

MARYLAND REGISTER

# Proposed Action on Regulations

<b>Transmittal Sheet</b>  <b>PROPOSED OR REPROPOSED</b>  <b>Actions on Regulations</b>	<b>Date Filed with AELR Committee</b>	<b>TO BE COMPLETED BY DSD</b>
	06/02/2020	Date Filed with Division of State Documents
		Document Number
		Date of Publication in MD Register

1. Desired date of publication in Maryland Register: 7/6/2020

2. COMAR Codification

**Title Subtitle Chapter Regulation**

36 02 01 01

36 02 03 02

36 02 06 04 and .05

3. Name of Promulgating Authority

Maryland State Lottery and Gaming Control Agency

4. Name of Regulations Coordinator Telephone Number

James B Butler 410-230-8781

Mailing Address

1800 Washington Blvd., Ste. 330

**City State Zip Code**

Baltimore MD 21230

Email

jbutler@maryland.gov

5. Name of Person to Call About this Document Telephone No.

James B. Butler (410) 230-8781

Email Address

jbutler@maryland.gov

6. Check applicable items:

New Regulations

Amendments to Existing Regulations

Date when existing text was downloaded from COMAR online: June 2, 2020.

- Repeal of Existing Regulations
- Recodification
- Incorporation by Reference of Documents Requiring DSD Approval
- Reproposal of Substantively Different Text:

: Md. R  
(vol.) (issue) (page nos) (date)

Under Maryland Register docket no.: --P.

**7. Is there emergency text which is identical to this proposal:**

Yes  No

**8. Incorporation by Reference**

Check if applicable: Incorporation by Reference (IBR) approval form(s) attached and 18 copies of documents proposed for incorporation submitted to DSD. (Submit 18 paper copies of IBR document to DSD and one copy to AELR.)

**9. Public Body - Open Meeting**

OPTIONAL - If promulgating authority is a public body, check to include a sentence in the Notice of Proposed Action that proposed action was considered at an open meeting held pursuant to General Provisions Article, §3-302(c), Annotated Code of Maryland.

OPTIONAL - If promulgating authority is a public body, check to include a paragraph that final action will be considered at an open meeting.

**10. Children's Environmental Health and Protection**

Check if the system should send a copy of the proposal to the Children's Environmental Health and Protection Advisory Council.

**11. Certificate of Authorized Officer**

I certify that the attached document is in compliance with the Administrative Procedure Act. I also certify that the attached text has been approved for legality by Robert T. Fontaine, Assistant Attorney General, (telephone #(410) 230-8780) on May 28, 2020. A written copy of the approval is on file at this agency.

**Name of Authorized Officer**

Gordon Medenica

**Title**

Director

**Date**

June 2, 2020

**Telephone No.**

(410) 230-8790

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

**Subtitle 02 LOTTERY PROVISIONS**

**36.02.01 General**

**Subtitle 02 LOTTERY PROVISIONS**

**36.02.03 Retailer Requirements**

**Subtitle 02 LOTTERY PROVISIONS**

**36.02.06 Claims Procedures**

Authority: 36.02.01: Authority: State Government Article, §§9-103, 9-104, 9-109—9-111, and 9-122, Annotated Code of Maryland; 36.02.03: Authority: Criminal Law Article, §12-301.1; State Government Article, §§9-103, 9-104, 9-109—9-113, 9-115, 9-117, 9-119, 9-122, and 9-124, Annotated Code of Maryland; Ch. 603, §6, Acts of 2012; and 36.02.06: Authority: State Government Article, §§9-101, 9-103, 9-104, 9-109 — 9-111, 9-113, and 9-122 — 9-124, Annotated Code of Maryland.

**Notice of Proposed Action**

□

The Maryland State Lottery and Gaming Control Agency proposes to (1) Amend Regulation .01 under COMAR 36.02.01 General; (2) Amend Regulation .02 under COMAR 36.02.03 Retailer Requirements; and (3) Amend Regulations .04 and .05 under COMAR 36.02.06 Claims Procedures.

**Statement of Purpose**

The purpose of this action is to (1) clarify that a player may redeem a Lottery prize at a player-activated terminal; (2) provide updates to be consistent with retailer practices for claiming of tickets; and (3) include a requirement for retailers to activate a ticket pack before they sell a ticket from it.

**Comparison to Federal Standards**

There is no corresponding federal standard to this proposed action.

**Estimate of Economic Impact**

The proposed action has no economic impact.

