
By: Delegates Gordon and Bozman

Introduced and read first time: January 27, 1997

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **State Lottery - Prizes - Lump Sum Payment**

3 FOR the purpose of requiring the Director of the State Lottery Agency to give a prize
4 winner the option to receive a lump sum payment equalling the present cash value
5 of a prize instead of an annuity when the prize for the winning ticket equals or
6 exceeds a certain amount; requiring the Director to determine the present cash
7 value of a prize; requiring a player who wishes to receive a lump sum payment to
8 exercise the option to do so when purchasing the winning ticket; prohibiting the
9 revocation of an option to receive a lump sum payment; and generally relating to
10 prizes awarded to winners of the State Lottery.

11 BY repealing and reenacting, without amendments,
12 Article - State Government
13 Section 9-101(a), (b), and (d)
14 Annotated Code of Maryland
15 (1995 Replacement Volume and 1996 Supplement)

16 BY adding to
17 Article - State Government
18 Section 9-122.1
19 Annotated Code of Maryland
20 (1995 Replacement Volume and 1996 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article - State Government**

24 9-101.

25 (a) In this subtitle the following words have the meanings indicated.

26 (b) "Agency" means the State Lottery Agency.

27 (d) "Director" means the Director of the Agency.

2

1 9-122.1.

2 (A) THE DIRECTOR SHALL GIVE A PRIZE WINNER THE OPTION TO RECEIVE A
3 LUMP SUM PAYMENT EQUALLING THE PRESENT CASH VALUE OF A PRIZE INSTEAD
4 OF AN ANNUITY WHEN THE PRIZE FOR THE WINNING TICKET IS \$250,000 OR
5 GREATER.

6 (B) THE DIRECTOR SHALL DETERMINE THE PRESENT CASH VALUE OF A
7 PRIZE.

8 (C) A PLAYER WHO WISHES TO RECEIVE A LUMP SUM PAYMENT MUST
9 EXERCISE THE OPTION TO DO SO WHEN PURCHASING THE WINNING TICKET.

10 (D) ONCE EXERCISED, AN OPTION TO RECEIVE A LUMP SUM PAYMENT MAY
11 NOT BE REVOKED.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 1997.