

HOUSE BILL 907

C7, D4

4lr0497

By: **Delegates Olszewski, Barkley, Bohanan, DeBoy, Elliott, Guzzone, Kach, Kaiser, Krebs, Lafferty, Luedtke, McComas, McMillan, Mitchell, Morhaim, Murphy, Schulz, Simmons, Sophocleus, Stocksdale, and Wilson**

Introduced and read first time: February 5, 2014

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Video Lottery Facility Payouts – Intercepts for Child Support Payments**

3 FOR the purpose of requiring a video lottery operation licensee to submit certain
4 information to the Child Support Enforcement Administration about an
5 individual at a video lottery facility who is declared a winner of a certain prize;
6 requiring the Administration to determine whether the individual is in arrears
7 of child support payments by determining whether the individual is listed in a
8 certain registry; specifying certain circumstances under which a video lottery
9 operation licensee may pay winnings to an individual; requiring the
10 Administration to inform the licensee and the licensee to deduct a certain
11 amount from a prize if an individual is found to be in arrears of child support
12 payments; requiring the licensee to forward the deduction to the Administration
13 and to pay to the individual the portion of the prize that remains; specifying the
14 amount of a certain administrative fee and the manner in which proceeds from
15 the administrative fee are to be distributed; requiring the creation and
16 maintenance of a child support registry by the Administration or a certain
17 private entity; requiring the Administration to enter certain information in the
18 registry; requiring the Governor to include in a certain budget bill a certain
19 appropriation to create and administer the registry; authorizing the State
20 Lottery and Gaming Control Commission to impose a certain penalty; specifying
21 that a video lottery operation licensee is not liable under certain circumstances
22 to an individual to whom child support is owed; requiring the Administration to
23 report to the General Assembly on or before a certain date; requiring the State
24 Lottery and Gaming Control Commission and the Department of Human
25 Resources to adopt certain regulations; defining a certain term; and generally
26 relating to video lottery facility payouts and child support payments.

27 BY adding to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – State Government
2 Section 9–1A–02.1
3 Annotated Code of Maryland
4 (2009 Replacement Volume and 2013 Supplement)

5 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
6 MARYLAND, That the Laws of Maryland read as follows:

7 **Article – State Government**

8 **9–1A–02.1.**

9 (A) IN THIS SECTION, “ADMINISTRATION” MEANS THE CHILD SUPPORT
10 ENFORCEMENT ADMINISTRATION OF THE DEPARTMENT OF HUMAN
11 RESOURCES.

12 (B) AFTER AN INDIVIDUAL IS DECLARED THE WINNER OF A PRIZE AT A
13 VIDEO LOTTERY FACILITY REQUIRING THE ISSUANCE OF INTERNAL REVENUE
14 SERVICE FORM W–2G OR A SUBSTANTIALLY EQUIVALENT FORM, A VIDEO
15 LOTTERY OPERATION LICENSEE SHALL SUBMIT THE NAME, ADDRESS, AND
16 SOCIAL SECURITY NUMBER OF THE INDIVIDUAL TO THE ADMINISTRATION.

17 (C) THE ADMINISTRATION SHALL DETERMINE WHETHER THE
18 INDIVIDUAL IS IN ARREARS OF CHILD SUPPORT PAYMENTS BY DETERMINING
19 WHETHER THE INDIVIDUAL IS LISTED IN THE REGISTRY ESTABLISHED UNDER
20 SUBSECTION (G) OF THIS SECTION.

21 (D) A VIDEO LOTTERY OPERATION LICENSEE MAY PAY WINNINGS TO AN
22 INDIVIDUAL ONLY IF:

23 (1) THE ADMINISTRATION INFORMS THE LICENSEE THAT THE
24 INDIVIDUAL IS NOT IN ARREARS OF CHILD SUPPORT PAYMENTS; OR

25 (2) THE LICENSEE IS UNABLE TO RECEIVE INFORMATION FROM
26 THE ADMINISTRATION AFTER ATTEMPTING IN GOOD FAITH TO DO SO.

