# Title 36 MARYLAND STATE LOTTERY AND GAMING CONTROL AGENCY

## Subtitle 02 LOTTERY PROVISIONS

### Chapter 06 Claims Procedures

#### Authority: State Government Article, §§9-101, 9-109—9-111, 9-113, and 9-122—9-124, Annotated Code of Maryland

### .01 Definitions.

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

B. Terms Defined.

(1) “Agency claim center” means the Agency headquarters or a designated Agency customer resource center where the holder of a winning ticket may submit a claim for a prize.

(2) “Authorized claiming location” means:

(a) A retailer; and

(b) An Agency claim center.

(3) “Claim” means a request for payment of a prize.

(4) “Claimant” means a person who submits a winning ticket for payment of a prize.

(5) “Perfect” means to take all steps needed to complete a valid claim for an Agency prize.

~~(6) “State obligation” means moneys due and certified to the Agency pursuant to:~~

~~(a) Criminal Procedure Article, §11-616(b), Annotated Code of Maryland;~~

~~(b) Family Law Article, §10-113.1(a), Annotated Code of Maryland; or~~

~~(c) State Finance and Procurement Article, §3-307, Annotated Code of Maryland.~~

### .02 Ownership of Lottery Tickets.

A. The Agency owns a ticket that is unsold, cancelled, or validated.

B. A validly purchased lottery ticket is:

(1) Owned by the person who signed the ticket in the area designated for winner’s signature; or

(2) If the ticket is unsigned:

(a) A bearer instrument; and

(b) Owned by the person having physical possession of the ticket.

C. When one or more names are placed on the back of the ticket in the area designated for winner’s signature, each person whose name appears in that area shall:

(1) Own the ticket; and

(2) If each person satisfies the requirements of Regulation .05 of this chapter, be entitled to a portion of a prize attributable to the ticket.

### .03 Official Winning Numbers.

A. The Agency is the only source for the official winning numbers for a lottery game.

B. For a drawing, the only official winning numbers shall be the numbers randomly selected by the Agency or, for a multi-jurisdictional game, by the procedure set out in that game’s rules.

C. The Agency shall issue a statement of the winning number or numbers as soon as practicable after each drawing.

### .04 Prize Claiming Locations.

A. A holder of a winning ticket may claim a prize for a winning ticket:

(1) For a prize up to and including $600 at:

(a) A retailer; or

(b) An Agency claim center;

(2) For a prize up to and including $5,000, at:

(a) A participating retailer under the Expanded Cashing Authority Program under COMAR 36.02.03.06; or

(b) An Agency claim center; ~~and~~

(3) For a prize over $5,000 up to and including $25,000, at an Agency claim center; and

(4) For a prize over $25,000, at Agency headquarters.

B. Subscription Winner.

(1) ~~A subscription winner shall receive in the mail the prize payment or a claim form as determined by the Agency~~**The Agency may decide whether to pay a subscription winner by check or to require a claim form to be submitted**.

(2) **The claim form may be sent by mail or e-mail, as determined by the Agency.**

**(3)** A payment for a subscription winner may be made by mail or at Agency headquarters.

### .05 Documents Required for Prize Payment.

A. To perfect a claim and receive payment of an Agency prize, a winner shall meet all requirements in this subtitle for claiming.

B. ~~For all prizes~~**To claim a prize**, a winner shall submit:

(1) **For other than subscription winners, the** actual original ticket, which shall:

(a) Meet the validation requirements of this subtitle; and

(b) Be signed by all winners; and

(2) If requested, photo identification proof that the winner is at least 18 years old.

C. For a prize claimed at an Agency claim center and for any prize over $600 claimed at a retailer, in addition to the documents required under §B of this regulation, a winner shall submit **a fully completed and signed claim form and sufficient information to identify the claimant, such as**:

~~(1)~~ ~~A fully completed and signed claim form~~;

~~(2)~~**(1)** The winner’s Social Security number;

~~(3)~~**(2)** Proof of the winner’s Social Security number; and

~~(4)~~**(3)** Photo identification proof that the winner is at least 18 years old.

D. If a prize is to be split among multiple winners, each claimant shall provide the documents required in §§B and C of this regulation.

