

# SENATE BILL 372

E2, C6

(6lr1174)

## ENROLLED BILL

— Finance/Ways and Means —

Introduced by **Senators Peters, Currie, and McFadden**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 ~~Horse Racing – Track Winnings – Intercepts for Restitution and Child Support~~  
3 ~~Payments~~

4 ~~Task Force to Study~~ Study of Intercepting Horse Racing Winnings for Child  
5 Support and Restitution

6 ~~FOR the purpose of authorizing the Central Collection Unit and Child Support~~  
7 ~~Enforcement Administration to certify to the State Racing Commission or a licensee~~  
8 ~~of the Commission that an obligor is in arrears on certain restitution or child support~~  
9 ~~payments; requiring the certification to contain certain information; requiring a~~  
10 ~~licensee to provide an obligor who wins a certain prize with a certain notice; requiring~~  
11 ~~the Commission or a licensee to withhold and make certain transfers of a certain~~  
12 ~~amount of the prize of an obligor; authorizing an obligor to appeal a transfer;~~  
13 ~~requiring the Commission or a licensee to honor interception requests in a certain~~

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#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics indicate opposite chamber/conference committee amendments.*



~~order; authorizing the Secretary of Budget and Management, the Secretary of Human Resources, and the Commission to adopt certain regulations; providing that a licensee may not be held liable for certain acts; providing for the application of this Act; and generally relating to the interception of certain prizes at horse racing tracks.~~

~~BY adding to~~

~~Article — Business Regulation~~

~~Section 11-215~~

~~Annotated Code of Maryland~~

~~(2015 Replacement Volume and 2015 Supplement)~~

~~BY repealing and reenacting, with amendments,~~

~~Article — Criminal Procedure~~

~~Section 11-616(b)~~

~~Annotated Code of Maryland~~

~~(2008 Replacement Volume and 2015 Supplement)~~

~~FOR the purpose of establishing a Task Force to Study Intercepting Horse Racing Winnings for Child Support and Restitution; providing for the composition, chair, and staffing of the Task Force; prohibiting a member of the Task Force from receiving certain compensation, but authorizing the reimbursement of certain expenses; requiring the Task Force to study and make recommendations regarding certain matters; requiring the Department of Information Technology to analyze the logistics of intercepting horse racing winnings to pay for certain child support or restitution arrears, study the use of certain intercept methods by the State for child support enforcement and restitution collection, and make recommendations regarding certain matters; requiring the Task Force Department to report its findings and recommendations to the General Assembly on or before a certain date; providing for the termination of this Act; and generally relating to the Task Force to Study Intercepting Horse Racing Winnings for Child Support and Restitution and generally relating to a certain study of intercepting horse racing winnings for child support and restitution.~~

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

~~**Article — Business Regulation**~~

~~**11-215.**~~

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

~~(B) THE ADMINISTRATION MAY CERTIFY TO THE COMMISSION OR A LICENSEE THE NAME OF ANY OBLIGOR WHO IS IN ARREARS ON CHILD SUPPORT PAYMENTS IN THE AMOUNT OF \$150 OR MORE IF:~~

1 ~~(1) THE ADMINISTRATION HAS ACCEPTED AN ASSIGNMENT OF~~  
2 ~~SUPPORT UNDER § 5-312(B)(2) OF THE HUMAN SERVICES ARTICLE; OR~~

3 ~~(2) THE RECIPIENT OF SUPPORT PAYMENTS HAS FILED AN~~  
4 ~~APPLICATION FOR SUPPORT ENFORCEMENT SERVICES WITH THE ADMINISTRATION.~~

5 ~~(C) THE CERTIFICATION OF ARREARAGE ON RESTITUTION PAYMENTS~~  
6 ~~UNDER § 11-616 OF THE CRIMINAL PROCEDURE ARTICLE OR CHILD SUPPORT~~  
7 ~~PAYMENTS UNDER SUBSECTION (B) OF THIS SECTION SHALL CONTAIN:~~

