

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

2
3 **Subtitle 01 GENERAL PROVISIONS**

4
5 **Chapter 01 General**

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7 **Authority: State Government Article, §§ 9-104, 9-109, 9-110, and 9-1A-01, 9-1A-04**
8 **Annotated Code of Maryland**

9 **.01 Definitions.**

10 A. In this title, the following terms have the meanings indicated.

11 B. Terms Defined.

12 (1) “Agency” means the State Lottery and Gaming Control Agency and, unless the context
13 dictates otherwise, includes the Director and Commission.

14
15 (2) “Commission” means the State Lottery and Gaming Control Commission, and unless
16 the context dictates otherwise, may include staff of the Agency.

17
18 (3) “County” means any county in the State of Maryland and the City of Baltimore.

19
20 (4) “Director” means the Director of the Agency and includes the Director’s designees.

21
22 (5) “Final action on a license denial” means:

23
24 (a) If, after the Director sends written notice of license denial or recommendation of
25 license denial, an applicant fails to timely request a reconsideration meeting, the date of the
26 written notice of the Director’s written notice;

27
28 (b) If, after a reconsideration meeting, an applicant fails to timely request a
29 Commission hearing, the date of the Director’s written notice after the reconsideration meeting;
30 or

31
32 (c) If the Commission holds a hearing on an appeal of the Director’s license denial or
33 reconsideration of license denial, the date of the Commission’s written decision.

34
35 (6) “Final action on a sanction” means:

36
37 (a) If after the Director sends a deficiency notice under COMAR 36.02.02, 36.03.05,
38 36.06.05, or 36.07.02, a licensee fails to submit a timely, acceptable corrective action plan, and
39 the Commission adopts as final the Director’s deficiency notice; or

40
41 (b) If the Commission holds a hearing on the Director’s recommendation to impose a
42 sanction, the date of the Commission’s written decision.

1
2 (7) "Gaming law" means State Government Article, Title 9, Subtitle 1A, Annotated Code
3 of Maryland.

4
5 (8) "Lottery", "Maryland Lottery", or "State Lottery" means the Agency.

6
7 (9) "Lottery law" means State Government Article, Title 9, Subtitle 1, Annotated Code of
8 Maryland.

9
10 (10) "Person" means:

11
12 (a) An individual, association, corporation, club, trust, estate, society, company, joint
13 stock company, receiver, trustee, assignee, assignor, referee, or any person acting in a fiduciary
14 or representative capacity, whether appointed by a court or otherwise, and any combination of
15 individuals; and

16
17 (b) Department, commission, agency, unit, or instrumentality of a governmental
18 entity.

19
20 (11) "Prize" means:

21 (a) A monetary award;

22 (b) Merchandise; or

23 (c) An experiential award, such as a:

24 (i) Trip; or

25 (ii) Outing; or

26 (iii) Designated activity involving personal participation.

27
28 (12) "Retailer" or "Lottery retailer" means a business or person who has been licensed by
29 the Agency to sell lottery tickets.

30
31 (13) "Submit" means to deliver a document:

32 (a) In a manner that ensures its receipt by the party to whom it is addressed; and

33 (b) Which is considered complete only upon actual receipt by that party.

34
35 (14) "Table games" means:

36 (a) Roulette, baccarat, blackjack, craps, big six wheel, minibaccarat, poker, pai gow

1 poker, and sic bo, or any variation and composites of such games; and

2
3 (b) Gaming tournaments in which players compete against one another in one or more
4 of the games authorized under item (a) of this definition.

5
6 (15) "Ticket" or "lottery ticket" means a ticket sold by a lottery retailer to the general
7 public.

8
9 (16) "Video lottery" means gaming or betting conducted using a video lottery terminal.

10
11 (17) "Video lottery facility" means a facility at which players play video lottery terminals
12 and table games.

13
14 (18) "Video lottery terminal."

