

Title 36
MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY
Subtitle 02 LOTTERY PROVISIONS

Chapter 08 Voluntary Assignment of Monetary Prizes

Authority: Criminal Procedure Article, §11-618; Family Law Article, §10-113.1; State Finance and Procurement Article, §3-307; State Government Article, §§9-109, 9-110, and 9-122, Annotated Code of Maryland

.01 Definitions.

A. In this chapter, the following terms have the meanings indicated.

B. Terms Defined.

(1) “Assignee” means a person who:

(a) ~~enters~~ **Enters** into a contract ~~of~~ **for voluntary** assignment ~~with~~ **of** a lottery prize payment ~~winner or the estate of a lottery prize winner~~;

(b) **Obtains** ~~to obtain by~~ a court order **for** voluntary assignment of the lottery prize winner’s lottery prize payment in whole or in part; **and**

(c) **Becomes a lottery prize winner.**

(2) “Assignee affidavit” means a sworn statement ~~made under oath before a notary public by a person representing that the person seeks to obtain an assignment~~ **of an assignee.**

(3) “Assignment” means ~~the voluntary written transfer under a court order pursuant to the Assignment Law by:~~

(a) ~~A lottery prize winner of all or part of the lottery prize winner’s prize payment to an assignee or subsequent assignee by court order; or~~

(b) ~~An assignee or subsequent assignee of the same or related lottery prize payment that was previously assigned by court order.~~ **a court-ordered payment of a lottery prize to an assignee or subsequent assignee and may include a divorce decree.**

(4) “Assignment Law” means State Government Article, ~~§9-122(b)(1)–(4)~~ **§9-122(b)**, Annotated Code of Maryland, and this chapter.

(5) “Assignor” means:

(a) A lottery prize winner who makes the assignment of a lottery prize payment in whole or in part to an assignee or a subsequent assignee; or

(b) An assignee or subsequent assignee who seeks a court order to reassign the same or related lottery prize payment that was previously assigned by court order.

(6) “Assignor affidavit” means a sworn statement made under oath before a notary public by:

(a) A lottery prize winner who seeks to assign ~~in whole or in part~~ the lottery prize ~~winner’s monetary prize~~ payment; or

(b) A person who was ~~[previously granted assignment by the court of the same or a related lottery prize payment that the person seeks to reassign]~~ an assignee.

(7) “Contract of assignment” means the written instrument ~~[, however named,]~~ that is used to execute an assignment of a lottery prize payment.

(8) “Court” means the circuit court in the county where the Agency’s headquarters ~~[are]~~ is located.

(9) “Lottery prize payment” means a monetary prize that the Agency pays in installments over time that is an annuity.

(10) “Lottery prize winner” means ~~[the]~~ a person who ~~[won]~~ wins a lottery prize ~~[payment].~~

(11) “Petition” means a document ~~[written instrument]~~ filed in court requesting the assignment of a lottery prize payment.

~~[(12) “Subsequent assignee” means a person designated by court order to receive the same or a related lottery prize payment from the Agency.]~~

.02 General.

~~A. An assignment [is permitted as authorized by State Government Article, §9-122(b)(1)–(4), Annotated Code of Maryland.~~

~~B. The manner by which an assignment may be processed is as provided in State Government Article, §9-122(b)(1)–(4), Annotated Code of Maryland.~~

~~C. For purposes of determining annually whether an assignee, or subsequent assignee owes State obligations, the Agency shall treat an assignee or subsequent assignee as if they won the prize.]~~ of a lottery prize payment shall be conducted in accordance with the Assignment Law

B. The Agency shall treat an assignee as a lottery prize winner.

.03 ~~[Who May Seek]~~ Petition for Assignment.

~~[A.]~~ A person ~~[entitled to receive a]~~ seeking to assign a lottery prize payment may file a petition with the court for voluntary assignment of all or part of ~~[the]~~ a lottery prize payment under the Assignment Law.

~~[B. If a lottery prize payment is jointly owned, before an owner of the prize may file a petition in court for voluntary assignment of all or part of the lottery prize, all joint owners of the same lottery prize payment shall:~~

~~(1) Agree to the assignment;~~

~~(2) Join into the written contract of assignment with the assignee; and~~

~~(3) Complete an assignor affidavit.~~

~~C. Married Person Seeking Assignment. If a lottery prize winner is married at the time the lottery prize winner seeks to assign any portion of a lottery prize payment, the lottery prize winner’s spouse shall agree to the assignment by:~~

- (1) ~~Joining into the written contract of assignment with the assignee; and~~
- (2) ~~Completing an assignor affidavit.]~~

.04 [Affidavits] Required Submissions.

~~[A. An assignor affidavit and an assignee affidavit prepared and currently in use by the Agency shall be used to process a voluntary assignment request.~~

~~B. An assignor affidavit or an assignee affidavit not prepared by the Agency may be used only if:~~

~~(1) The affidavit substantially complies with the Agency prepared affidavit; and~~

~~(2) Approval to use the affidavit is obtained in writing from the Agency prior to the filing of the petition.~~

~~C. The content of the affidavit shall be consistent with the requirements of State Government Article §9-122(b)(4) Annotated Code of Maryland.]~~

A. An assignor and assignee shall each file an affidavit with the court as required under the Assignment Law.

B. The assignor and assignee shall provide the Agency with the written notice required under the Assignment Law.

C. Death of Joint Owner. If an owner of a lottery annuity dies after winning the lottery prize, a surviving joint owner shall submit to the Agency:

(1) A certified copy of the death certificate;

(2) Written notice required under §B of this regulation.

