

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 28 (Chair, Education, Health, and Environmental Affairs
Committee)(By Request - Departmental - Lottery and
Gaming Control Agency)

Education, Health, and Environmental Affairs

State Lottery Tickets - Prohibited Acts - Delivery Service

This departmental bill generally prohibits a person or governmental unit from selling or purchasing a State lottery ticket on behalf of an individual located within or outside the State and delivering or transmitting the ticket or an electronic image of the ticket to an individual as a for-profit business delivery service. A person who violates the provisions of the bill is guilty of a misdemeanor and, on conviction, is subject to a fine of up to \$2,500 and/or imprisonment for up to three years.

Fiscal Summary

State Effect: The criminal penalty provisions of the bill do not have a material impact on State finances or operations.

Local Effect: The criminal penalty provisions of the bill do not have a material impact on local finances or operations.

Small Business Effect: The State Lottery and Gaming Control Agency (SLGCA) has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services concurs with this assessment.

Analysis

Current Law: A person or governmental unit generally may not:

- hold itself out to the public as a State lottery sales agent without being licensed by SLGCA to act as a licensed agent;
- sell a State lottery ticket or share unless the person is a licensed agent or employee of a licensed agent;
- sell, purchase, or share a State lottery ticket at any price other than the price set by SLGCA;
- sell or purchase the prize validated for payment by SLGCA;
- sell a State lottery ticket or share to a minor;
- knowingly present, or transfer to another person to present, a counterfeit or altered State lottery ticket or share for payment; or
- knowingly purchase a State lottery ticket or share from another person with the intent to avoid specified payments to the State.

A person who violates any of these provisions is guilty of a misdemeanor and, on conviction, is subject to a fine of up to \$2,500 and/or imprisonment for up to three years.

Background: Federal law prohibits a person from selling lottery tickets by mail or over the Internet across state lines.

Generally, a misdemeanor may be brought in either the District Court or a circuit court, at the discretion of the prosecutor, if the penalty is confinement for three years or more or a fine of \$2,500 or more.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland State Lottery and Gaming Control Agency, Department of Legislative Services

Fiscal Note History: First Reader - January 10, 2017
fn/jrb

Analysis by: Heather N. Ruby

Direct Inquiries to:
(410) 946-5510
(301) 970-5510

ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Lottery – Prohibited Acts – Delivery Service

BILL NUMBER: SB 28

PREPARED BY: James B. Butler

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS