

# SENATE BILL 176

C7, E2, D4

(PRE-FILED)

6lr0011

CF HB 289

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**By: Chair, Budget and Taxation Committee (By Request – Departmental – Lottery and Gaming Control Agency)**

Requested: September 16, 2025

Introduced and read first time: January 14, 2026

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Video Lottery Facility Payouts – Intercepts for Restitution Payments, Child  
3 Support Payments, and Debts Owed to the State**

4 FOR the purpose of authorizing the Central Collection Unit and the Child Support  
5 Administration to certify certain information about restitution or child support  
6 obligors to a video lottery operator for purposes of enforcing a requirement to  
7 intercept certain prize payouts at a video lottery facility; authorizing the Central  
8 Collection Unit to certify certain information regarding certain debts or claims to a  
9 video lottery operator; requiring a video lottery operator to provide certain notice to  
10 a debtor that wins a prize to be paid by the operator and withhold all or part of the  
11 prize; authorizing certain debtors to appeal the proposed transfer; and generally  
12 relating to the interception of video lottery facility payouts.

13 BY repealing and reenacting, without amendments,  
14 Article – Criminal Procedure  
15 Section 11–616(a)  
16 Annotated Code of Maryland  
17 (2025 Replacement Volume)

18 BY repealing and reenacting, with amendments,  
19 Article – Criminal Procedure  
20 Section 11–616(b) and 11–618(a), (b), (d) through (f), and (h)  
21 Annotated Code of Maryland  
22 (2025 Replacement Volume)

23 BY repealing and reenacting, with amendments,  
24 Article – Family Law  
25 Section 10–113.1(a), (b), (e) through (g), and (i)  
26 Annotated Code of Maryland

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

[Brackets] indicate matter deleted from existing law.



1 (2019 Replacement Volume and 2025 Supplement)

2 BY repealing and reenacting, with amendments,  
3 Article – State Finance and Procurement  
4 Section 3–304(a)  
5 Annotated Code of Maryland  
6 (2021 Replacement Volume and 2025 Supplement)

7 BY adding to  
8 Article – State Finance and Procurement  
9 Section 3–308  
10 Annotated Code of Maryland  
11 (2021 Replacement Volume and 2025 Supplement)

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

14 **Article – Criminal Procedure**

15 11–616.

16 (a) The Division or the Department of Juvenile Services:

17 (1) in addition to other actions authorized under Part I of this subtitle, may  
18 refer an overdue restitution account for collection to the Central Collection Unit; and

19 (2) if probation or other supervision is terminated and restitution is still  
20 owed, shall refer the overdue restitution account for collection to the Central Collection  
21 Unit.

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

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

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

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

29 (ii) the State Lottery and Gaming Control Agency for State lottery  
30 prize [and video lottery facility prize] payout interception in accordance with § 11–618 of  
31 this subtitle; AND

4 11-618.

5 (a) (1) In this section the following words have the meanings indicated.

6 (2) "Agency" means the State Lottery and Gaming Control Agency.

(4) "Video lottery [operation licensee]" **OPERATOR**" has the meaning stated in § 9-1A-01 of the State Government Article.

11 (b) A certification of arrearage on restitution payments that the Central  
12 Collection Unit sends to the Agency **OR A VIDEO LOTTERY OPERATOR** under § 11-616 of  
13 this subtitle shall contain:

14 (1) the full name of the restitution obligor and any other name known to be  
15 used by the restitution obligor;

16 (2) the Social Security number of the restitution obligor; and

17 (3) the amount of the arrearage.

18 (d) If a restitution obligor who is overdue in restitution payments wins a prize at  
19 a video lottery facility requiring the issuance of Internal Revenue Service form W-2G or a  
20 substantially equivalent form by a video lottery [operation licensee] **OPERATOR**, the video  
21 lottery [operation licensee] **OPERATOR** shall send a notice to the restitution obligor that:

(1) the restitution obligor has won a prize to be paid by cash or check directly by the video lottery [operation licensee] **OPERATOR**;

24 (2) the [State Lottery and Gaming Control Agency] **VIDEO LOTTERY**  
25 **OPERATOR** has received notice from the Central Collection Unit of the restitution obligor's  
26 restitution arrearage in the amount specified;

27 (3) State law requires the video lottery [operation licensee] **OPERATOR** to  
28 withhold the prize and pay it towards the restitution obligor's restitution arrearage:

(4) the restitution obligor has 15 days to appeal to the Central Collection Unit if the restitution obligor disputes the existence or the amount of the arrearage; and

(5) on interception of the prize, the video lottery [operation licensee] **OPERATOR** will transfer the prize or the part of the prize that equals the restitution arrearage to the Central Collection Unit.

