

SENATE BILL No. 384

May 23, 2013, Introduced by Senators MOOLENAAR and EMMONS and referred to the Committee on Families, Seniors and Human Services.

A bill to amend 1972 PA 239, entitled
"McCauley-Traxler-Law-Bowman-McNeely lottery act,"
by amending section 32 (MCL 432.32), as amended by 2012 PA 428.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 32. (1) Before payment of a prize, ~~of \$1,000.00 or more,~~
2 the bureau shall determine both of the following:

3 (a) ~~Whether~~ **IF THE PRIZE IS \$1,000.00 OR MORE, WHETHER**
4 department of treasury records show that the lottery winner has a
5 current liability to this state or a support arrearage.

6 (b) ~~Whether~~ **IF THE PRIZE IS \$1,000.00 OR MORE, WHETHER**
7 unemployment insurance agency records show that the lottery winner
8 has any current liability for restitution of unemployment benefits,
9 penalty, or interest under section 15 of the Michigan employment
10 security act, 1936 (Ex Sess) PA 1, MCL 421.15.

11 **(C) IF THE PRIZE IS \$600.00 OR MORE, WHETHER RECORDS OF THE**

1 DEPARTMENT OF HUMAN SERVICES SHOW THAT THE LOTTERY WINNER OR THE
2 LOTTERY WINNER'S FAMILY HAS RECEIVED ASSISTANCE UNDER THE SOCIAL
3 WELFARE ACT, 1939 PA 280, MCL 400.1 TO 400.119B, WITHIN THE
4 PREVIOUS 10 YEARS.

5 (2) The department of treasury shall provide the bureau with a
6 list or computer access to a compilation of persons known to the
7 department to have a current liability to this state, including
8 delinquent accounts of money due and owing to a court that have
9 been assigned to this state for collection, or a support arrearage.
10 The information shall be updated not less than once a month.

11 (3) If a liability to this state, a support arrearage, ~~or~~ an
12 unemployment compensation debt, **OR A DEBT TO THE DEPARTMENT OF**
13 **HUMAN SERVICES UNDER SECTION 10H OF THE SOCIAL WELFARE ACT, 1939 PA**
14 **280, MCL 400.10H**, is identified under subsection (1), the bureau
15 shall ascertain the amount owed from the department of treasury, ~~or~~
16 the unemployment insurance agency, **OR THE DEPARTMENT OF HUMAN**
17 **SERVICES**, as applicable.

18 (4) After ascertaining the amount owed by the lottery winner
19 under subsection (3), the bureau shall apply the amount of the
20 prize as follows:

21 (a) First to any liability to this state other than an
22 assigned delinquent account of money due and owing to a court, ~~or~~
23 an unemployment compensation debt, **OR A DEBT TO THE DEPARTMENT OF**
24 **HUMAN SERVICES UNDER SECTION 10H OF THE SOCIAL WELFARE ACT, 1939 PA**
25 **280, MCL 400.10H**.

26 (b) Next to any support arrearage.

27 (c) Next to any unemployment compensation debt.

1 (D) NEXT TO ANY DEBT TO THE DEPARTMENT OF HUMAN SERVICES UNDER
2 SECTION 10H OF THE SOCIAL WELFARE ACT, 1939 PA 280, MCL 400.10H.

3 (E) ~~(d)~~—Next to any assigned delinquent accounts of money due
4 and owing to a court.

5 (F) ~~(e)~~—The balance, if any, shall be paid to the lottery
6 winner.

7 (5) Except for a payment applied to a liability under
8 subsection (4)(c) OR (D), a lottery winner shall be given notice
9 and an opportunity for a hearing before the department of treasury
10 or its designee with respect to the liability to which the prize is
11 to be applied if the liability has not been reduced to judgment or
12 has not been finalized under statutory review provisions of the
13 statute under which the liability arose. The notice shall be given
14 by regular mail. The lottery winner may request a hearing before
15 the department of treasury within 15 days after the date of the
16 notice by making a written request to the state treasurer.

17 (6) An amount applied to pay a support arrearage shall be paid
18 by the bureau to the department of treasury, which shall pay the
19 amount to the office of the friend of the court for the appropriate
20 judicial circuit or to the state disbursement unit in the same
21 manner as a payment pursuant to an order of income withholding
22 under section 9 of the support and parenting time enforcement act,
23 1982 PA 295, MCL 552.609.

24 (7) In regard to information provided by the department of
25 treasury to the bureau under this section, the bureau is subject to
26 the confidentiality restrictions and penalties provided in section
27 28(1)(f) and (2) of 1941 PA 122, MCL 205.28. In regard to

1 information provided by the unemployment insurance agency to the
2 bureau under section 15 of the Michigan employment security act,
3 1936 (Ex Sess) PA 1, MCL 421.15, the bureau is subject to the
4 confidentiality restrictions and penalties provided in sections 11
5 and 54 of the Michigan employment security act, 1936 (Ex Sess) PA
6 1, MCL 421.11 and 421.54. **IN REGARD TO INFORMATION PROVIDED BY THE
7 DEPARTMENT OF HUMAN SERVICES TO THE BUREAU, THE BUREAU IS SUBJECT
8 TO THE SAME EXTENT AS IS THE DEPARTMENT OF HUMAN SERVICES TO
9 RESTRICTIONS PRESCRIBED BY FEDERAL REGULATIONS GOVERNING TEMPORARY
10 ASSISTANCE TO NEEDY FAMILIES OR OTHER FEDERAL PROGRAMS, BY RULES OF
11 THE DEPARTMENT OF HUMAN SERVICES, OR OTHERWISE, FOR PREVENTING THE
12 DISCLOSURE OF CONFIDENTIAL INFORMATION TO ANY PERSON NOT AUTHORIZED
13 BY LAW TO RECEIVE THE INFORMATION.**

14 (8) Each office of the friend of the court shall report to the
15 office of child support the names of persons who have a current
16 support arrearage and the office of child support shall provide
17 that information to the department of treasury.

18 (9) As used in this section:

19 (a) "Office of the friend of the court" means an agency
20 created in section 3 of the friend of the court act, 1982 PA 294,
21 MCL 552.503.

22 (b) "Support" means that term as defined in section 2a of the
23 friend of the court act, 1982 PA 294, MCL 552.502a.

24 Enacting section 1. This amendatory act does not take effect
25 unless Senate Bill No. 339 of the 97th Legislature is enacted into
26 law.