and

9 (b) May be extended by the Commission for one period of 180 days.

10 ~~(76)~~ A temporary license may not be issued if:

11 (a) An applicant has an immediately known present or prior activity,  
12 criminal record, reputation, habit, or association that would disqualify the  
13 applicant from holding a video lottery employee license under State  
14 Government Article, Title 9, Subtitle 1A, Annotated Code of Maryland, or  
15 regulations promulgated under that subtitle;

16 (b) An applicant poses a serious imminent risk of harm to the integrity,  
17 security, or profitability of the State's video lottery terminal or table game  
18 operations; or

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 (c) There are reasonable grounds to believe that the applicant will not be  
2 able to establish the applicant's qualifications by clear and convincing  
3 evidence under State Government, §9-1A-07, Annotated Code of  
4 Maryland.

5 (87) By written notice to a temporary licensee, Commission staff may terminate,  
6 without a hearing and without following the denial process under Regulation .16  
7 of this chapter, the temporary license of an applicant for:

8 (a) Failure to pay a required fee;

9 (b) Failure to submit required documentation to Commission staff within 30  
10 days of submitting the application;

11 (c) Failure to comply with a request of Commission staff;

12 (d) Engaging in conduct that obstructs Commission staff from completing  
13 the applicant's background investigation; or

14 (e) Violating any provision of State Government Article, Title 9, Subtitle  
15 1A, Annotated Code of Maryland, or the Commission's regulations.

16 (98) Commission staff's written notice of termination of a temporary license is the  
17 final action of the Commission.

18 (409) If, during the course of conducting an applicant's background investigation,  
19 Commission staff reasonably believes there is a basis for recommending that the  
20 application for a video lottery employee license be denied, Commission staff shall:

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to "sponsored" licenses, as those can no longer be issued now that the Commission is authorized to issue "temporary" licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred "in any jurisdiction", and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 (a) Notify the temporary licensee; and

2 (b) Follow the process for denial of a license under Regulation .16 of this  
3 chapter.

4  
5 **.13 Manufacturer Licenses.**

6 **A. General.**

7 (1) Unless a manufacturer holds a valid manufacturer's license issued by the  
8 Commission before conducting business with a licensee or the State, the  
9 manufacturer may not offer any video lottery terminal, table game device, central  
10 monitor and control system, associated equipment or software, or goods or  
11 services that directly relate to the operation of video lottery terminals or table  
12 games under State Government Article, Title 9, Subtitle 1A, Annotated Code of  
13 Maryland.

14 (2) The following persons must meet the Commission's manufacturer license  
15 requirements:

16 (a) A manufacturer; and

17 (b) Each person that owns, controls, or is a representative of a  
18 manufacturer.

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 B. Qualification Requirements. After conducting a hearing that complies with the  
2 requirements of COMAR 36.01.02.06, the Commission may issue a manufacturer license  
3 to a manufacturer that has:

- 4 (1) Paid the application and license fee under §C of this regulation;
- 5 (2) Unless exempt, obtained a bond required under Regulation .15 of this chapter;
- 6 (3) Furnished the Commission with the information and documentation required  
7 under this chapter;
- 8 (4) Established by clear and convincing evidence that each person identified in  
9 §A(2) of this regulation has:
  - 10 (a) Qualified under State Government Article, §9-1A-07(c), Annotated  
11 Code of Maryland; and
  - 12 (b) Not been disqualified under State Government Article, §9-1A-08,  
13 Annotated Code of Maryland;
- 14 (5) Provided the Commission with sufficient information to establish that the  
15 manufacturer has otherwise qualified for a manufacturer license; and
- 16 (6) Established that its system, associated equipment or software, or goods or  
17 services meet the specifications and procedures in COMAR 36.03.12.

18 C. Application and License Fees.

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 (1) The application fee is:

2 (a) \$10,000 for a manufacturer of a video lottery terminal or table game  
3 device;

4 (b) \$10,000 for a manufacturer of a central monitor and control system;

5 (c) \$10,000 for a manufacturer of associated equipment and software; ~~and~~

6 (d) \$10,000 for a distributor or reseller of a video lottery terminal, a table  
7 game device, a central monitor and control system, or associated equipment  
8 and software; **and**

9 **(e) \$1,200 for a manufacturer that produces a product that:**

10 **(i) Is related to video lottery terminals, table games or**  
11 **associated equipment and software that is intended for sale,**  
12 **lease, or other assignment to a licensee;**

13 **(ii) Does not have the ability to impact the integrity of a game;**  
14 **and**