4 (e) (1) The Agency or the video lottery [operation licensee] **OPERATOR** shall:

5 (i) withhold and transfer all or part of the prize up to the amount of  
6 the arrearage to the Central Collection Unit; and

7 (ii) pay the excess to the restitution obligor.

10 (i) an interception request under § 10-113.1 of the Family Law  
11 Article;

12 (ii) an interception request under this section; [and]

15 (IV) AN INTERCEPTION REQUEST UNDER § 3-308 OF THE STATE  
16 FINANCE AND PROCUREMENT ARTICLE.

17 (f) (1) On receipt of a notice from the Agency or a video lottery [operation  
18 licensee] **OPERATOR**, a restitution obligor who disputes the existence or amount of the  
19 arrearage may appeal the transfer.

20 (2) If an appeal is not filed within 15 days after the date of the notice, the  
21 Central Collection Unit may retain the withheld prize.

(3) If the restitution obligor appeals the transfer, after a hearing by the Central Collection Unit, the withheld prize shall be:

24 (i) paid to the restitution obligor;

25 (ii) retained by the Central Collection Unit; or

26 (iii) partly paid to the restitution obligor and partly retained by the  
27 Central Collection Unit.

28 (h) A video lottery [operation licensee] **OPERATOR** may not be held liable for an  
29 act or omission taken in good faith to comply substantially with the requirements of this  
30 section.

## Article – Family Law

2 10-113.1.

3 (a) (1) In this section the following words have the meanings indicated.

4 (2) "Agency" means the State Lottery and Gaming Control Agency.

(4) "Video lottery [operation licensee] OPERATOR" has the meaning stated in § 9-1A-01 of the State Government Article.

9 (b) The Administration may certify to the Agency **OR A VIDEO LOTTERY**  
10 **OPERATOR** the name of any obligor who is in arrears in the amount of \$150 or more if:

11 (1) the Administration has accepted an assignment of support under §  
12 5-312(b)(2) of the Human Services Article; or

13 (2) the recipient of support payments has filed an application for support  
14 enforcement services with the Administration.

15 (e) If an obligor who owes child support and has been certified as an obligor wins  
16 a prize at a video lottery facility requiring the issuance of Internal Revenue Service form  
17 W-2G or a substantially equivalent form by a video lottery [operation licensee]  
18 **OPERATOR**, the video lottery [operation licensee] **OPERATOR** shall provide a notice to the  
19 obligor that:

20 (1) the obligor has won a prize to be paid by cash or check directly by the  
21 video lottery [operation licensee] **OPERATOR**;

22 (2) the [State Lottery and Gaming Control Agency] **VIDEO LOTTERY**  
23 **OPERATOR** has received certification from the Child Support Administration of the  
24 obligor's child support arrearage in the amount specified;

25 (3) State law requires the video lottery [operation licensee] **OPERATOR** to  
26 withhold the prize and to pay it towards the obligor's child support arrearage;

27 (4) the obligor has 15 days to appeal to the Administration if the obligor  
28 disputes the existence or the amount of the child support arrearage; and

29 (5) on interception of the prize, the video lottery [operation licensee]  
30 **OPERATOR** will transfer the prize or the part of the prize that equals the obligor's child  
31 support arrearage to the Administration.

(f) (1) The Agency or the video lottery [operation licensee] **OPERATOR** shall:

2 (i) withhold and transfer all or part of the prize up to the amount of  
3 the arrearage to the Administration; and

(ii) pay the excess to the obligor.

5 (2) The Agency and a video lottery [operation licensee] **OPERATOR** shall  
6 honor interception requests in the following order:

(i) an interception request under this section;

(ii) an interception request under § 11–618 of the Criminal Procedure Article; [and]

10 (iii) an interception request under § 3-307 of the State Finance and  
11 Procurement Article; AND

**(IV) AN INTERCEPTION REQUEST UNDER § 3-308 OF THE STATE PROCUREMENT ARTICLE.**

14 (g) (1) On receipt of a notice from the Agency or video lottery [operation  
15 licensee] **OPERATOR**, an obligor who disputes the existence or amount of the arrearage  
16 may appeal the transfer.

17 (2) If no appeal is filed within 15 days, the Administration may retain the  
18 withheld prize.

19 (3) If the obligor appeals the transfer, after a hearing by the  
20 Administration, the withheld prize shall be:

(i) paid to the obligor;

(ii) retained by the Administration; or

23 (iii) partly paid to the obligor and partly retained by the  
24 Administration, in the amounts specified.

