

Annotated Code of Maryland  
(1999 Replacement Volume and 2003 Supplement)

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

**Article - State Government**

9-119.

(b) (1) (i) The Director shall require all licensed agents to deposit, with a bank that the [Treasurer designates] LICENSED AGENT SELECTS and to the credit of the State Lottery Fund, all of the receipts from the sale of State lottery tickets or shares less any commission and validation prize payout.

(ii) 1. [All proceeds collected or deposited from the sale of State lottery tickets or shares constitute a trust for the benefit of the Agency until remitted and paid either directly or through the Agency's authorized collection representative. Proceeds shall include cash proceeds of the sale of any lottery products less any commission and validation prize payout] A LICENSED AGENT MAY COMMINGLE PROCEEDS FROM THE SALE OF STATE LOTTERY TICKETS OR SHARES WITH BUSINESS RECEIPTS OF THE LICENSED AGENT.

2. PROCEEDS, INCLUDING CASH PROCEEDS OF THE SALE OF ANY LOTTERY PRODUCTS LESS ANY COMMISSION AND VALIDATION PRIZE PAYOUT, SHALL BE REMITTED AND PAID DIRECTLY OR THROUGH THE AGENCY'S AUTHORIZED COLLECTION REPRESENTATIVE.

(iii) Licensed agents and each person who is a guarantor or indemnitor of a licensed agent's financial obligations to the Agency shall be liable for all proceeds from the sale of lottery tickets or shares.

(iv) The Director may adjust the time, interval, or method of collection for collections of proceeds of any licensed agent.

(v) 1. Nothing in this subsection may be construed to impose obligations or liability on any bank in which proceeds from the sale of State lottery tickets or shares are deposited.

2. This subparagraph does not affect the rights and obligations of any financial institution that has issued an irrevocable letter of credit or holds any cash security deposit as provided in § 9-114 of this subtitle.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2004.

Approved April 27, 2004.