15 **(ii) Is not essential to table game play.**

16 (2) The license fee is:

17 (a) \$5,000 for a manufacturer of a video lottery terminal or table game  
18 device;

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

- 1 (b) \$25,000 for a manufacturer of a central monitor and control system;
- 2 (c) \$5,000 for a manufacturer of associated equipment and software; ~~and~~
- 3 (d) \$1,000 for a distributor or reseller of a video lottery terminal, a table  
4 game device, a central monitor and control system, or associated equipment  
5 and software; **and**

6 **(e) \$800 for a manufacturer that produces a product that is:**

7 **(i) Is related to video lottery terminals, table games or**  
8 **associated equipment and software that is intended for sale,**  
9 **lease, or other assignment to a licensee;**

10 **(ii) Does not have the ability to impact the integrity of a game;**  
11 **and**

12 **(ii) Is not essential to table game play.**

13 D. The manufacturer license authorizes the licensee to manufacture or distribute a video  
14 lottery terminal, table game equipment, central monitor and control system, and  
15 associated equipment and software to the Commission or a video lottery destination  
16 location in the State.

17 E. A licensee has a continuing duty to inform the Commission of an act or omission that  
18 the licensee knows or should know constitutes a violation of State Government Article,  
19 Title 9, Subtitle 1A, Annotated Code of Maryland, or the Commission's regulations.

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

1 F. Term; Renewal; License Renewal Fee.

2 (1) The term of a manufacturer license is 5 years from the date of initial licensure.

3 (2) The Commission may stagger the terms of licenses.

4 (3) The Commission may renew the license if the manufacturer licensee submits  
5 an application for renewal to the Commission at least 6 months before the  
6 manufacturer's license expires and the licensee:

7 (a) Continues to comply with all licensing requirements;

8 (b) Submits to a background investigation under Regulation .05 of this  
9 chapter; and

10 (c) Pays a license renewal fee in the amount of the license fee that is  
11 required under §C(2) of this regulation.

12

13 **.14 Contractor Licenses.**

14 A. General. If a video lottery operation licensee engages a contractor to provide services  
15 described in COMAR 36.03.01.02B(1), the contractor shall qualify under the standards  
16 and provisions set forth in State Government Article, §§9-1A-07 and 9-1A-08, Annotated  
17 Code of Maryland.

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 B. Qualification Requirements. The Commission may issue a contractor license to a  
2 contractor that has provided the Commission with sufficient information to establish by  
3 clear and convincing evidence that it:

4 (1) Is qualified under State Government Article, §9-1A-07(c), Annotated Code of  
5 Maryland; and

6 (2) Has not been disqualified under State Government Article, §9-1A-08,  
7 Annotated Code of Maryland.

8 C. The Commission may charge a contractor for the administrative costs associated with  
9 performing a background investigation.

10 D. Application and License Fees.

11 (1) **Application Fees.**

12 (a) Except as provided in §D(1)((b) of this regulation, The the  
13 application fee for the Commission's qualification of a contractor is \$1,500;  
14 and

15 (b) The application fee is \$750 for a contractor that provides a service  
16 that is essential to the operation of a facility service, but has no contact  
17 with or access to a:

18 (i) Central operating system;

19 (ii) Facility's video lottery system;

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 (iii) Video lottery terminal; or

2 (iv) Table game.

3 (2) License fees.

4 (a) Except as provided in §D(2)(b) of this regulation, The the license  
5 fee for a contractor is \$2,500; and

6 (b) The license fee is \$800 for a contractor that provides a service that  
7 is essential to the operation of a facility service, but has no contact with  
8 or access to a:

9 (i) Central operating system;

10 (ii) Facility's video lottery system;

11 (iii) Video lottery terminal; or

12 (iv) Table game.

13 E. Term; Renewal; Fees.

14 (1) The term of a contractor license is 5 years.

15 (2) The Commission may stagger the terms of licenses.

16 (3) The Commission may renew the license if the contractor licensee:

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

- 1 (a) Submits an application for renewal to the Commission at least 6 months  
2 before the contractor's license expires;
- 3 (b) Continues to comply with all licensing requirements;
- 4 (c) Submits to a background investigation under Regulation .05 of this  
5 chapter; and
- 6 (d) Pays a license renewal fee in the amount of the license fee that is  
7 required under ~~§C(2)~~ **D(2)(a) or (b)** of this regulation.