### .06 Procedure for Authorized Claiming Locations.

A. An authorized claiming location shall provide, free of charge:

(1) The most current winning numbers; and

(2) A claim form.

B. An Agency claim center shall also provide winning numbers for prior weeks.

C. When a claim is submitted, an authorized claiming location shall review **and verify**:

(1) The ticket submitted for prize payment;

(2) The documents required for prize payment under Regulation .05 of this chapter;

(3) If a claim form is required, the claim form; **and**

(4) If the **authorized** claiming location is a participating retailer under the expanded cashing authority program ~~location~~ or an Agency claim center, **the lottery terminal screen will indicate** whether the winner owes a State obligation **or** **whether the winner is prohibited by COMAR 36.01.01.05D.**~~; and~~

~~(5) If the~~ **~~authorized~~** ~~claiming location is an Agency claim center, whether the winner is prohibited by COMAR 36.01.01.05~~**~~A – C~~** ~~from being paid a prize.~~

D. If the winner owes a State obligation:

(1) A retailer shall tell the winner to go to an Agency claim center to complete the validation process;

(2) For a cash prize, if all other requirements of this subtitle are satisfied, an Agency claim center shall:

(a) Withhold an amount equal to all State obligations from the cash prize and apply it to the State obligations; and

(b) Pay any remaining amount of the prize to the winner as provided in §F(3) of this regulation; and

(3) For a merchandise or experiential prize, if all other requirements of this subtitle are satisfied, an Agency claim center shall:

(a) Require the winner to pay all State obligations before the prize may be awarded;

(b) Apply to the State obligations any cash portion of a prize awarded to the winner; and

(c) If the winner does not pay all State obligations within 5 ~~business~~ **work** days of claiming the prize, disqualify the winner and deem the claim invalidated.

E. An authorized claiming location shall determine whether the winning ticket and, if required, the claim form, are:

(1) In proper form;

(2) Fully filled out;

(3) Submitted within the appropriate period; and

(4) Signed by the proper claimant.

F. An authorized claiming location may pay a prize or a portion of a prize after it determines that:

(1) The winner, ticket, and any required claim form meet the requirements of this chapter;

(2) All required documents have been properly completed and submitted; and

(3) No State obligation is due or unpaid.

G. An authorized claiming location shall:

(1) Retain the original of any required claim form submitted;

(2) Give a copy of the claim form to the claimant as a receipt;

(3) Collect from the winner the ticket being claimed; and

(4) Submit the claim form to the Agency within 10 workdays of paying the prize.

H. An authorized claiming location shall:

(1) Provide prize payment consistent with this section;

(2) If a retailer, pay the winner by coin, currency, or check the amount of a prize up to the amount authorized, as determined by the Agency; and

(3) If an Agency claim center:

(a) Pay the winner, by check, the amount of a prize up to the amount authorized, as determined by the Agency; or

(b) Provide for payment by the Comptroller of Maryland or other appropriate office.

I. If an individual who submits a winning ticket is included on the voluntary exclusion list maintained under COMAR 36.01.03.04, the Agency shall:

(1) Use any prize winnings to pay any State obligation; and

(2) Pay the remainder of the prize to the unclaimed prize fund under COMAR 36.02**.**07.

### .07 Ticket Validation — All Tickets.

A. For a winning ticket submitted to any authorized claiming location to be validated, all of the conditions of this regulation shall be met.

B. The player shall abide by and follow all regulations in this subtitle pertaining to game tickets.

C. The ticket:

(1) Shall be intact;

(2) Shall be properly registered and printed clearly so the Agency can effectively process the game ticket;

(3) Shall be signed by the owner of the ticket;

(4) May not have been previously paid or cancelled;

(5) May not have been previously submitted for cashing or claiming, unless the previous submission:

(a) Used the same Social Security number;

(b) Was at a retailer location; and

(c) Resulted in a terminal message directing that the ticket be submitted at an Agency claim center;

(6) Shall contain no:

(a) Mutilation;

(b) Alteration;

(c) Reconstruction;

(d) Counterfeiting;

(e) Duplication; or

(f) Tampering in any manner; and

(7) Shall pass all other confidential security checks of the Agency.

