

1           **Title 36 MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY**

2                           **Subtitle 03 GAMING PROVISIONS**

3                           **Chapter 10 Video Lottery Facility Minimum Internal Control Standards**

4                   **Authority: State Government Article, §§ 9-1A-02 and 9-1A-04, Annotated Code of**  
5   **Maryland**

6   **.28 Counter Check Substitution, Consolidation, and Redemption.**

7       A. A player to whom a counter check has been issued by a facility operator may use a personal  
8       check meeting the requirements of §B of this regulation to:

9           (1) Substitute for a counter check which has not been deposited by the facility operator;

10          (2) Consolidate two or more counter checks which have not been deposited by the facility  
11          operator; and

12          (3) Redeem, partially or in full, a counter check which has not been deposited by a facility  
13          operator.

14       B. A personal check accepted by a facility operator in a substitution, consolidation, or  
15       redemption transaction shall:

16           (1) Be drawn on an account which has been verified in accordance with Regulation .25 of  
17           this chapter;

18           (2) Except as provided in §C of this regulation, comply with the requirements of Regulation  
19           .20 of this chapter; and

20           (3) Be redeemed or deposited in accordance with Regulation .29 of this chapter.

---

For May 23, 2019 Commission Meeting.

The proposed amendment reflects the changes made to increase the check cashing limit to \$25,000 in COMAR 36.03.10.20.

The proposed amendment would allow the facility operators to use an electronic credit system approved by the Commission to process electronic counter check transactions.

*Revised May 14, 2019*

- 1 C. If a personal check is accepted in an amount less than or equal to the amount of a counter  
2 check being partially or fully redeemed, the ~~\$15,000~~ **\$25,000** limitation on acceptance of  
3 personal checks in Regulation .20F(2) of this chapter does not apply.
- 4 D. A player who has issued a replacement check to a facility operator may present another  
5 replacement check in a substitution, consolidation, or partial redemption transaction involving  
6 the original replacement check.
- 7 E. A replacement check accepted by a facility operator in a substitution, consolidation, or  
8 partial redemption transaction shall be:
- 9 (1) Dated with the date of the initial counter check being substituted, consolidated, or  
10 partially redeemed; or
- 11 (2) If the check is subject to Commission-approved internal controls which ensure that the  
12 date of the initial counter check being substituted, consolidated, or partially redeemed is used  
13 to determine the date on which the replacement check is deposited under Regulation .29 of  
14 this chapter, currently dated.
- 15 F. A facility operator may not accept a replacement check in substitution, consolidation, or  
16 partial redemption for the purpose of avoiding or delaying the deposit requirements for a  
17 counter check or replacement check under Regulation .29 of this chapter.
- 18 G. If a player has more than one counter check or replacement check which has not been  
19 deposited, the most recently dated check shall be redeemed first, except that:
- 20 (1) If more than one check bears the same date, the player may choose the order in which to  
21 redeem the checks;
- 22 (2) If, pursuant to Commission-approved internal controls, a facility operator does not  
23 require a replacement check used in a substitution, consolidation, or partial redemption  
24 transaction to be dated with the date of the initial counter check being substituted,  
25 consolidated, or partially redeemed, then the date of the initial counter check and not the date  
26 of the replacement check shall be used to determine the order in which outstanding checks  
27 are redeemed; and

---

For May 23, 2019 Commission Meeting.

The proposed amendment reflects the changes made to increase the check cashing limit to \$25,000 in COMAR 36.03.10.20.

The proposed amendment would allow the facility operators to use an electronic credit system approved by the Commission to process electronic counter check transactions.

*Revised May 14, 2019*

1 (3) If a facility operator receives a check through the mail or by other means approved by the  
2 Commission and the player requests that it be applied to a transaction having an earlier  
3 redemption date, the facility operator may apply the check according to the player's request.

4 H. A facility operator may conduct a substitution, consolidation, or partial redemption  
5 transaction:

6 (1) At the cashiers' cage during the hours of operation approved by the Commission for the  
7 facility under COMAR 36.03.11.02;

8 (2) By mail; or

9 (3) At an off-site customer service location.

10 I. A facility operator shall develop and include in the internal controls submitted to and  
11 approved under Regulation .05 of this chapter procedures and controls addressing the  
12 substitution, consolidation, and full or partial redemption of a counter check.

13 **J. A facility operator may use an electronic credit system approved by the Commission**  
14 **to process electronic counter check transactions.**

15 **(1) The facility operator may access the player's file in the electronic credit system**  
16 **using a portable device or other method approved by the Commission.**

17 **(2) The electronic credit system shall be capable of maintaining independently, or in**  
18 **conjunction with another computer system, as approved by the Commission:**

19 **(a) A digital photograph and signature of the player;**

20 **(b) Encrypted employee and player personal identification numbers;**

21 **(c) For each player account and transaction, the information required to be**  
22 **recorded by §§B and E of this regulation;**

23 **(d) A record of each electronic transaction, printable in the check bank, which**  
24 **shall include at least:**

---

For May 23, 2019 Commission Meeting.

The proposed amendment reflects the changes made to increase the check cashing limit to \$25,000 in COMAR 36.03.10.20.

The proposed amendment would allow the facility operators to use an electronic credit system approved by the Commission to process electronic counter check transactions.

*Revised May 14, 2019*

- i. Date and time;**
- ii. Transaction type;**
- iii. Document number;**
- iv. Location;**
- v. Player name and account number; and**
- vi. Amount; and**

**(e) A record of each electronic transaction for which the player has successfully entered the player’s personal identification number and digital signature in the system;**

**(f) A record of voided transactions and the reason for the void; and**

**(g) Any other information the Commission requests.**

---

For May 23, 2019 Commission Meeting.

The proposed amendment reflects the changes made to increase the check cashing limit to \$25,000 in COMAR 36.03.10.20.

The proposed amendment would allow the facility operators to use an electronic credit system approved by the Commission to process electronic counter check transactions.

*Revised May 14, 2019*