15
16 (a) "Video lottery terminal" means:

17 Any machine or other device that, on insertion of a bill, coin, token, voucher,
18 ticket, coupon, or similar item, or on payment of any consideration:

19
20 (i) Is available to play or simulate the play of any game of chance in which the
21 results, including the options available to the player, are randomly determined by the machine or
22 other device; and

23
24 (ii) By the element of chance, may deliver or entitle the player who operates the
25 machine or device to receive cash, premiums, merchandise, tokens, or anything of value, whether
26 the payout is made automatically from the device or in any other manner.

27
28 (b) "Video lottery terminal" includes a machine or device that:

29
30 (i) Does not directly dispense money, tokens, or anything of value to winning
31 players; and

32
33 (ii) Uses an electronic credit system making the deposit of bills, coins, or tokens
34 unnecessary.

35
36 (c) Each single player position or seat available for use by a player is a video lottery
37 terminal.

38 (d) "Video lottery terminal" does not include an authorized electronic gaming device
39 operated by an eligible organization under Criminal Law Article, Title 12, Subtitle 3, Annotated
40 Code of Maryland.

41
42 (19) "Voluntary exclusion program" means the Voluntary Exclusion Program established
43 under Chapter 03 of this subtitle.

(20) "Work day" means when Maryland state government offices are open for business.

.02 Rules of Construction.

A. Gender and Number.

(1) In interpreting and applying this title, the following rules of construction shall apply:

(a) Words denoting one gender include and apply to the other gender as well.

(b) The singular includes the plural and vice versa.

B. Time Computations.

(1) Computation of time after an act, event, or default applies the following rules:

(a) In computing any period of time prescribed by this title, the day of the act, event, or default after which the designated period of time begins to run is not included.

(b) If the period of time allowed is more than 7 days, intermediate Saturdays, Sundays, and legal holidays are counted.

(c) If the period of time allowed is 7 days or less, intermediate Saturdays, Sundays, and legal holidays are not counted.

(d) The last day of the period so computed is included unless it is a Saturday, Sunday, or legal holiday, in which event the period runs until the end of the next day that is a work day.

2. Computation of time before a day, act, or event applies the following rules:

(a) In determining the latest day for performing an act that is required by this title to be performed a prescribed number of days before a certain day, act, or event, all days preceding that day, including intervening Saturdays, Sundays, and legal holidays, are counted in the number of days so prescribed.

(b) The latest day is included in the determination unless it is a Saturday, Sunday, or legal holiday, in which event the latest day is the first preceding day that is a work day.

.03 Lottery and Gaming Control Commission.

A. Definitions.

(1) In this regulation the following terms have the meanings indicated.

(2) Terms Defined.

1 (a) "Gaming activities" means, for purposes of this chapter, any activity lawfully
2 carried out under the gaming law.

3 (b) "Quorum" means a majority of the full authorized membership of the Commission.

4 B. Overview of Commission.

5 (1) The Commission is included in the Agency.

6 (2) The Commission may advise the Director on the administration and operation of the
7 Agency in accordance with the lottery law.

8 (3) With the assistance of the Agency, the Commission shall regulate the operation of video
9 lottery terminals and table games in accordance with the gaming law.

10 C. Operational Procedures.

11 (1) Meetings.

12 (a) The Commission shall:

13 (i) Determine the times and places of its meetings;

14 (ii) Set its procedures for frequency, notice, and conduct of meetings; and

15 (iii) Annually elect a chair from among its members.

16 (b) The Commission may annually elect a vice chair from among its members.

17 (c) No action shall be considered an act of the Commission unless at least four of its
18 members concur.

19 (2) Minutes.

20 (a) The Director is the Secretary of the Commission.

21 (b) The Secretary of the Commission promptly shall send the Governor a certified copy of
22 the minutes of each meeting of the Commission.

23 (c) The minutes shall include a copy of each regulation of the Agency that is adopted by
24 the Commission.

