

**MARYLAND STATE LOTTERY COMMISSION  
MEETING**

DATE: September 1, 2006  
TIME: 9:00 a.m.  
PLACE: Maryland Lottery Headquarters

PRESENT: Chairman Frank Bonaventure  
Vice Chairman E. Randolph Marriner  
Commissioner George Wagner  
  
Buddy Roogow, Director  
Andrea Johnson, Principal Counsel  
Robert Howells, Director of Procurement  
James Butler, Assistant Attorney General  
Laura Tilley, Assistant Attorney General  
Romaine Williams, Assistant Attorney General  
Marie Torosino, Executive Associate

BY CONFERENCE

CALL: Commissioner Osborne Payne  
Commissioner Bruce Reeder  
Paul Dorsey, Director of Policy and Development

## **CALL TO ORDER**

There being a quorum present, Chairman Bonaventure called the special meeting of the Maryland Lottery Commission to order at 9:00 a.m.

## **REVIEW OF LEGISLATION**

Chairman Bonaventure stated the purpose of this Special Commission Meeting was to review the proposed Agency and Commission legislation that was being submitted for the 2007 legislative session. Chairman Bonaventure asked if the fiscal impact statements for these bills have been completed. Mr. Dorsey stated he is currently working on the fiscal impact statements and the other paperwork required to file with the legislation. Chairman Bonaventure asked when it would be completed. Mr. Dorsey responded it should be completed within the next few weeks. Mr. Dorsey stated an outline on the proposed legislation was prepared for the Governor. Chairman Bonaventure asked that the Commission also be supplied with a copy of that outline.

The Commission reviewed and discussed the following Agency legislative bill proposals.

9-111. State Lottery – Performance Incentives

Authorizing the Director to establish a performance incentive program of providing compensation, in addition to their annual base salary, to Lottery employees.

9-122. State Lottery – Prizes

For the purpose of publicizing certain winners of Lottery games.

14-501. State Lottery – Procurement – Small Business Reserve

For the purpose of removing the Lottery from a certain provision of the State Finance and Procurement Article.

11-203, 9-111. State Lottery – Procurement – Exemption

For the purpose of removing the Lottery from certain provisions of the State Finance and Procurement Article.

9-119. State Lottery – Agents – Equipment

For the purpose of allowing the Agency to charge fees to agents for lost or damaged equipment.

9-108. State Lottery - Personnel

For the purpose of exempting the Lottery from certain provisions of the State Personnel and Pensions Article.

13-107.1. State Lottery – Procurement – Unsolicited Proposals

For the purpose of adding the Lottery to certain provisions of State Finance and Procurement Article.

The Commission reviewed and discussed the following Commission legislative bill proposals.

9-108. State Lottery – Commission – Compensation

For the purpose of increasing the Commission’s compensation.

9-111. State Lottery – Commission – Additional Powers

For the purpose of granting the Commission additional power in the operations of the Agency.

Chairman Bonaventure made a motion that the Commission approve the proposed Agency and Commission legislative bills pursuant to the discussion at the Commission meeting today. The motion was seconded by Commissioner Wagner. The motion passed by unanimous vote of the Commission.

Chairman Bonaventure then adjourned the meeting, only to discover that there were two other matters that needed discussion. Chairman Bonaventure promptly reconvened the Commission meeting to discuss a licensing agreement that needed immediate approval by the Commission in order to meet Maryland Board of Public Works (“Board”) deadline dates for placement on the Board’s agenda.

**RACETRAX AGREEMENT**

Assistant Attorney General Laura Tilley stated a licensing agreement exists between Tabcorp and Scientific Games for the Racetrax Game. The Lottery must enter into a sublicense agreement with Scientific Games to run the Racetrax game, and a trademark license agreement directly with Tabcorp to use the Racetrax name. There is no separate payment of a licensing fee. Scientific Games would receive commissions under the existing online games contract based on sales of the game, and Tabcorp will be paid by Scientific Games.

Chairman Bonaventure made a motion to approve the sublicense agreement between the Lottery and Scientific Games for the use of the Racetrax trade name and to run the Racetrax game. Commissioner Wagner seconded the motion. The motion passed by unanimous vote of the Commission. Chairman Bonaventure requested that the Racetrax game be brought up at the September 27<sup>th</sup> Commission Meeting.

The second matter that also needed discussion by the Commission concerned a pending legal matter involving Agency counsel which warranted a closed session of the Commission to obtain legal advice on a pending legal matter concerning the multiplier

patents. All Commissioners agreed to close the session. See attached **Statement for Closed Meeting**, pursuant to State Government Article §10-508(a).

**ADJOURNMENT**

After the closed session, Chairman Bonaventure motioned that the meeting be adjourned and it was so moved. The meeting adjourned at 10:15 a.m.

Respectfully submitted,

Buddy Roogow