### .08 Ticket Validation —~~On-Line~~ Draw Tickets.

A. In addition to the requirements of Regulation .07 of this chapter, for a winning ~~on-line~~ **draw** ticket submitted to the Agency to be validated, the ~~on-line~~ **draw** ticket shall satisfy all of the conditions of this regulation.

B. ~~An~~ ~~on-line~~ **A draw** game ticket with that exact date and ticket data may not have been previously paid.

C. The ~~on-line~~ **draw** ticket shall have been:

(1) Sold for the specific drawing;

(2) Sold in the designated period prior to the specific drawing; and

(3) Generated:

(a) From an Agency ticket terminal **or PAT**; and

(b) By the Agency through a licensed retailer **or as a subscription entry**.

D. The ~~on-line~~ **draw** ticket validation number shall:

(1) Be submitted in its entirety; and

(2) Correspond, using the computer validation file, to the:

(a) Selected playable numbers; and

(b) Date or date range printed on the game ticket.

E. The ticket data on the ~~on-line~~ **draw** ticket shall:

(1) Be recorded in the Agency’s central computer system before the drawing; and

(2) Match the computer record in every respect.

F. The official file of winning ~~on-line~~ **draw** tickets shall match the information that appears on the winning ~~on-line~~ **draw** ticket, including the:

(1) Playable numbers;

(2) Validation number data; and

(3) Date of the drawing.

### .09 Ticket Validation — Instant Tickets.

In addition to the requirements of Regulation .07 of this chapter, for a winning instant ticket submitted to the Agency to be validated, the instant ticket’s validation number shall match in its entirety and shall correspond to the information stored on magnetic tape or disk in the Agency’s host computer system.

### .10 Invalid or Defective Game Tickets.

A. A game ticket that does not pass the validation requirements of this chapter is void and the prize may not be paid.

B. If a ticket cannot be validated:

(1) The claim shall be denied;

(2) The prize may not be paid; and

(3) The Agency shall promptly notify the claimant.

C. If a player purchased a defective game ticket and the Director decides to make an adjustment, the sole remedy shall be replacement of the defective game ticket with a current game ticket of equivalent sales price from the same game type.

### .11 Payment of a Lottery Prize.

A. All Tickets and Subscriptions.

(1) A player shall abide by and follow all regulations pertaining to a game and a ticket.

(2) If all requirements of this subtitle are met, upon successful completion of the ticket validation process and the claiming and perfecting process, the winner shall be paid the prize.

(3) Person to Be Paid.

(a) As long as the requirements of all other regulations in this subtitle are met, regardless of the name submitted on a claim form, the Agency shall pay the name appearing in the designated space on the back of the ticket or the name in which a subscription is held **or, in the case of a group subscription, the Agency may pay the group manager**.

(b) The Agency may require that a claim form be submitted by and in the name of the person appearing on the back of the ticket or in which the subscription is held.

(4) If there is a conflict between the information on the claim form and information on any other document, the Agency may rely on the claim form after the ticket or subscription for which the claim form was submitted to the Agency has been validated as a winning ticket or subscription.

B. ~~On-line~~ **Draw** Game Ticket. The owner of a winning ~~on-line~~ **draw** game ticket:

(1) Shall win as specified in the consumer game information for that game; and

(2) Shall be paid the appropriate amount won.

C. Instant Game Ticket. The owner of a winning instant game ticket:

(1) Shall win as specified in the game rules printed on the instant ticket; and

(2) Shall be paid the appropriate amount won.

D. Subscription Prizes.

(1) As determined by the Agency for subscription prize winnings, the Agency may:

(a) Accumulate the prize winnings **up to an amount determined by the Director** and pay them within a reasonable time after **such amount is accumulated or** the end of the subscription period after all claims on the subscription are validated;

(b) Send certain prize amounts without requiring the winner to submit a claim form;

(c) Require certain documentation to pay a prize;

(d) Send certain prize amounts only after the winner submits a claim form and certain documentation; and

(e) Pay a prize under a minimal amount by check or in another manner.

