

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1991

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Legislative Document

No. 1146

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H.P. 800

House of Representatives, March 18, 1991

Reference to the Committee on Human Resources suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

Presented by Representative ERWIN of Rumford.

Cosponsored by Senator BUSTIN of Kennebec, Senator GILL of Cumberland and Representative KETOVER of Portland.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY-ONE

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**An Act to Increase the Collection of Child Support Payments.**

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Be it enacted by the People of the State of Maine as follows:

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4 Sec. 1. § MRSA §378, as enacted by PL 1987, c. 505, §2, is amended to read:

6 **§378. Assignment of prizes**

8 No right of any person to a prize drawn may be assignable, except that payment of any prize drawn may be paid to the estate of a deceased prize winner, and except that any person pursuant to an appropriate judicial order or an administrative order relating to child support may be paid the prize to which the winner is entitled. The bureau ~~shall-be~~ is discharged of all further liability upon payment of a prize pursuant to this section.

16  
18 Sec. 2. § MRSA §416, sub-§1, as enacted by PL 1983, c. 732, §1, is amended to read:

20 1. Prizes over \$5,000; certified list. All prizes over \$5,000 ~~shall-be~~ are awarded to holders of winning tickets as provided in this section. Within one week after any drawing or selection of prize winning tickets, the commission shall deliver to each of the party states a certified list of the tickets to which prizes are awarded and the amount of each such prize. Upon delivery of the certified list and voucher of the commission, moneys sufficient for the payment of those prizes may be withdrawn from the prize account established in section 415, subsection 2. The commission shall each month provide each party state with a record of all such withdrawals. Payment of prizes ~~shall-be~~ is made by the commission, or its designee, to holders of the tickets to which prizes are awarded, except that payment of any prize drawn may be paid to the estate of a deceased prize winner, and except that any person, pursuant to an appropriate judicial order or an administrative order relating to child support, may be paid the prize to which the winner is entitled. The commission, and its officers, agents and employees ~~shall-be~~ are discharged of all further liability upon payment of a prize pursuant to this section.

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42 Prior to paying any winnings that must be paid directly by the commission, the commission shall determine whether the lottery winner is on a list, provided by any of the party states, of persons who owe child support payments to a party state. If the winner is on a list of persons who owe child support, the commission shall suspend the payment of winnings and notify the appropriate party state of its action and of the winner's current address. When the commission receives from the appropriate party state a statement that the winner has received proper notice and an order to offset winnings, it shall submit to that state the amount offset. Any remaining winnings are paid to the winner.

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Sec. 3. 19 MRSA §504-B is enacted to read:

§504-B. Setoff of debts against lottery winnings

1. Notice to Bureau of Lottery. The department shall periodically notify the Department of Finance, Bureau of Lottery of all persons who owe the department \$25 or more under section 495 and provide to the bureau information necessary to offset the debts against state lottery winnings. Prior to paying any state lottery winnings that must be paid directly by the bureau, the bureau shall determine whether the lottery winner is on the list of debtors provided by the department. If the winner is on the list of debtors, the bureau shall suspend the payment of winnings and notify the department of its action and of the debtor's current address. The department shall notify the debtor in writing that the State intends to offset the debt against the debtor's lottery winnings. In addition to conforming with the requirements of Title 5, section 9052, subsection 4, the notice of intention to withhold must include:

- A. A statement of the amount of the debt;
- B. A statement of the amount that will be set off;
- C. A statement that the debtor may contest the offset by requesting a review pursuant to section 515;
- D. A statement that the only basis for contesting the offset is a mistake of fact;
- E. A statement that the request for review must be filed within 20 days of receipt of the notice of intention and that failure to request a review within 20 days will result in the department ordering an offset of winnings; and
- F. A statement that at the review hearing the debtor will have an opportunity to present the debtor's case; that the hearing officer's decision will be based on an evaluation of the facts, including the debtor's stated case; and that the debtor will be informed of the decision.

