

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed Senate Bill 643.

This bill prohibits the Maryland State Lottery from requiring a certified check for the transfer of proceeds from the sale of lottery tickets to the Lottery Agency, with certain exceptions.

The present procedure, requiring the use of certified checks, was adopted by the Director and the Commission some years ago due to the number of checks being returned to the Agency marked "insufficient funds". The intent of the bill is to facilitate the handling of proceeds from the sale of lottery tickets so as not to place an inordinate burden on the Daily Lottery Sales Agents. This is both understandable and reasonable. I also understand and agree that not all agents should have to bear the extra burden of using certified checks. However, I also am of the view that the Director and Commission need a reasonably flexible mechanism for dealing with returned checks.

The Director and Commission have agreed to place in the Agent Agreement for Sale of Daily Lottery Tickets, a new provision which states the following:

That the Director may require Daily Lottery Sales Agents to transfer net proceeds from the sale of lottery tickets to the Agency by certified check if:

1. The Agent has not been a Daily Agent for six months; or
2. The Agent has not provided the Lottery with an acceptable financial statement; or
3. The Agent has on previous occasion transferred such proceeds by means of a check for which there were insufficient funds; or
4. The Agent has not had a check available at the scheduled time of collector pick-up more than once in the past six months.

In my judgment, the implementation of this procedure would accomplish the worthwhile objectives of Senate Bill 643 while affording the administrative flexibility desirable to meet changing circumstances.

For these reasons, I have decided to veto Senate Bill 643.