(2) For a subscription prize payment that is sent to a winner, the Agency or the Comptroller of Maryland shall send payment within a reasonable time after:

(a) A claim on the subscription is validated; or

(b) All claims on the subscription are validated.

(3) Jackpot Prize Winner on a Subscription.

(a) A player who wins a jackpot on a subscription shall complete a claim form at the Agency’s Headquarters and complete the claiming process as required by the Agency.

(b) The Agency shall forward **a payment request**~~the completed~~ **~~claim~~** ~~forms~~ to the Comptroller of Maryland for payment.

**(4) Any member of the Group who is not eligible to purchase a lottery ticket from the Agency forfeits the right to any portion of the prize won by the group, and the ineligible group member’s portion of that prize shall be paid to the unclaimed prize fund.**

### .12 Prizes.

A. Pari-Mutuel Prizes.

(1) As determined by the Director, a prize may be paid on a pari-mutuel basis if certain levels of prize liability are reached.

(2) As determined by the Director, a prize may be paid on a pari-mutuel basis within one prize level, or across designated prize levels.

B. Jackpot ~~On-Line~~ **Draw** Game Prizes.

(1) In a jackpot **draw**~~on-line~~ game drawing, if no winning game ticket qualifies for the first prize category, the amount, portion, or percentage allocated for the first prize that is to be added to the next jackpot shall be determined by the Director.

(2) Prize money allocated to a jackpot game’s first prize category shall be divided equally by the number of purchased game plays winning a first prize.

(3) Prize money allocated to, or prize amounts determined for, all other prize categories shall be determined by the Director.

C. The probability or odds of winning governs the determination of prize winners and prizes paid.

### .13 Discharge of Agency upon Payment.

A. Definition.

(1) In this regulation, the following term has the meaning indicated.

(2) Term Defined. “The State” means the State of Maryland, the Agency, and the Commission and their agents, officers, officials, employees, and representatives.

B. The State shall be discharged from all liability, including all liability for the payment of a prize, and any further liability for payment of the prize, upon payment of a prize or any installment of the prize, including payment to a winner who is a minor, a disabled person, or deceased.

C. The discharge of liability under this regulation applies to the holder of a winning lottery ticket or subscription paid in accordance with:

(1) The information set forth on the ticket or subscription’s claim form;

(2) An order from a court of competent jurisdiction; or

(3) This chapter.

### .14 Time of Payment.

A. The Director may delay payment of a prize if a question arises regarding a purchaser, claimant, claim, ticket, prize, any other matter, or a change of circumstances regarding any of them.

B. The Director may petition a court of competent jurisdiction for instructions and resolution of such a controversy.

C. Unless the Director delays payment of a prize under §A of this regulation, the Agency shall pay a prize within a reasonable time after the claim is submitted, validated, and perfected.

D. If a prize requires annual installment payments:

(1) The date of the first installment payment shall be within a reasonable time after:

(a) The prize is determined; and

(b) The claim is submitted to the Agency, validated, and perfected; and

(2) Subsequent annual installments shall be made approximately on the date the Agency assigns to the winner in accordance with the type of prize awarded.

E. All delayed payments shall:

(1) Be brought up to date immediately upon the Director's confirmation of the validity of the claim; and

(2) If an annuity, continue to be paid on each original anniversary date and thereafter for the annuity period.

### .15 Claims on Behalf of a Minor.

A. Definitions.

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

(2) Terms Defined.

(a) “Adult” has the meaning stated in Estates and Trusts Article, §13-301, Annotated Code of Maryland.

(b) “Conservator” has the meaning stated in Estates and Trusts Article, §13-301, Annotated Code of Maryland.

(c) “Financial institution” has the meaning stated in Estates and Trusts Article, §13-301, Annotated Code of Maryland.

(d) “Guardian” has the meaning stated in Estates and Trusts Article, §13-101, Annotated Code of Maryland.

(e) “Member of the minor's family” has the meaning stated in Estates and Trusts Article, §13-301, Annotated Code of Maryland.

(f) “Minor” has the meaning stated in Estates and Trusts Article, §13-101, Annotated Code of Maryland.