25 D. Powers of Commission.

26 (1) The Commission may:

1 (a) Issue subpoenas to compel attendance of witnesses at any place within the State in the
2 course of any investigation or hearing conducted under the gaming law;

3 (b) Administer oaths and require testimony under oath before the Commission in the
4 course of any investigation or hearing conducted under the gaming law and lottery law;

5 (c) Serve or cause to be served its process or notices in a manner provided for service of
6 process in civil actions under the Maryland Rules; and

7 (d) Propound written interrogatories.

8 **.04 Lottery and Gaming Control Director.**

9 **A. General Duties.**

10 The Director shall:

11 (1) Supervise and administer the operation of the Agency in accordance with the lottery law;

12 (2) Provide assistance to the Commission in the performance of its duties under the provisions
13 of the lottery law and gaming law; and

14 (3) Advise the Commission about any changes needed to improve the operation or
15 administration of the Agency.

16 **B. Powers of Director.**

17 (1) The Director shall authorize the Agency to sell lottery tickets for purposes consistent with
18 the lottery law.

19 (2) The Director may authorize the Agency to sell lottery tickets for a temporary period at any
20 promotional or special event being held in the State if:

21 (a) In the Director's determination, a licensed retailer is not available to conduct the sale;
22 and

23 (b) The person holding the promotional or special event has authorized the Agency to sell
24 Lottery tickets at the event.

25 (3) With the approval of the Commission in compliance with the lottery law and Division II
26 of the State Finance and Procurement Article, Annotated Code of Maryland, the Director may
27 enter into contracts for the:

28 (a) Operation of all or any part of the lottery; and

1 (b) Use of space, for advertising or promotional purposes, on tickets or publications
2 distributed by the Agency, if, in the Director's discretion, the action is fiscally prudent and in the
3 best interest of the lottery.

4 (4) With the approval of the Commission, the Director may:

5 (a) Contract for the promotion of the lottery; and

6 (b) Enter into private sector cooperative marketing project agreements as provided for in
7 State Finance and Procurement Article, §11-203(a)(1)(xvi), Annotated Code of Maryland.

8 (5) With the approval of the Commission and the Legislative Policy Committee, the Director
9 may enter into agreements to operate multijurisdictional lotteries with:

10 (a) Any other political entity outside of the State or outside the United States that
11 operates a lottery; or

12 (b) A private licensee of a state or foreign nation.

13 (6) The Director may:

14 (a) Make determinations on all issues relating to the Agency and all of the Agency's
15 games, promotions, and special activities;

16 (b) Determine that a game ticket is void and if the game ticket shall be paid; and
17

18 (c) Establish and announce special purchase options which reduce the purchase price of a
19 game for a specified period.
20

21 (7) The Director may determine, and change:
22

23 (a) The number of prize categories;
24

25 (b) The allocation of prize money among prizes;
26

27 (c) The price of games;
28

29 (d) The probability or odds of winning a game; and
30

31 (e) Any other aspect of game play, payment, and implementation.
32

33 (8) The Director may:
34

35 (a) Authorize the Agency to substitute a prize of equivalent value or higher for a prize;
36
37 and
38
39

(b) Approve a winner's request to receive a cash equivalent value or other substitute prize for a merchandise or experiential prize.

(9) The Director may determine that a type of ticket shall be cancelled, including an instant ticket, a multi-jurisdictional ticket, and an on-line ticket.

(10) The Director may disqualify a game ticket upon a player's breach of an Agency law or regulation.

(11) Delegation of authority.

(a) The Director may delegate to another individual the performance of any activity, function, or services in connection with the operation of the Lottery.

(b) The delegated activity, function, or service shall constitute a lawful activity, function, or service of the Agency.

.05 Limitations on Lottery and Gaming Play.

A. A lottery ticket may not be purchased by, and a prize may not be paid to:

(1) A Commission member;

(2) An officer or an employee of the Agency; or

(3) An individual who lives in the same principal residence as a Commission member or an officer or employee of the Agency and is the officer's, member's or employee's:

(a) Spouse or domestic partner;

(b) Child;

(c) Sibling; or

(d) Parent or parent-in-law; or

(4) A person whose name appears on the Voluntary Exclusion Program list for exclusion from lottery play.