When the debtor has received proper notice, the commissioner shall submit to the bureau an order to offset winnings, and the bureau shall submit to the department the amount offset. Any remaining winnings are paid to the prizewinner.

2. Notice to Tri-state Lotto Commission. The department shall periodically notify the Tri-state Lotto Commission of all persons who owe the department \$25 or more under section 495 and provide to the commission information necessary to offset the debts against Tri-state Lotto winnings. Upon notification that

2 the Tri-state Lotto Commission has suspended the payment of  
3 winnings to a person who appears on the list of debtors, the  
4 department shall notify the debtor in writing that the State  
5 intends to offset the debt against the debtor's lottery  
6 winnings. The notice must conform with the provisions of  
7 subsection 1, paragraphs A to F and with the requirements of  
8 Title 5, section 9052, subsection 4.

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10 When the debtor has received proper notice, the commissioner  
11 shall submit to the Tri-state Lotto Commission a statement that  
12 the debtor has received notice and an order to offset winnings.

13  
14 **Sec. 4. 19 MRSA §504-C is enacted to read:**

15 **§504-C. State Tax Assessor to be notified of debt**

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17 The department shall periodically notify the State Tax  
18 Assessor of all debts greater than \$25 owed to the department  
19 under section 495 and provide to the State Tax Assessor  
20 information necessary to offset the debts against tax refunds.  
21 Prior to paying any tax refund, the State Tax Assessor shall  
22 determine whether the refund recipient is on the list of debtors  
23 provided by the department. If the recipient is on the list of  
24 debtors, the State Tax Assessor shall offset the debt against the  
25 recipient's tax refund in accordance with Title 36, section  
26 5276-A.

27  
28 **Sec. 5. 19 MRSA §507-A is enacted to read:**

29 **§507-A. Referring debt to debt collection agencies**

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31 Whenever the department is due a debt of \$25 or more under  
32 section 495, it may refer the debt to a debt collection agency.  
33 The department may provide to the debt collection agency any  
34 information that assists the agency to collect the debt.

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37 **Sec. 6. 22 MRSA §3755, as amended by PL 1975, c. 243, §4, is**  
38 **further amended to read:**

39 **§3755. Locating those liable for support of dependents**

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41 To assist in locating parents who have deserted their  
42 children and other persons liable for support of dependents, the  
43 Department of Human Services may request and shall receive  
44 information from the records of all departments, boards, bureaus  
45 and other agencies of this State, and the same are authorized to  
46 provide such information as is necessary for this purpose. Only  
47 information directly bearing on the identity and whereabouts of a  
48 person owing or asserted to be owing an obligation of support  
49 shall may be requested and used or transmitted by the department  
50 pursuant to the authority conferred by this section. The Except

2 as provided in Title 19, section 507-A, the department may make  
3 such information available only to public officials and agencies  
4 of this State, other states and the political subdivisions of  
5 this State and other states seeking to locate parents who have  
6 deserted their children and other persons liable for support of  
7 dependents for the purpose of enforcing their liability for  
8 support.

9  
10 **Sec. 7. Effective date.** Section 2 of this Act and that part of  
11 this Act that enacts the Maine Revised Statutes, Title 19,  
12 section 504-B, subsection 2 take effect upon enactment of  
13 legislation by the other party states to the Tri-state Lotto  
14 Compact that is concurrent with section 2 of this Act. The  
15 State's representative to the Tri-state Lotto Commission shall  
16 encourage the other party states to enact the necessary  
17 concurrent legislation.

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### 19 STATEMENT OF FACT

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21 This bill enhances child support collection efforts by  
22 directing the Department of Human Services to claim state tax  
23 refunds and lottery winnings of persons who owe the State for  
24 child support obligations.

25

26 The bill also authorizes the Department of Human Services to  
27 use private collection agencies for the purposes of collecting  
28 child support.