B. Claims Submitted.

(1) If a winning ticket owner is a minor, a guardian, conservator, parent, adult member of the minor’s family, or other proper representative shall complete the claim form for the minor.

(2) If the Director determines that the person who completed the claim form on behalf of the minor who is a winner is not the proper person to claim the prize on the minor’s behalf, the Director may:

(a) Require a person who the Director determines is a proper person to claim the minor’s prize on the minor’s behalf to complete a new claim form; and

(b) Determine the appropriate information to be included on the claim form to protect the Agency and the public interest.

(3) If the individual entitled to a prize is a minor and the prize is $5,000 or less, the Director may pay the prize by a check or draft made payable to the order of the minor and delivered to:

(a) An adult member of the minor's family; or

(b) A conservator or guardian of the minor's property.

(4) If the individual entitled to a prize is a minor and the prize is more than $5,000, the Director may pay the prize by depositing the amount of the prize in any financial institution to the credit of either of the following as custodian for the minor:

(a) An adult member of the minor's family; or

(b) A conservator or guardian of the minor's property.

(5) The Director may petition a court of competent jurisdiction to request a determination for the payment of any prize ~~which~~ **that** is, or may become, due to a minor.

(6) If a court of competent jurisdiction orders that payments due and to become due from the Agency to a minor be paid directly to a specified person, the Agency shall pay the prize according to the order of that court.

### .16 Claims on Behalf of an Entity.

A. This regulation applies where a prize is won by an entity other than an individual or group of individuals.

B. When the name of an entity is entered on a ticket back as the prize winner, for the entity to be paid the prize, the provisions of this regulation shall apply.

C. If the entity is formed in Maryland and is a type of entity required to file documents with the Maryland State Department of Assessments and Taxation, the entity shall be in good standing with that Department.

D. As part of the documents to be submitted to the Agency at claiming, the entity shall submit a valid copy of all formation documents, even if they are not required to be filed with the Maryland State Department of Assessments and Taxation.

E. Required formation documents include articles of incorporation, trust terms, partnership agreement, completed IRS Form SS-4 and other documents providing the EIN number, certificates issued by the Secretary of State, and authority given to an individual acting on behalf of the entity.

F. The name of the entity shall be identical to the name of the entity as noted in the legal documents, including terms such as “the”, “and”, and “&”.

G. The name and signature of the authorized representative shall be identical to the name noted in the legal documents.

H. The entity shall submit to the Agency a copy of all documents indicating that the individual completing the claim form has the authority to collect the prize on behalf of and as the representative of the entity, including:

(1) Minutes of a corporation authorizing a named individual to submit the ticket and collect the prize on behalf of the corporation; or

(2) Authority or affidavit of the trust.

I. The name and signature of the authorized representative shall be identical to the name noted in the legal documents.

J. The individual who submits the documentation shall submit proof that the individual is the individual authorized by the entity to collect the prize on behalf of the entity.

K. The signature of an entity shall consist of the name of the entity followed by the name of the individual authorized representative, and the representative’s capacity, which shall be similar to the way it is set out in the authority provision in the legal documents.

L. The individual who signs on behalf of an entity shall submit an affidavit that each owner and each beneficiary of the entity is not a person prohibited by COMAR 36.01.01.05 from being paid a prize.

M. If the Director determines that the individual who completed the claim form on behalf of the entity that is a winner is not the proper individual to claim the prize on the entity’s behalf, the Director may:

(1) Require an individual who the Director determines is a proper individual to claim the entity’s prize on the entity’s behalf to complete a new claim form; and

(2) Determine the appropriate information to be included on the claim form to protect the Agency and the public interest.

N. The Director may rely wholly on:

(1) A certified copy submitted to the Agency of a court of competent jurisdiction's appointment of an individual representative for the entity; or

(2) Any other evidence that an individual is entitled to the payment of prize on behalf of the entity.

O. The Director may petition a court of competent jurisdiction to request a determination about the payment of any prize which is or may become due to an entity.

P. If a court of competent jurisdiction orders that a prize due and to become due from the Agency to an entity be paid directly to a specified individual, the Agency shall pay the prize according to the order of the court.

