E2, C6 6lr1174 CF 6lr1173

By: Senators Peters, Currie, and McFadden

Introduced and read first time: January 28, 2016

Assigned to: Finance

## A BILL ENTITLED

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L	AN	ACT	concerning

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## Horse Racing – Track Winnings – Intercepts for Restitution and Child Support Payments

4 FOR the purpose of authorizing the Central Collection Unit and Child Support 5 Enforcement Administration to certify to the State Racing Commission or a licensee 6 of the Commission that an obligor is in arrears on certain restitution or child support 7 payments; requiring the certification to contain certain information; requiring a 8 licensee to provide an obligor who wins a certain prize with a certain notice; requiring 9 the Commission or a licensee to withhold and make certain transfers of a certain amount of the prize of an obligor; authorizing an obligor to appeal a transfer; 10 11 requiring the Commission or a licensee to honor interception requests in a certain 12 order; authorizing the Secretary of Budget and Management, the Secretary of 13 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 14 Act; and generally relating to the interception of certain prizes at horse racing tracks. 15

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- 17 Article Business Regulation
- 18 Section 11–215
- 19 Annotated Code of Maryland
- 20 (2015 Replacement Volume and 2015 Supplement)
- 21 BY repealing and reenacting, with amendments,
- 22 Article Criminal Procedure
- 23 Section 11–616(b)
- 24 Annotated Code of Maryland
- 25 (2008 Replacement Volume and 2015 Supplement)

26 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND.

27 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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## **Article - Business Regulation**

- 2 **11–215.**
- 3 (A) IN THIS SECTION, "ADMINISTRATION" MEANS THE CHILD SUPPORT ENFORCEMENT ADMINISTRATION OF THE DEPARTMENT OF HUMAN RESOURCES.
- 5 (B) THE ADMINISTRATION MAY CERTIFY TO THE COMMISSION OR A 6 LICENSEE THE NAME OF ANY OBLIGOR WHO IS IN ARREARS ON CHILD SUPPORT 7 PAYMENTS IN THE AMOUNT OF \$150 OR MORE IF:
- 8 (1) THE ADMINISTRATION HAS ACCEPTED AN ASSIGNMENT OF 9 SUPPORT UNDER § 5–312(B)(2) OF THE HUMAN SERVICES ARTICLE; OR
- 10 (2) THE RECIPIENT OF SUPPORT PAYMENTS HAS FILED AN APPLICATION FOR SUPPORT ENFORCEMENT SERVICES WITH THE ADMINISTRATION.
- 12 (C) THE CERTIFICATION OF ARREARAGE ON RESTITUTION PAYMENTS
  13 UNDER § 11–616 OF THE CRIMINAL PROCEDURE ARTICLE OR CHILD SUPPORT
  14 PAYMENTS UNDER SUBSECTION (B) OF THIS SECTION SHALL CONTAIN:
- 15 (1) THE FULL NAME OF THE OBLIGOR AND ANY OTHER NAME KNOWN TO BE USED BY THE OBLIGOR;
- 17 (2) THE SOCIAL SECURITY NUMBER OF THE OBLIGOR; AND
- 18 (3) THE AMOUNT OF THE ARREARAGE.
- 19 (D) IF AN OBLIGOR WHO IS OVERDUE IN RESTITUTION OR CHILD SUPPORT
  20 PAYMENTS WINS A PRIZE AT A TRACK REQUIRING THE ISSUANCE OF INTERNAL
  21 REVENUE SERVICE FORM W-2G OR A SUBSTANTIALLY EQUIVALENT FORM BY A
  22 LICENSEE, THE LICENSEE SHALL SEND A NOTICE TO THE OBLIGOR THAT:
- 23 (1) THE OBLIGOR HAS WON A PRIZE TO BE PAID BY CASH OR CHECK 24 DIRECTLY BY THE LICENSEE;
- 25 (2) THE COMMISSION HAS RECEIVED NOTICE FROM THE CENTRAL COLLECTION UNIT OR ADMINISTRATION OF THE OBLIGOR'S ARREARAGE IN THE AMOUNT SPECIFIED;
- 28 (3) STATE LAW REQUIRES THE LICENSEE TO WITHHOLD THE PRIZE 29 AND PAY IT TOWARDS THE OBLIGOR'S ARREARAGE;

