

Maryland Lottery and Gaming Control Agency

Martin O'Malley, Governor • Stephen Martino, Director



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TO: Maryland State Lottery and Gaming Control Commission
Stephen Martino, Director

FROM: John J. Mooney

DIVISION: Assistant Director for Enforcement

DATE: March 20, 2014

SUBJECT: Report for the January Commission Meeting

Enforcement – “Notice of Violations of the Gaming Law” were sent to Rocky Gap Casino and Maryland Live Casino - Attached you will find copies of the Notice of Violation of the Gaming Law. Each casino has the opportunity to settle the matter by agreeing to the fine, requesting a settlement conference or a hearing before the commission.

Licensing Division - Monthly stats have been updated and included in your packet

There is one vacancy in Licensing Division – 1 vacant admin position (PIN)

Casino Compliance Division -

Staffing – Current Vacancies – There are no vacancies in Compliance.

The Casino Compliance Division monthly Statistics have been updated thru February 2014.

Security / Investigations Division – There are four (4) vacancies in Security

Major incidents at the casinos: N/A

Commission Consent Agenda Item

1. Gaming License Application Denials

There are seven (7) gaming licensing applications being recommended for denial based on the applicant's criminal history or failure to cooperate with, or provide requested information to, a background investigator.

Commission Action: Requesting that the Commission adopt as final the recommendation of the Director, or the Director's designee, for denial of the specified gaming license applications for the applicants' failure to establish their qualifications by clear and convincing evidence.

Please see description below, along with the attached spreadsheet.

Gaming License Denials

Commissioners:

The attached spreadsheet contains the names of Seven (7) gaming license applicants for whom Staff has recommended denial of their applications for gaming licenses for failure to prove by clear and convincing evidence that they meet the statutory requirements for licensure. *See* State Gov't, section 9-1A-14 [below]. The license applications were recommended for denial after Licensing Division Staff conducted an investigation, and the investigation results were reviewed by a three-member review panel comprised of Gina Smith, Robert Howells and James Butler. The panel also recommended denial of these applicants' license applications, and the Director or his designee concurred.

COMAR sets forth the applicant's rights if their gaming license application is recommended for denial. An applicant has the right to timely request a reconsideration meeting, and, if he or she is dissatisfied with the recommendation following the reconsideration meeting, the applicant may timely request a full hearing before the Commission. If the applicant fails to exercise these rights, the Commission may adopt as final the Director's recommendation to deny the license. Only the Commission - not Staff - is authorized to deny a gaming license, which is why these recommended denials are being presented to the Commission.

All of the applicants identified on the attached spreadsheet were mailed notification of the recommended denial, and of their right to timely request a reconsideration meeting with the Director or the Director's designee. The majority of the recommended denials are applicants who did not exercise that right. A smaller group of the recommended denials are applicants who received a reconsideration meeting and were notified of their right to timely request a full hearing before the Commission, but did not exercise that right.

Staff is requesting that the Commission adopt as final the Director's recommendation to deny the gaming license applications of the seven (7) applicants identified on the attached spread sheet.

On the Agency's Shared Drive under Commission files (March) there are PDF files for your review. The PDF files contain documentation for each of the recommended denials, including: notice of recommended denial (which includes the basis for the recommendation and notice of right to request reconsideration meeting); documentation that Staff mailed the required notices; and relevant documents from the background investigation conducted by Staff that supports the recommended denial of the applicant's license application.