8 F. A contractor is exempt from:

- 9 (1) Bond requirements under Regulation .15 of this chapter; and
- 10 (2) Labor peace agreement requirements under State Government Article, §9-1A-  
11 07(c)(7)(v), Annotated Code of Maryland, unless the contractor is engaged:
- 12 (a) As a lessee;
- 13 (b) As a tenant; or
- 14 (c) Under a management agreement.

15  
16 **.16 Denial of a License.**

17 A. Denial of a Video Lottery Employee, **Manufacturer**, or Contractor License.

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 (1) **Except for an operation license,** ~~It~~ **in** addition to the hearing requirements in  
2 §B of this regulation, the following process shall precede a hearing on the denial  
3 of a video lottery employee or contractor license.

4 (2) After reviewing an application submitted for a video lottery employee,  
5 **manufacturer,** or contractor license, the Director may recommend that the  
6 Commission deny the ~~applicant~~ **application** of an applicant who:

7 (a) Has not established by clear and convincing evidence that the applicant  
8 meets applicable qualifications; or

9 (b) Has violated:

10 (i) A provision of State Government Article, Title 9, Subtitle 1A,  
11 Annotated Code of Maryland;

12 (ii) A regulation adopted pursuant to State Government Article, Title  
13 9, Subtitle 1A, Annotated Code of Maryland; or

14 (iii) A condition set by the Commission.

15 (3) If the Director recommends that the Commission deny a video lottery  
16 employee, **manufacturer,** or contractor license, the Director, or the Director's  
17 designee, shall promptly provide the applicant with written notice of the:

18 (a) Recommendation for denial;

19 (b) Basis for the recommendation; and

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 (c) Applicant’s right to request a reconsideration meeting with the Director  
2 or the Director’s designee.

3 (4) An applicant may submit to the Commission a written request for a  
4 reconsideration meeting within 15 days of the date of the notice described in  
5 §A(3) of this regulation.

6 (5) If an applicant fails to timely submit a request under §A(4) of this regulation,  
7 the Commission may adopt as final the recommendation of the Director or the  
8 Director’s designee.

9 (6) During a reconsideration meeting, an applicant may:

10 (a) Be represented by counsel; and

11 (b) Present evidence as to why the license should be granted;

12 (7) If after the reconsideration meeting the applicant is dissatisfied with the  
13 recommendation of the Director or the Director’s designee, the applicant may  
14 submit to the Commission, in writing:

15 (a) A request for hearing before the Commission on the recommendation of  
16 the Director or the Director’s designee; and

17 (b) The applicant’s legal and factual bases for disagreeing with the  
18 recommendation of the Director or the Director’s designee.

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 (8) An applicant may submit a hearing request to the Commission within 15 days  
2 of the date of the recommendation of the Director or the Director's designee after  
3 the reconsideration meeting.

4 (9) If an applicant fails to timely submit a written hearing request under §A(8) of  
5 this regulation, the Commission may adopt as final the recommendation of the  
6 Director or the Director's designee.

7 (10) Upon receipt of a timely written hearing request, the Director shall provide  
8 the applicant a hearing notice for a hearing before the Commission.

9 (11) The Director's hearing notice, and the Commission hearing at which the  
10 recommended denial will be considered, shall comply with the requirements of  
11 COMAR 36.01.02.06.

12 (12) The Commission shall:

13 (a) Grant the license after determining that the applicant is qualified; or

14 (b) Deny the license after determining that the applicant:

15 (i) Is not qualified or is disqualified; or

16 (ii) Has violated a provision described in §A(2)(b) of this regulation.

17 (13) Following a hearing, the Commission shall:

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to "sponsored" licenses, as those can no longer be issued now that the Commission is authorized to issue "temporary" licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred "in any jurisdiction", and §F is deleted as no longer necessary.