~~].05 Submission to Agency.~~

~~A. Petition and Affidavits. The assignee and assignor shall submit to the Agency a copy of the petition and all completed assignor and assignee affidavits upon filing the petition, and at least 30 days before any court hearing is held~~

~~B. Death of Spouse or Joint Owner. In the event of the death of a spouse or other person who jointly owned a lottery prize payment, the assignor or assignee shall submit~~

~~a certified copy of the death certificate~~

~~with the written notice of the petition provided to the Agency under §A of this regulation.~~

~~C. Divorce of Spouse. In the event of the divorce of a spouse who jointly owned a lottery prize payment, the assignor or assignee shall submit a true test copy of the divorce decree~~

~~with the written notice of the petition provided to the Agency under §A of this regulation.]~~

~~].06].05 Fees.~~

A. ~~An assignor, assignee or both shall pay an~~ An administrative fee of ~~[\$1,000]~~ \$2,000 ~~[shall be paid]~~ to the Agency to process a request for a voluntary assignment.

B. ~~An assignor, assignee or both shall pay the~~ The administrative fee required in §A of this regulation ~~[is payable]~~ each time ~~[a]~~ any portion of a lottery prize payment ~~[or any portion of a lottery prize payment is requested to be]~~ is voluntarily assigned or reassigned.

C. ~~An assignor, assignee or both~~ Payment of all fees due to the Agency shall be paid by a ~~[shall pay the fees due to the Agency by]~~ certified check or money order ~~[made payable to the Agency when]~~ at the same time that the petition is submitted to the Agency ~~[under Regulation .05 of this chapter].~~

~~[D. The fees may be paid to the Agency by the assignee, the assignor, or both.]~~

E. The fees established by this regulation may not be waived.

F. The fees paid under this regulation are nonrefundable.

~~[.07].06~~ Special Requirements.

An assignor and an assignee shall provide written documentation to the Agency and the court that ~~[, as of the date of the court order approving the voluntary assignment, the voluntary]~~ the assignment does not include ~~[or cover payments or parts of payments subject to]:~~

A. Child support payment;

B. Criminal restitution;

C. Bankruptcy; or

D. Any other debt, claim, or liability that may be owed to the State of Maryland.

~~[.08].07~~ Requirements for Court Order.

A. Preparation of the Proposed Court Order.

~~[(1) The]~~ An assignee seeking assignment shall:

~~(1) [prepare]~~ Prepare the proposed court order;

~~(2) Ensure that the court order contains the information required in the Assignment Law;~~

~~(3) Submit the proposed court order to the Agency; and~~

~~(4) Follow the procedures set out in the Assignment Law.~~

~~[that will approve the assignment.~~

~~(2) The assignee seeking the assignment shall submit a draft of the court order to the Agency for its approval before submitting the court order to the court for its consideration.~~

B. Content of Court Order. A court order shall:

~~(1) Include all the information the Agency requires that is consistent with the Assignment Law;~~

(2) State that, if the assignee or subsequent assignee owes State obligations, all or part of a prize payment may be withheld;

(3) Where applicable, require that the assignee or subsequent assignee be in good standing with the Maryland Department of Assessments and Taxation and any other licensing or regulatory unit whose approval is required in the conduct of the assignee's and subsequent assignee's business prior to the Agency making any prize payment; and

(4) State that the court has found the assignment to be in full compliance with the Assignment Law.]

[C.] B. [Timeliness of] Final Court Order.

(1) Based upon the Agency's lottery prize payment installment due dates, the assignor and assignee shall ~~[ensure that a court order assigning the lottery prize payment shall be submitted]~~ submit the final court order to the Agency ~~[in accordance with the following time frames]:~~

(a) For lottery prize payments due in August, the court order shall be received by the Agency by June 1 of that year;

(b) For lottery prize payments due in November, the court order shall be received by the Agency by September 1 of that year;

(c) For lottery prize payments due in February, the court order shall be received by the Agency by December 1 of the preceding year; and

(d) For lottery prize payments due in May, the court order shall be received by the Agency by March 1 of that year.

(2) ~~[Consistent with the time frames established in the regulation, the assignee shall submit to Agency's counsel a certified copy of the court order approving the voluntary assignment at least 60 days before the date on which the lottery prize payment is due.]~~ The court orders specified in §B(1) of this regulation shall be certified.

[.09 Agency Responsibilities.

~~Within 30 days after receipt of a certified copy of a court order approving a voluntary assignment, the Agency shall send the assignor and assignee written confirmation of:~~

A. ~~The court approved assignment; and~~

B. ~~The intent of the Agency to rely on the assignment in making subsequent lottery prize payments consistent with the court order.]~~