

Without a specific provision having been added to the statute authorizing the voluntary assignment of lottery prize winnings, the Lottery Agency will be necessarily and unavoidably entangled in disputes between competing "assignees" and a host of others.

Further, the option of signing the legislation with the expectation of an appropriate amendment being adopted in the 2006 session of the General Assembly is inadequate.

Senate Bill 225 has an effective date of July 1, 2005. Voluntary assignments made thereafter and before any subsequent amendment became effective would be governed by the UCC. Those assignments made after any preemption amendment were enacted and became effective would be otherwise regulated. From the perspective of sound and efficient governance, such a course of action makes no sense.

It is also worth noting that none of the approximately twenty states that permit voluntary assignments of lottery prizes do so under the UCC.

For the above stated reasons, I have vetoed Senate Bill 225.

Very truly yours,
Robert L. Ehrlich, Jr.
Governor

Senate Bill No. 225

AN ACT concerning

State Lottery - Prize Winners - Voluntary Assignments

FOR the purpose of enabling certain prize winners of the State lottery to voluntarily assign prizes that are paid in installments under certain circumstances; authorizing a court to issue an order approving a voluntary assignment if assignors and assignees meet certain requirements; authorizing a court to order a voluntary assignment if the court makes a certain finding; requiring that certain notice be given to the State Lottery Agency at a certain time; prohibiting assignments from including certain payments; discharging the State Lottery Agency, its officials, and employees, from liability under certain circumstances; providing that certain persons be held harmless and be indemnified from certain proceedings related to the assignment; authorizing the State Lottery Agency to establish a certain fee; requiring that a contract of assignment include a certain affidavit completed by the assignee; specifying certain contents of the affidavit; requiring that the assignee notify the State Lottery Agency of certain information under certain circumstances; requiring that a husband and wife who are co-owners of a prize assign the prize in a certain way; prohibiting certain court orders from requiring the State Lottery Agency to divide a single prize payment in a certain way; allowing the substitution of assignees under certain circumstances; prohibiting a court from allowing an assignment under certain circumstances; and generally relating to the State lottery.

BY repealing and reenacting, with amendments,
Article - State Government