*Updated November 12, 2015*

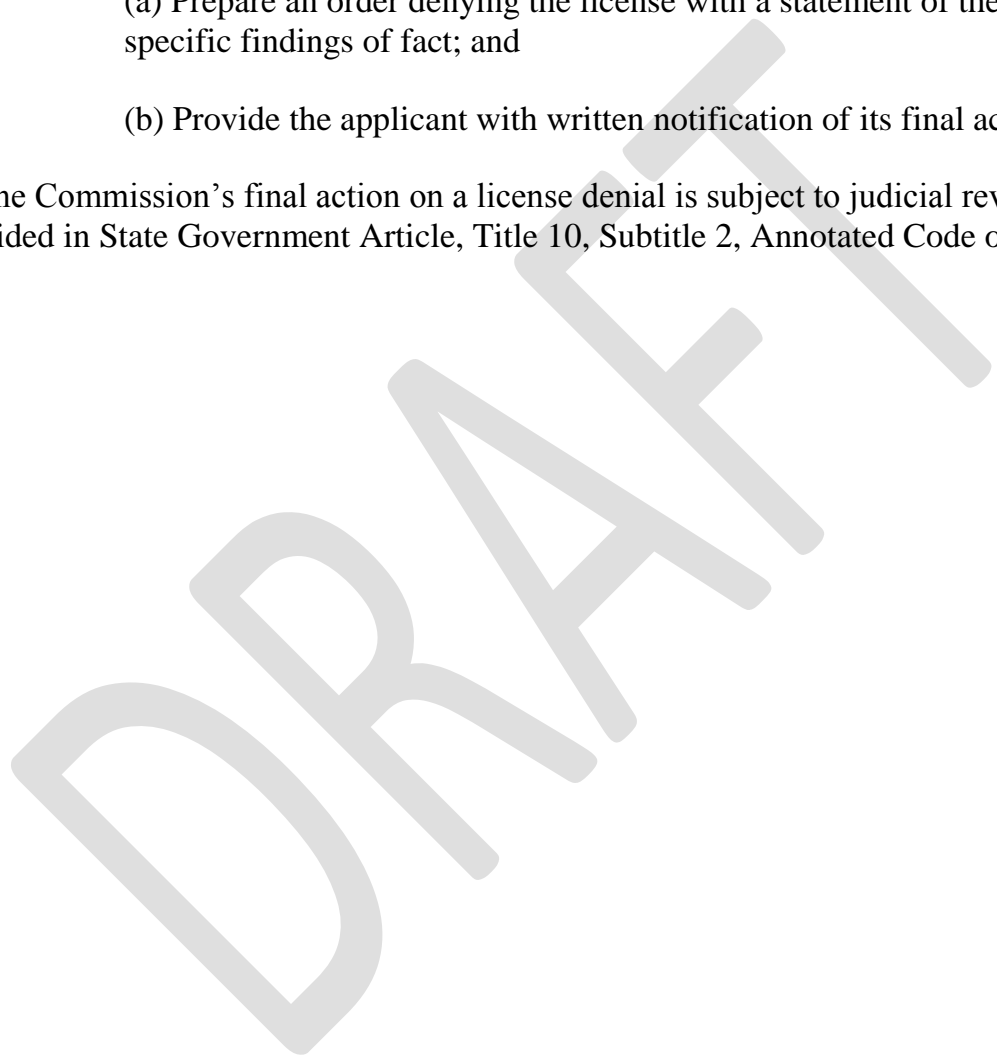
1 (a) Prepare an order denying the license with a statement of the reasons and  
2 specific findings of fact; and

3 (b) Provide the applicant with written notification of its final action.

4 B. The Commission’s final action on a license denial is subject to judicial review as  
5 provided in State Government Article, Title 10, Subtitle 2, Annotated Code of Maryland.

6

7



---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1     **Title 36 MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY**

2                     **Subtitle 03 GAMING PROVISIONS**

3                     **Chapter 03 Video Lottery Operation License**

4                     **Authority: State Government Article, §§ 9-1A-04, 9-1A-07, 9-1A-08,**  
5                     **Annotated Code of Maryland**

6     **.04 Qualification by the Commission.**

7     A. In determining the qualifications of an applicant for an operation license, the  
8     Commission shall consider the information submitted by the applicant in response to the  
9     Location Commission's solicitation.

10    B. An applicant for an operation license shall present in its application sufficient  
11    information, documentation, and assurances to establish the following qualification  
12    criteria by clear and convincing evidence:

13             (1) The applicant's financial stability, integrity, and responsibility;

14             (2) The integrity of any financial backers, investors, mortgagees, bondholders, and  
15             holders of other evidences of indebtedness that bears a relation to the application;

16             (3) The applicant's good character, honesty, and integrity;

17             (4) Sufficient business ability and experience of the applicant; and

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 (5) The viability and appropriateness of the applicant's labor practices.