B. A video lottery terminal or table game licensed by the Commission may not be played, and a jackpot or complimentary service, as those terms are defined in Subtitle 03, may not be accepted, by:

(1) A Commission member;

1 (2) An employee of the Agency; or

2 (3) An individual who lives in the same principal residence as a Commission member or an
3 employee of the Agency and is the member's or employee's:

4 (a) Spouse or domestic partner;

5 (b) Child;

6 (c) Sibling; or

7 (d) Parent or parent-in-law; or

8 (4) A person whose name appears on the Voluntary Exclusion Program list for exclusion
9 from lottery or gaming activities play.

10 **.06 Code of Conduct.**

11 A. Definitions.

12 In this regulation, the following terms have the meanings indicated.

13 B. Terms Defined.

14 (1) "Agency employee" means an employee of the Agency who is designated as a public
15 official under State Government Article, §15-103, Annotated Code of Maryland.

16 (2) "Complaint" means a communication to the Agency or the Commission of a possible
17 violation of this subtitle.

18 (3) "Conflict of interest" means a situation in which a personal interest of a Commission
19 member or an Agency employee presents a potential conflict with the public interest in
20 connection with an anticipated public action or decision.

21 (4) "Ex parte communication" means a direct or indirect communication between a
22 Commission member or Agency employee and another party regarding the merits of an issue in a
23 pending matter, if the communication is made outside the presence of the opposing party.

24 (5) "Recusal" means nonparticipation of a Commission member in a specific matter before
25 the Commission.

26 C. The Director shall establish a code of conduct for members of the Commission and
27 employees of the Agency.

28 D. Recusal of Commission Members.

1 (1) A Commission member shall recuse himself from Commission proceedings in matters
2 in which the member:

3 (a) Has a conflict of interest; or

4 (b) Cannot participate fairly and impartially.

5 (2) Personal familiarity with a party does not, of itself, require recusal of a Commission
6 member.

7 (3) A Commission member may seek advice of the Commission's counsel in determining
8 the need for recusal on a specific matter.

9 (4) The Commission member who is recused from a matter before the Commission may
10 not:

11 (a) Participate in the Commission's discussion or vote on the matter; or

12 (b) Discuss the matter or the Commission's review of the matter with members of the
13 Commission or other individuals.

14 (5) The Commission member who is recused shall physically leave the room during
15 hearings, discussion, or voting on the matter to ensure nonparticipation.

16 (6) The Commission shall document the recusal of the Commission member in the minutes
17 of the Commission meeting.

18 (7) A Commission member against whom a complaint is filed shall follow §D(4) and (5) of
19 this regulation for all discussion and voting concerning the complaint filed against the
20 Commission member.

21 (8) If the Commission determines that there is an additional matter before the Commission
22 which is reasonably related to the complaint filed against the Commission member, the
23 Commission member against whom the complaint is filed shall follow §D of this regulation for
24 the additional matter.

25 (9) If, after investigation of the complaint, the Commission refers the case to the Attorney
26 General's Office, the Commission member shall recuse himself or herself from all Commission
27 activities until the final disposition of the case.

28 E. Agency Employee.

29 (1) An Agency employee may not conduct or participate in an investigation in which the
30 Agency employee has a conflict of interest.

1 (2) In the investigation of a complaint against a member of a Commission, the Commission
2 may consider using an investigator other than the investigator who is regularly assigned to
3 conduct investigations for the Commission.

4 F. Confidentiality.

5 (1) A Commission member or Agency employee may not discuss confidential matters with a
6 person other than:

7 (a) A Commission member;

8 (b) An Agency employee;

9 (c) The Attorney General's Office;

10 (d) A witness; or

11 (e) Another person authorized by law to be involved in the case.

12 (2) In the case of an ex parte communication, the Commission member shall follow the
13 provisions of State Government Article, §10-219, Annotated Code of Maryland.