27 (E) (1) IF THE ADMINISTRATION DETERMINES THAT AN INDIVIDUAL
28 IS IN ARREARS OF CHILD SUPPORT PAYMENTS:

29 (I) THE ADMINISTRATION SHALL INFORM THE LICENSEE
30 OF THE AMOUNT OF ARREARAGE; AND

31 (II) THE LICENSEE SHALL DEDUCT FROM THE PRIZE AN
32 AMOUNT SUFFICIENT TO:

1 1. **SATISFY THE CHILD SUPPORT ARREARAGE; AND**

2 2. **SUBJECT TO SUBSECTION (F) OF THIS SECTION,**
3 **PAY AN ADMINISTRATIVE FEE TO COVER THE COST OF SATISFYING THE**
4 **ARREARAGE.**

5 **(2) THE LICENSEE SHALL FORWARD TO THE ADMINISTRATION**
6 **THE AMOUNT DEDUCTED UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION AND**
7 **PAY TO THE INDIVIDUAL THE PORTION OF THE PRIZE THAT REMAINS.**

8 **(F) (1) THE ADMINISTRATIVE FEE:**

9 **(I) SHALL BE DETERMINED BY THE ADMINISTRATION; BUT**

10 **(II) MAY NOT EXCEED 5% OF THE ARREARAGE TO BE**
11 **DEDUCTED.**

12 **(2) PROCEEDS FROM THE ADMINISTRATIVE FEE SHALL BE**
13 **DISTRIBUTED EQUALLY BETWEEN THE ADMINISTRATION AND THE VIDEO**
14 **LOTTERY FACILITY WHERE THE INDIVIDUAL WAS DECLARED A WINNER.**

15 **(G) (1) A CHILD SUPPORT REGISTRY SHALL BE CREATED AND**
16 **MAINTAINED BY THE ADMINISTRATION OR A PRIVATE ENTITY WITH WHICH THE**
17 **ADMINISTRATION CONTRACTS.**

18 **(2) THE ADMINISTRATION SHALL ENTER IN THE REGISTRY:**

19 **(I) THE NAME AND SOCIAL SECURITY NUMBER OF EACH**
20 **INDIVIDUAL WHO IS IN ARREARS OF CHILD SUPPORT PAYMENTS;**

21 **(II) THE ACCOUNT OR CASE IDENTIFIER ASSIGNED TO THE**
22 **ARREARAGE BY THE GOVERNMENTAL UNIT THAT CERTIFIED THE INFORMATION**
23 **TO THE ADMINISTRATION;**

24 **(III) THE NAME, TELEPHONE NUMBER, AND ADDRESS OF THE**
25 **GOVERNMENTAL UNIT THAT CERTIFIED THE INFORMATION TO THE**
26 **ADMINISTRATION REGARDING EACH INDIVIDUAL WITH AN ARREARAGE; AND**

27 **(IV) THE AMOUNT OF THE ARREARAGE.**

1 **(3) FOR FISCAL YEAR 2016, THE GOVERNOR SHALL INCLUDE IN**
2 **THE BUDGET BILL AN APPROPRIATION OF AT LEAST \$350,000 TO CREATE AND**
3 **ADMINISTER THE CHILD SUPPORT REGISTRY.**

4 **(H) (1) THE COMMISSION MAY IMPOSE A PENALTY NOT EXCEEDING**
5 **\$5,000 ON A LICENSEE FOUND TO HAVE FAILED TO COMPLY WITH THIS SECTION.**

6 **(2) EACH INSTANCE OF NONCOMPLIANCE SHALL BE CONSIDERED**
7 **A SEPARATE VIOLATION.**

8 **(3) A VIDEO LOTTERY OPERATION LICENSEE THAT MAKES A**
9 **PAYMENT IN VIOLATION OF THIS SECTION IS NOT LIABLE TO THE INDIVIDUAL**
10 **TO WHOM CHILD SUPPORT IS OWED.**

11 **(I) ON OR BEFORE MARCH 31 OF EACH YEAR, THE ADMINISTRATION**
12 **SHALL REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1246**
13 **OF THIS ARTICLE, ON THE AMOUNT OF MONEY COLLECTED UNDER THIS**
14 **SECTION DURING THE PREVIOUS CALENDAR YEAR.**

15 **(J) THE COMMISSION AND THE DEPARTMENT OF HUMAN RESOURCES**
16 **SHALL ADOPT REGULATIONS TO CARRY OUT THIS SECTION.**

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 October 1, 2014.