

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.

21 C. If a personal check is accepted in an amount less than or equal to the amount of a counter
22 check being partially or fully redeemed, the ~~\$10,000~~ **\$15,000** limitation on acceptance of
23 personal checks in Regulation .20F(2) of this chapter does not apply.

For June 28, 2018 Commission.

The proposed amendment to §C reflects the proposed amendment to COMAR 36.03.10.20 to increase the check cashing limit to \$15,000. The proposed amendment to §G provides the facility operators with the flexibility to apply payments mailed by players to markers with earlier redemption dates.

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1 D. A player who has issued a replacement check to a facility operator may present another
2 replacement check in a substitution, consolidation, or partial redemption transaction involving
3 the original replacement check.

4 E. A replacement check accepted by a facility operator in a substitution, consolidation, or
5 partial redemption transaction shall be:

6 (1) Dated with the date of the initial counter check being substituted, consolidated, or
7 partially redeemed; or

8 (2) If the check is subject to Commission-approved internal controls which ensure that the
9 date of the initial counter check being substituted, consolidated, or partially redeemed is used to
10 determine the date on which the replacement check is deposited under Regulation .29 of this
11 chapter, currently dated.

12 F. A facility operator may not accept a replacement check in substitution, consolidation, or
13 partial redemption for the purpose of avoiding or delaying the deposit requirements for a counter
14 check or replacement check under Regulation .29 of this chapter.

15 G. If a player has more than one counter check or replacement check which has not been
16 deposited, the most recently dated check shall be redeemed first, except that:

17 (1) If more than one check bears the same date, the player may choose the order in which to
18 redeem the checks; ~~and~~

19 (2) If, pursuant to Commission-approved internal controls, a facility operator does not
20 require a replacement check used in a substitution, consolidation, or partial redemption
21 transaction to be dated with the date of the initial counter check being substituted, consolidated,
22 or partially redeemed, then the date of the initial counter check and not the date of the
23 replacement check shall be used to determine the order in which outstanding checks are
24 redeemed; and

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

For June 28, 2018 Commission.

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

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

5 (2) By mail; or

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

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

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For June 28, 2018 Commission.

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