8 ~~(1) THE FULL NAME OF THE OBLIGOR AND ANY OTHER NAME KNOWN~~  
9 ~~TO BE USED BY THE OBLIGOR;~~

10 ~~(2) THE SOCIAL SECURITY NUMBER OF THE OBLIGOR; AND~~

11 ~~(3) THE AMOUNT OF THE ARREARAGE.~~

12 ~~(D) IF AN OBLIGOR WHO IS OVERDUE IN RESTITUTION OR CHILD SUPPORT~~  
13 ~~PAYMENTS WINS A PRIZE AT A TRACK REQUIRING THE ISSUANCE OF INTERNAL~~  
14 ~~REVENUE SERVICE FORM W-2G OR A SUBSTANTIALLY EQUIVALENT FORM BY A~~  
15 ~~LICENSEE, THE LICENSEE SHALL SEND A NOTICE TO THE OBLIGOR THAT:~~

16 ~~(1) THE OBLIGOR HAS WON A PRIZE TO BE PAID BY CASH OR CHECK~~  
17 ~~DIRECTLY BY THE LICENSEE;~~

18 ~~(2) THE COMMISSION HAS RECEIVED NOTICE FROM THE CENTRAL~~  
19 ~~COLLECTION UNIT OR ADMINISTRATION OF THE OBLIGOR'S ARREARAGE IN THE~~  
20 ~~AMOUNT SPECIFIED;~~

21 ~~(3) STATE LAW REQUIRES THE LICENSEE TO WITHHOLD THE PRIZE~~  
22 ~~AND PAY IT TOWARDS THE OBLIGOR'S ARREARAGE;~~

23 ~~(4) THE OBLIGOR HAS 15 DAYS TO APPEAL TO THE CENTRAL~~  
24 ~~COLLECTION UNIT OR ADMINISTRATION IF THE OBLIGOR DISPUTES THE~~  
25 ~~EXISTENCE OR THE AMOUNT OF THE ARREARAGE; AND~~

26 ~~(5) ON INTERCEPTION OF THE PRIZE, THE LICENSEE WILL TRANSFER~~  
27 ~~THE PRIZE OR THE PART OF THE PRIZE THAT EQUALS THE ARREARAGE TO THE~~  
28 ~~CENTRAL COLLECTION UNIT OR ADMINISTRATION.~~

29 ~~(E) THE COMMISSION OR THE LICENSEE SHALL:~~

~~(1) WITHHOLD AND TRANSFER ALL OR PART OF THE PRIZE UP TO THE AMOUNT OF THE ARREARAGE TO THE CENTRAL COLLECTION UNIT OR ADMINISTRATION; AND~~

~~(2) PAY THE EXCESS TO THE OBLIGOR.~~

~~(F) (1) ON RECEIPT OF A NOTICE FROM THE COMMISSION OR A LICENSEE, AN OBLIGOR WHO DISPUTES THE EXISTENCE OR AMOUNT OF THE ARREARAGE MAY APPEAL THE TRANSFER.~~

~~(2) IF THE OBLIGOR APPEALS THE TRANSFER, AFTER A HEARING BEFORE THE CENTRAL COLLECTION UNIT OR ADMINISTRATION, THE WITHHELD PRIZE SHALL BE:~~

~~(I) PAID TO THE OBLIGOR;~~

~~(II) RETAINED BY THE CENTRAL COLLECTION UNIT OR ADMINISTRATION; OR~~

~~(III) PARTLY PAID TO THE OBLIGOR AND PARTLY RETAINED BY THE CENTRAL COLLECTION UNIT OR ADMINISTRATION.~~

~~(3) IF NO APPEAL IS FILED WITHIN 15 DAYS, THE CENTRAL COLLECTION UNIT OR ADMINISTRATION MAY RETAIN THE WITHHELD PRIZE.~~

~~(G) THE COMMISSION OR LICENSEE SHALL HONOR PRIZE INTERCEPTION REQUESTS UNDER THIS SECTION IN THE FOLLOWING ORDER:~~

~~(1) AN INTERCEPTION REQUEST FROM THE ADMINISTRATION; AND~~

~~(2) AN INTERCEPTION REQUEST FROM THE CENTRAL COLLECTION UNIT.~~

~~(H) THE SECRETARY OF BUDGET AND MANAGEMENT, THE SECRETARY OF HUMAN RESOURCES, AND THE COMMISSION MAY JOINTLY ADOPT REGULATIONS TO CARRY OUT THIS SECTION.~~

