

---

By: **Senator Bromwell**

Introduced and read first time: February 6, 1998

Assigned to: Finance

---

A BILL ENTITLED

1 AN ACT concerning

2 **State Lottery - Licensed Agents - Compensation**

3 FOR the purpose of authorizing a licensed agent of the State Lottery to receive a  
4 certain cashing fee for services rendered in cashing winning tickets; repealing a  
5 certain provision of law requiring the State Lottery Agency to appropriate funds  
6 for certain bonuses and incentives; and generally relating to the compensation of  
7 licensed agents of the State Lottery Agency.

8 BY repealing and reenacting, with amendments,  
9 Article - State Government  
10 Section 9-117  
11 Annotated Code of Maryland  
12 (1995 Replacement Volume and 1997 Supplement)

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

15 **Article - State Government**

16 9-117.

17 (a) (1) During a calendar year, a licensed agent may not receive regular  
18 commissions that exceed 5% of the licensed agent's gross receipts from ticket sales  
19 made during that year.

20 (2) A LICENSED AGENT MAY FURTHER RECEIVE A CASHING FEE NOT TO  
21 EXCEED 3% OF VALID PRIZES PAID FOR SERVICES RENDERED IN CASHING WINNING  
22 TICKETS.

23 (b) (1) The Commission may authorize the payment of special bonuses or  
24 incentives to licensed agents and their employees.

25 (2) The total of the bonuses and incentives may not exceed one-half of  
26 1% of the gross receipts from ticket sales for the year for which the bonuses or  
27 incentives are awarded.

1           (3)     Lottery sales agents may not offer patrons inducements of alcoholic  
2 beverages to purchase or redeem lottery tickets.

3           [(4)     For fiscal year 1988 and for all fiscal years thereafter, the Agency  
4 shall appropriate funds for the bonuses and incentives in the Agency's operating  
5 budget.]

6     (c)     Unless otherwise expressly provided by a lease for premises on which  
7 lottery tickets are sold, whenever lottery tickets are sold by a licensed agent on  
8 premises subject to rent that is wholly or partially based on a percentage of gross  
9 sales or receipts, the tenant responsible for payment of the rent may calculate that  
10 portion of the rent arising from the sale of lottery tickets solely on the basis of:

11           (1)     the Commission received by the licensed agent on the sale of those  
12 tickets; and

13           (2)     in the case of instant lottery tickets, the difference between the price  
14 paid by the licensed agent in purchasing the tickets from the Agency and the price for  
15 which they were sold by the agent.

16     SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 October 1, 1998.