25 (i) A video lottery [operation licensee] **OPERATOR** may not be held liable for an  
26 act or omission taken in good faith to comply substantially with the requirements of this  
27 section.

## Article – State Finance and Procurement

29 3-304.

(a) In carrying out its responsibilities, the Central Collection Unit may:

(1) (i) institute, in its name, any action that is available under State law for collection of a debt or claim; or

4 (ii) without suit, settle the debt or claim;

5 (2) for all debts or claims collected on or after June 1, 1992:

9 (ii) prior to crediting any amount to any agency which refers a debt  
10 for any purpose, withhold a fee sufficient to cover all collection and administrative costs;

11 (3) waive or reduce any fee assessed under paragraph (2) of this subsection;  
12 and

13 (4) certify a debt or claim and the debtor responsible for the debt or claim  
14 to:

15 (i) the Comptroller for income tax refund interception in accordance  
16 with Title 13, Subtitle 9 of the Tax – General Article; [and]

22 3-308

23 (A) IN THIS SECTION, "VIDEO LOTTERY OPERATOR" HAS THE MEANING  
24 STATED IN § 9-1A-01 OF THE STATE GOVERNMENT ARTICLE.

28 (1) THE FULL NAME OF THE DEBTOR AND ANY OTHER NAME KNOWN  
29 TO BE USED BY THE DEBTOR:

30 (2) THE SOCIAL SECURITY NUMBER OF THE DEBTOR; AND

**(3) THE AMOUNT OF THE DEBT.**

2 (C) IF A DEBTOR WINS A PRIZE TO BE PAID DIRECTLY BY A VIDEO LOTTERY  
3 OPERATOR, THE VIDEO LOTTERY OPERATOR SHALL NOTIFY THE DEBTOR THAT:

4 (1) THE DEBTOR HAS WON A PRIZE TO BE PAID BY THE VIDEO  
5 LOTTERY OPERATOR;

9 (3) STATE LAW REQUIRES THE VIDEO LOTTERY OPERATOR TO  
10 WITHHOLD THE PRIZE AND TO PAY IT TOWARD THE DEBTOR'S DEBT OR CLAIM;

18 (D) (1) THE VIDEO LOTTERY OPERATOR SHALL WITHHOLD ALL OR PART  
19 OF THE PRIZE UP TO THE AMOUNT OF THE DEBT OR CLAIM OWED TO THE STATE.

22 (I) AN INTERCEPTION REQUEST UNDER § 10-113.1 OF THE  
23 FAMILY LAW ARTICLE;

24 (II) AN INTERCEPTION REQUEST UNDER § 11-618 OF THE  
25 CRIMINAL PROCEDURE ARTICLE; AND

(III) AN INTERCEPTION REQUEST UNDER THIS SECTION.

27                   (E) (1) ON RECEIPT OF A NOTICE FROM THE VIDEO LOTTERY OPERATOR,  
28 A DEBTOR WHO DISPUTES THE EXISTENCE OR AMOUNT OF THE DEBT OR CLAIM MAY  
29 APPEAL THE PROPOSED TRANSFER IN ACCORDANCE WITH THE PROVISIONS OF THE

1 ADMINISTRATIVE PROCEDURE ACT, TITLE 10, SUBTITLE 2 OF THE STATE  
2 GOVERNMENT ARTICLE.

3 (2) IF AN APPEAL IS NOT FILED WITHIN 15 DAYS AFTER THE DATE OF  
4 THE NOTICE, THE VIDEO LOTTERY OPERATOR SHALL TRANSFER THE AMOUNT OF  
5 THE PRIZE WITHHELD TO THE CENTRAL COLLECTION UNIT.

6 (3) IF THE DEBTOR APPEALS THE PROPOSED TRANSFER, AFTER A  
7 HEARING THE CENTRAL COLLECTION UNIT SHALL NOTIFY THE VIDEO LOTTERY  
8 OPERATOR THAT THE WITHHELD PRIZE SHALL BE:

9 (I) PAID TO THE DEBTOR;

10 (II) TRANSFERRED TO THE CENTRAL COLLECTION UNIT; OR

11 (III) IN SPECIFIED AMOUNTS, PARTLY PAID TO THE DEBTOR AND  
12 PARTLY TRANSFERRED TO THE CENTRAL COLLECTION UNIT.

13 (F) THE SECRETARY AND THE DIRECTOR OF THE STATE LOTTERY AND  
14 GAMING CONTROL AGENCY MAY JOINTLY ADOPT REGULATIONS TO CARRY OUT  
15 THIS SECTION.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
17 1, 2026.