~~(I) A LICENSEE MAY NOT BE HELD LIABLE FOR AN ACT OR OMISSION TAKEN IN GOOD FAITH TO COMPLY SUBSTANTIALLY WITH THE REQUIREMENTS OF THIS SECTION.~~

#### ~~Article — Criminal Procedure~~

1 (b) Subject to subsection (c) of this section, the Central Collection Unit may:

2 (1) collect overdue restitution in accordance with Title 3, Subtitle 3 of the  
3 State Finance and Procurement Article; and

4 (2) certify a restitution obligor who is in arrears on restitution payments  
5 exceeding \$30 under the judgment of restitution to:

6 (i) the Comptroller for income tax refund interception in accordance  
7 with Title 13, Subtitle 9, Part III of the Tax — General Article; [and]

8 (ii) the State Lottery and Gaming Control Agency for State lottery  
9 prize and video lottery facility prize payout interception in accordance with § 11-618 of this  
10 subtitle; AND

11 (iii) THE STATE RACING COMMISSION OR A LICENSEE OF THE  
12 STATE RACING COMMISSION FOR PRIZE PAYOUT INTERCEPTION IN ACCORDANCE  
13 WITH § 11-215 OF THE BUSINESS REGULATION ARTICLE.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act does not apply to a  
15 prize won at a track on or before June 1, 2017.

16 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 October 1, 2016.

18 (a) There is a Task Force to Study Intercepting Horse Racing Winnings for Child  
19 Support and Restitution in the Governor's Office of Crime Control and Prevention.

20 (b) The Task Force consists of the following members:

21 (1) a member of the Senate of Maryland, appointed by the President of the  
22 Senate;

23 (2) a member of the House of Delegates, appointed by the Speaker of the  
24 House; and

25 (3) the following members, appointed by the Governor:

26 (i) a representative of the Department of Human Resources;

27 (ii) a representative of the Department of Budget and Management;

28 (iii) a representative of the Department of Information Technology;

29 (iv) a representative the horse racing industry;

~~(v) a representative of account wagering entities;~~

~~(vi) a representative of the State Board of Victims Services;~~

~~(vii) a representative of entities assisting child support recipients;~~

~~(viii) a representative of entities assisting the recipients of restitution;~~

~~and~~

~~(ix) a representative of the casino industry in the State.~~

~~(e) The Governor shall designate the chair of the Task Force.~~

~~(d) The Governor's Office of Crime Control and Prevention shall provide staff for the Task Force.~~

~~(e) A member of the Task Force:~~

~~(1) may not receive compensation as a member of the Task Force, but~~

~~(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.~~

~~(f) (a) The Task Force Department of Information Technology shall:~~

~~(1) analyze the logistics of intercepting horse racing winnings to pay for the child support or restitution arrears of the winner as proposed by Senate Bill 372 (First Reading File Bill) and House Bill 707 (First Reading File Bill) of 2016 to include account wagering entities;~~

~~(2) study the effectiveness of the current interfaces used by the State for child support enforcement and restitution collection for income tax intercepts, lottery intercepts, video lottery intercepts, State vendor payments intercepts, and other means of collecting child support and restitution, including if other uniform interface options would be possible and the cost of such options; and~~

~~(3) make recommendations regarding implementing a means of intercepting horse racing winnings for the purpose of paying the child support or restitution arrears of the winner.~~

~~(g) (b) On or before December 31, 2016, the Task Force Department shall report its findings and recommendations, in accordance with § 2-1246 of the State Government Article, to the General Assembly.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2016. ~~It shall remain effective for a period of 1 year and, at the end of May 31, 2017, with~~

1 ~~no further action required by the General Assembly, this Act shall be abrogated and of no~~  
2 ~~further force and effect.~~

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.