**Economic Impact on Small Businesses**

The proposed action has minimal or no economic impact on small businesses.

**Impact on Individuals with Disabilities**

The proposed action has no impact on individuals with disabilities.

## Opportunity for Public Comment

Comments may be sent to James B. Butler, Managing Director, Organizational Compliance, Maryland Lottery and Gaming Control Agency, 1800 Washington Blvd., Suite 330, Baltimore, MD 21230, or call 410-230-8781, or email to [jbutler@maryland.gov](mailto:jbutler@maryland.gov), or fax to 410-230-8727. Comments will be accepted through August 5, 2020. A public hearing has not been scheduled.

## Economic Impact Statement Part C

A. Fiscal Year in which regulations will become effective: FY 2021

B. Does the budget for the fiscal year in which regulations become effective contain funds to implement the regulations?

Yes

C. If 'yes', state whether general, special (exact name), or federal funds will be used: Lottery (Special Lottery Proceeds)

D. If 'no', identify the source(s) of funds necessary for implementation of these regulations:

E. If these regulations have no economic impact under Part A, indicate reason briefly: To clarify that a player may redeem a Lottery prize at a player-activated terminal and to provide updates to be consistent with retailer practices for claiming of tickets, thereby updating the regulations of the Agency in a continuing effort to achieve industry best practices.

F. If these regulations have minimal or no economic impact on small businesses under Part B, indicate the reason and attach small business worksheet.

To clarify that a player may redeem a Lottery prize at a player-activated terminal and to provide updates to be consistent with retailer practices for claiming of tickets, thereby updating the regulations of the Agency in a continuing effort to achieve industry best practices.

G. Small Business Worksheet:

N/A

## Attached Document:

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(June 2, 2020)

### 36.02.01

Authority: State Government Article, §§9-103, 9-104, 9-109—9-111, and 9-122, Annotated Code of Maryland

#### .01 Definitions.

A. (text unchanged)

B. Terms Defined.

(1) – (17) (text unchanged)

(18) “Instant ticket pack” or “instant ticket book” means a group of sequential instant tickets that are in an individual bundle.

[(18)] (19) – [(26)] (27) (text unchanged)

[(27)] (28) [“Player-activated terminal” or “PAT”] *Player-activated terminal or PAT.*

(a) “Player-activated terminal” or “PAT” means a machine through which a player may purchase Agency tickets or claim a prize without action by a licensed retailer.

(b) “Player-activated terminal” or “PAT” does not dispense cash.

[(28)] (29) – [(36)] (37) (text unchanged)

### 36.02.03

Authority: Criminal Law Article, §12-301.1; State Government Article, §§9-103, 9-104, 9-109—9-113, 9-115, 9-117, 9-119, 9-122, and 9-124, Annotated Code of Maryland; Ch. 603, §6, Acts of 2012

#### .02 Sale of Lottery Tickets — Instant Ticket Procedure.

A. Retailers shall activate an instant ticket pack before selling an instant ticket from that pack.

B. Instant tickets that a retailer activates before a ticket’s announced end of game may be sold by the retailer after the ticket’s announced end of game and until the last date to claim a prize for that game.

### 36.02.06

Authority: State Government Article, §§9-101, 9-103, 9-104, 9-109 — 9-111, 9-113, and 9-122 — 9-124, Annotated Code of Maryland

#### .04 Prize Claiming Locations.

A. A holder of a winning ticket may claim a prize for a winning ticket:

(1) For a prize up to and including \$600 at:

(a) A retailer, *including its PAT*; or

(b) An Agency claim center;

(2) – (4) (text unchanged)

B. (text unchanged)

#### .05 Documents Required for Prize Payment.

A. (text unchanged)

B. To claim a prize, a winner shall submit:

(1) For other than subscription winners, the actual original ticket, which shall:

(a) (text unchanged)

(b) Be signed by all winners *if requested*; and

(2) (text unchanged)

C. For a prize claimed at an Agency claim center and for any prize over \$600 claimed at a retailer, in addition to the documents required under §B of this regulation, a winner shall:

(1) *Sign the original ticket*;

(2) *Provide necessary information to the retailer to produce a terminal-generated claim form*;

(3) [submit] *Submit a fully completed and signed claim form*; and

(4) [and] *Provide sufficient information to identify the claimant, such as:*

[(1)](a) – [(3)](c) (text unchanged)

D. If a prize is to be split among multiple winners, each claimant shall provide the documents *and information* required in §§B and C of this regulation.