2 C. The Commission shall disqualify an applicant for an operation license on the basis of  
3 any of the following criteria:

4 (1) Failure of the applicant to prove by clear and convincing evidence that the  
5 applicant and each person who owns or controls the applicant are qualified;

6 (2) Failure of the applicant or any person required to be qualified as a condition of  
7 a license to provide information, documentation, and assurances required by or  
8 requested by the Commission or the Location Commission;

9 (3) Failure of the applicant or any person required to be qualified as a condition of  
10 a license to reveal any fact material to qualification;

11 (4) Supplying, by the applicant or any person required to be qualified as a  
12 condition of a license, information that is untrue or misleading as to a material fact  
13 concerning the qualification criteria;

14 (5) Conviction of the applicant, or of any person required to be qualified as a  
15 condition of a license, of an offense under the laws of ~~the United States, or any~~  
16 ~~jurisdiction within the United States~~, that is a criminal offense involving moral  
17 turpitude or a gambling offense;

18 (6) Current prosecution of the applicant, or a person who is required to be  
19 qualified as a condition of a license, for an offense described under §C(5) of this  
20 regulation, provided that, at the request of the applicant, the Commission may  
21 defer its decision on the application during the pendency of the charge;

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 (7) Pursuit by the applicant, or a person who is required to be qualified as a  
2 condition of a license, of economic gain in an occupational manner or context that  
3 is in violation of the laws of the State, if the pursuit creates a reasonable belief that  
4 participation of the applicant in video lottery operations would be inimical to the  
5 policies of State law and this chapter;

6 (8) Identification of the applicant, or a person who is required to be qualified as a  
7 condition of a license, as a career offender, a member of a career offender cartel,  
8 or an associate of a career offender or career offender cartel, in a manner that  
9 creates a reasonable belief that the association is of a nature as to be inimical to the  
10 policies of State law and this chapter;

11 (9) The ~~committing~~ **commission within the prior 7 years** of an act by the  
12 applicant, or a person who is required to be qualified as a condition of a license,  
13 that would constitute an offense described under §C(5) of this regulation, even if  
14 the act ~~has not been~~ **was not prosecuted** or may not be prosecuted under the  
15 criminal laws of the ~~State~~ **any jurisdiction**; or

16 (10) Willful defiance by the applicant, or a person who is required to be qualified  
17 as a condition of a license, of a legislative investigatory body or other official  
18 investigatory body of the United States, or a jurisdiction within the United States,  
19 when the body is engaged in the investigation of crimes relating to gambling,  
20 official corruption, or organized crime activity.

21 D. If the Commission identifies potential problems in the information submitted by the  
22 applicant with regard to a subject area that is not relevant to §B or C of this regulation,  
23 the Commission shall notify the Location Commission of these potential problems.

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*

1 E. The Commission shall notify the Location Commission upon making a determination  
2 that an applicant is or is not qualified to hold an operation license.

3 ~~F. Interpretation of §C(9) of this Regulation.~~

4 ~~(1) An act that was committed in any jurisdiction by an applicant or a person who~~  
5 ~~is required to be qualified shall disqualify the applicant or person if the act~~  
6 ~~occurred within 7 years before the date of the application and would constitute a~~  
7 ~~criminal offense involving moral turpitude or a gambling offense under the~~  
8 ~~criminal laws of any jurisdiction, and the act:~~

9 ~~(a) Was not prosecuted under the criminal laws of any jurisdiction; or~~

10 ~~(b) Cannot be prosecuted under the criminal laws of any jurisdiction.~~

11 ~~(2) If an act described in §F(1) of this regulation was prosecuted but did not result~~  
12 ~~in a conviction, it may be considered by the Commission in determining whether~~  
13 ~~the applicant or person has established the required qualification criteria.~~

14 ~~(3) The Commission must determine the existence of an act described in §F of this~~  
15 ~~regulation by a preponderance of the evidence.~~

16

---

For November 19, 2015 Commission.

There are several proposed amendments to the Gaming Licensing regulations:

**Amendments to 36.03.02.12.D (*Video Lottery Employee Licenses*)** reflects legislative amendments effective October 1 that no longer disqualify an applicant for the commission of an act that would be a crime of moral turpitude or gambling, so the explanation in §D is no longer necessary. The amendments to [former] §J would also remove all references to “sponsored” licenses, as those can no longer be issued now that the Commission is authorized to issue “temporary” licenses effective July 1.

**Amendments to 36.03.02.13.C (*Manufacturer Licenses*) and 14.D (*Contractor Licenses*)** identify categories of licenses for which the application and license fee would be reduced, and a more abbreviated background investigation would be conducted.

**Amendments to 36.03.02.16.A (*Denial of a License*)** clarifies that a manufacturer license applicant receives a reconsideration meeting if the application is recommended for denial.

**Amendments to 36.03.03.04 (*Qualification by the Commission*)** reflects legislative amendments effective October 1 that clarify that, for an operation license applicant, a disqualifying conviction or act was prosecuted or committed may have occurred “in any jurisdiction”, and §F is deleted as no longer necessary.

*Updated November 12, 2015*