Q. The entity shall be taxed at the highest withholding tax rate allowable.

R. The Agency shall put into its system the entity’s taxpayer identification number to determine if the entity owes any State obligation.

S. If the entity owes a State obligation, the amount of the State obligation shall be withheld from the prize.

T. For prizes over $25,000 the Agency shall submit all documentation to the Comptroller of Maryland for processing.

U. Documents Submitted to the Agency.

(1) The Agency shall retain a copy of all documents submitted to the Agency by the entity and the entity’s representative.

(2) A document submitted by the entity or the entity’s representative is considered a public record.

### .17 Payments to Disabled Persons.

A. Definitions.

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

(2) Terms Defined.

(a) “Conservator” has the meaning stated in Estates and Trusts Article, §13-301, Annotated Code of Maryland.

(b) “Disabled person” has the meaning stated in Estates and Trusts Article, §13-101, Annotated Code of Maryland.

(c) “Guardian” has the meaning stated in Estates and Trusts Article, §13-101, Annotated Code of Maryland.

B. If a prize winner is a disabled person, a guardian, conservator, parent, adult member of the person’s household, or other proper representative shall complete the claim form for the disabled person.

C. If the Director determines that the individual who completed the claim form on behalf of the disabled person is not the proper person to claim the prize on the disabled person’s behalf, the Director may:

(1) Require a new claim form to be completed by a person the Director determines is a proper person to claim the disabled person’s prize on the disabled person’s behalf; and

(2) Determine the appropriate information to be included on the claim form to protect the Agency and the public interest.

D. The Director may require the individual who signs the claim form on behalf of a disabled person to submit an affidavit that the disabled person is not a person prohibited by COMAR 36.01.01.05 from being paid a prize.

E. The Director may rely wholly on:

(1) A certified copy submitted to the Agency of a court of competent jurisdiction's appointment of a guardian or conservator of the disabled person; or

(2) Any other evidence that a person is entitled to the payment of a prize on behalf of the disabled person.

F. The Director may petition a court of competent jurisdiction to request a determination for the payment of any prize which is, or may become, due to a winner who is a disabled person.

G. If a court of competent jurisdiction orders that payments due or to become due to a winner who is a disabled person be paid to a specified person, the Agency shall pay the prize according to the order of the court.

H. Unless permitted by federal law and authorized by the Director, the Agency may not accelerate the payment of a prize beyond its normal dates of payment to a winner who is a disabled person.

### .18 Prizes Payable After Owner’s Death.

A. This regulation applies when a prize or portion of a prize is payable after a prize winner has died.

B. A prize or a portion of a prize which remains unpaid at the time of a prize winner's death shall be payable to:

(1) The beneficiary designated on the deceased winner's claim form; or

(2) If no beneficiary was designated on the deceased winner’s claim form, the winner’s estate or the duly qualified personal representative of the winner's estate.

C. The Director may rely wholly on:

(1) A certified copy submitted to the Agency of a court of competent jurisdiction's appointment of a personal representative for the deceased winner’s estate; or

(2) Any other evidence that a person is entitled to the payment of a prize on behalf of the deceased person.

D. The Director may require the individual who signs on behalf of a deceased winner to submit an affidavit that the deceased prize winner was not prohibited by COMAR 36.01.01.05 from being paid a prize.

E. The Director may petition a court of competent jurisdiction to request a determination for the payment of any prize which is or may become due to a deceased winner.

F. If a court of competent jurisdiction directs that a prize due and to become due from the Agency to a deceased winner be paid directly to a specified person, the Agency shall pay the prize according to the order of the court.

G. Unless permitted by federal law and authorized by the Director, the Agency may not accelerate the payment of a prize beyond its normal dates of payment after a winner’s death.

H. The person to receive payment on behalf of the deceased person shall submit to the Agency **a complete and notarized change of beneficiary form and sufficient information to identify the claimant, such as**:

~~(1)~~ ~~A complete and notarized change of beneficiary form~~;

~~(2)~~**(1)** The person’s Social Security number; and

~~(3)~~**(2)** Proof of the Social Security number.

I. Payments due under this regulation shall begin once the Director is satisfied that the payment is lawful and proper.