- 1 (4) THE OBLIGOR HAS 15 DAYS TO APPEAL TO THE CENTRAL
- 2 COLLECTION UNIT OR ADMINISTRATION IF THE OBLIGOR DISPUTES THE
- 3 EXISTENCE OR THE AMOUNT OF THE ARREARAGE; AND
- 4 (5) ON INTERCEPTION OF THE PRIZE, THE LICENSEE WILL TRANSFER
- 5 THE PRIZE OR THE PART OF THE PRIZE THAT EQUALS THE ARREARAGE TO THE
- 6 CENTRAL COLLECTION UNIT OR ADMINISTRATION.
- 7 (E) THE COMMISSION OR THE LICENSEE SHALL:
- 8 (1) WITHHOLD AND TRANSFER ALL OR PART OF THE PRIZE UP TO THE
- 9 AMOUNT OF THE ARREARAGE TO THE CENTRAL COLLECTION UNIT OR
- 10 ADMINISTRATION; AND
- 11 (2) PAY THE EXCESS TO THE OBLIGOR.
- 12 (F) (1) ON RECEIPT OF A NOTICE FROM THE COMMISSION OR A
- 13 LICENSEE, AN OBLIGOR WHO DISPUTES THE EXISTENCE OR AMOUNT OF THE
- 14 ARREARAGE MAY APPEAL THE TRANSFER.
- 15 (2) IF THE OBLIGOR APPEALS THE TRANSFER, AFTER A HEARING
- 16 BEFORE THE CENTRAL COLLECTION UNIT OR ADMINISTRATION, THE WITHHELD
- 17 PRIZE SHALL BE:
- 18 (I) PAID TO THE OBLIGOR;
- 19 (II) RETAINED BY THE CENTRAL COLLECTION UNIT OR
- 20 ADMINISTRATION; OR
- 21 (III) PARTLY PAID TO THE OBLIGOR AND PARTLY RETAINED BY
- 22 THE CENTRAL COLLECTION UNIT OR ADMINISTRATION.
- 23 (3) If NO APPEAL IS FILED WITHIN 15 DAYS, THE CENTRAL
- 24 COLLECTION UNIT OR ADMINISTRATION MAY RETAIN THE WITHHELD PRIZE.
- 25 (G) THE COMMISSION OR LICENSEE SHALL HONOR PRIZE INTERCEPTION
- 26 REQUESTS UNDER THIS SECTION IN THE FOLLOWING ORDER:
- 27 (1) AN INTERCEPTION REQUEST FROM THE ADMINISTRATION; AND
- 28 (2) AN INTERCEPTION REQUEST FROM THE CENTRAL COLLECTION
- 29 UNIT.

- 1 (H) THE SECRETARY OF BUDGET AND MANAGEMENT, THE SECRETARY OF 2 HUMAN RESOURCES, AND THE COMMISSION MAY JOINTLY ADOPT REGULATIONS TO 3 CARRY OUT THIS SECTION.
- 4 (I) A LICENSEE MAY NOT BE HELD LIABLE FOR AN ACT OR OMISSION TAKEN
  5 IN GOOD FAITH TO COMPLY SUBSTANTIALLY WITH THE REQUIREMENTS OF THIS
  6 SECTION.

## 7 Article - Criminal Procedure

- 8 11–616.
- 9 (b) Subject to subsection (c) of this section, the Central Collection Unit may:
- 10 (1) collect overdue restitution in accordance with Title 3, Subtitle 3 of the 11 State Finance and Procurement Article; and
- 12 (2) certify a restitution obligor who is in arrears on restitution payments 13 exceeding \$30 under the judgment of restitution to:
- 14 (i) the Comptroller for income tax refund interception in accordance 15 with Title 13, Subtitle 9, Part III of the Tax – General Article; [and]
- 16 (ii) the State Lottery and Gaming Control Agency for State lottery prize and video lottery facility prize payout interception in accordance with § 11–618 of this subtitle; AND
- 19 (III) THE STATE RACING COMMISSION OR A LICENSEE OF THE 20 STATE RACING COMMISSION FOR PRIZE PAYOUT INTERCEPTION IN ACCORDANCE 21 WITH § 11–215 OF THE BUSINESS REGULATION ARTICLE.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act does not apply to a prize won at a track on or before June 1, 2017.
- SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.