
By: ~~Senator Bromwell~~ Senators Bromwell and Della

Introduced and read first time: February 6, 1998

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 10, 1998

CHAPTER _____

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.

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

3 (2) The total of the bonuses and incentives may not exceed one-half of
4 1% of the gross receipts from ticket sales for the year for which the bonuses or
5 incentives are awarded.

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

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

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

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

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

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