

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

8 M.R.S.A. § 361  
8 M.R.S.A. § 366  
Lottery: Unclaimed Prize Money  
STATE OF MAINE

Inter-Departmental Memorandum Date August 25, 1977

To Richard Besson, Business Manager

Dept. Lottery Commission

From Phillip M. Kilmister, Assistant

Dept. Attorney General

Subject Unclaimed prize money

In your memorandum under date of August 15, 1977 addressed to this Office, you inquire as to whether or not the provisions of 8 M.R.S.A. § 361 and 8 M.R.S.A. § 366, subsec. (2) are contradictory?

Please be advised that I can discern no conflict between the above-designated statutory provisions and the two statutory sections appear to complement, rather than contradict one another.

By the enactment of 8 M.R.S.A. § 361, the Legislature has clearly set forth the precise manner of disposition of unclaimed prize money as follows:

"Unclaimed prize money for the prize on a winning ticket or share shall be retained by the director for the person entitled thereto for one year after the drawing in which the prize was won. If no claim is made for said money within such year, the prize money shall be reallocated as prizes in the form of special promotions." (emphasis supplied)


Other states which operate lotteries have similar statutory provisions relating to the disposition of unclaimed prize money, although most statutes earmark an escheat or turn-over of lapsed prize money directly to the state treasury upon termination of a specific length of time, general a year.

The terms of 8 M.R.S.A. § 361 cannot be reasonably construed to allow for utilization by the Lottery Commission as "reasonable costs" of administration of the Lottery or for a turn-over of funds to the state treasury, absent future express amendment of the existing statutory language.

The pertinent language of 8 M.R.S.A. § 366 reads as follows:

"2. Apportionment. The moneys in said State Lottery Fund shall be apportioned so that not less than 45% of the total ticket sales received in the lottery will be disbursed as prizes to holders of winning tickets. All other moneys, less reasonable costs for the proper administration of the State Lottery, will be the state's share."

I am acutely aware of the fact that the legal settlement of the Incredible Instant Game did not result in the profit margin accruing to the Commission as provided for by the original contractual provisions governing the conduct of said game. The over-redemption of prize money which resulted in a diminution of profit margin in the Incredible Instant Game does not formulate a basis for the diversion of unclaimed prize money as a means of increasing the profit margin of said Game, however. The statutory language delineating reallocation of unclaimed prize money "in the form of special promotions" does not allow for such a disposition of funds.

  
PHILLIP M. KILMISTER  
Assistant Attorney General

PMK:jg