

HOUSE BILL 1179

C7

2lr3182

By: **Delegate Johnson**

Introduced and read first time: February 11, 2022

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 9, 2022

CHAPTER _____

1 AN ACT concerning

2 **State Lottery – Sales of Lottery Tickets and Tickets From Instant Ticket Lottery**
3 **Machines – Commissions**

4 FOR the purpose of altering certain commissions that certain licensed agents receive from
5 certain lottery ticket sales and that certain veterans organizations receive from sales
6 of tickets from certain instant ticket lottery machines; ~~requiring the Governor, in~~
7 ~~certain fiscal years, to include in the annual State budget an appropriation of at least~~
8 ~~a certain amount to the Maryland Veterans Trust Fund;~~ and generally relating to
9 commissions for sales of lottery tickets and tickets from instant ticket lottery
10 machines.

11 BY repealing and reenacting, without amendments,
12 Article – State Government
13 Section ~~9-112(d)(3), 9-120(b)(1)(ii), and 9-913(a)~~ 9-112(d)(3)
14 Annotated Code of Maryland
15 (2021 Replacement Volume)

16 BY repealing and reenacting, with amendments,
17 Article – State Government
18 Section ~~9-117(a)(1) and 9-913(d) through (f)~~
19 Annotated Code of Maryland
20 (2021 Replacement Volume)

21 ~~BY adding to~~
22 ~~Article – State Government~~

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 ~~Section 9-913(e)~~
 2 ~~Annotated Code of Maryland~~
 3 ~~(2021 Replacement Volume)~~

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

6 **Article – State Government**

7 9–112.

8 (d) (3) After deduction of any commission and validation prize payout as
 9 provided under § 9–117 of this subtitle, a veterans’ organization issued a license under this
 10 subsection shall credit the remaining receipts from the sale of tickets from instant ticket
 11 lottery machines to the State Lottery Fund established under § 9–118 of this subtitle.

12 9–117.

13 (a) (1) A licensed agent shall receive regular commissions of ~~[5.5%]~~ **6%** of the
 14 licensed agent’s gross receipts from ticket sales.

15 ~~9-120.~~

16 ~~(b) (1) By the end of the month following collection, the Comptroller shall~~
 17 ~~deposit, cause to be deposited, or pay:~~

18 ~~(ii) after June 30, 2014, into the Maryland Veterans Trust Fund 10%~~
 19 ~~of the money that remains in the State Lottery Fund from the proceeds of sales of tickets~~
 20 ~~from instant ticket lottery machines by veterans’ organizations under § 9-112(d) of this~~
 21 ~~subtitle, after the distribution under subsection (a) of this section;~~

22 ~~9-913.~~

23 ~~(a) In this section, “Fund” means the Maryland Veterans Trust Fund.~~

24 ~~(d) The Fund consists of:~~

25 ~~(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;~~

26 ~~[(1)] (2) gifts and grants that the Trust receives under § 9-914.2(a)(1) of~~
 27 ~~this subtitle; and~~

28 ~~[(2)] (3) contributions to the Fund from:~~

29 ~~(i) the sale of tickets from instant ticket lottery machines under §~~
 30 ~~9-112(d) of this title;~~

1 ~~(ii) the donations from video lottery facility players under §~~
2 ~~9-1A-04(d)(19) of this title;~~

3 ~~(iii) the designated fees from special registration plates for recipients~~
4 ~~of an individually earned, combat-related armed forces medal under § 13-619.1 of the~~
5 ~~Transportation Article; and~~

6 ~~(iv) civil penalties collected in accordance with § 9-905.1 of this~~
7 ~~subtitle.~~

8 ~~(E) (1) FOR FISCAL YEAR 2024, THE GOVERNOR SHALL INCLUDE IN THE~~
9 ~~ANNUAL BUDGET BILL AN APPROPRIATION OF \$100,000 TO THE FUND.~~

10 ~~(2) FOR FISCAL YEAR 2025 AND EACH FISCAL YEAR THEREAFTER,~~
11 ~~THE GOVERNOR SHALL INCLUDE IN THE ANNUAL BUDGET BILL AN APPROPRIATION~~
12 ~~OF \$50,000 TO THE FUND.~~

13 ~~[(e)] (F) Money in the Fund may only be used to:~~

14 ~~(1) make grants and loans under § 9-914.2(a)(3) of this subtitle;~~

15 ~~(2) be invested under § 9-914.3(b) of this subtitle; and~~

16 ~~(3) pay the costs of administering the Fund through distribution to an~~
17 ~~administrative cost account in the Department.~~

18 ~~[(f)] (G) Money expended from the Fund is not intended to take the place of~~
19 ~~funding that would otherwise be appropriated to the Department.~~

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 2022.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.