

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals  
(may include minor formatting differences from printed original)



# 126th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2013

---

Legislative Document

No. 1034

---

H.P. 729

House of Representatives, March 14, 2013

### **An Act To Increase Child Support Collections by Requiring the Interception of Certain Gambling Winnings**

---

Submitted by the Department of Health and Human Services pursuant to Joint Rule 204.  
Reference to the Committee on Judiciary suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative GUERIN of Glenburn.  
Cosponsored by Senator HAMPER of Oxford and  
Representatives: FARNSWORTH of Portland, SANDERSON of Chelsea, SIROCKI of  
Scarborough, STUCKEY of Portland.

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

2 **Sec. 1. 8 MRSA §300-B** is enacted to read:

3 **§300-B. Interception of pari-mutuel winnings to pay child support debt**

4 **1. Definitions.** As used in this section, unless the context otherwise indicates, the  
5 following terms have the following meanings.

6 A. "Child support debt" means child support debt that has been liquidated by judicial  
7 or administrative action.

8 B. "Department" means the Department of Health and Human Services.

9 C. "Registry operator" means the department or an entity with whom the department  
10 enters into a contract to maintain the registry pursuant to subsection 3.

11 **2. Interception.** A licensee shall intercept pari-mutuel winnings to pay child support  
12 debt in accordance with this section.

13 **3. Registry.** The department shall create and maintain, or shall contract with a  
14 private entity to create and maintain, a secure, electronically accessible registry  
15 containing information regarding individuals with outstanding child support debt. The  
16 department shall regularly enter into the registry information including:

17 A. The name and social security number of each individual with outstanding child  
18 support debt;

19 B. The account number or identifier assigned by the department to the outstanding  
20 child support debt;

21 C. The amount of the outstanding child support debt; and

22 D. Any other information necessary to effectuate the purposes of this section.

23 **4. Electronic access to information; procedures.** A licensee shall electronically  
24 access the registry in accordance with this subsection.

25 A. Before making a payout on a winning wager of an amount equal to or greater than  
26 the amount for which the licensee is required to file a Form W-2G or substantially  
27 equivalent form with the United States Internal Revenue Service, the licensee shall  
28 obtain the name, address, date of birth and social security number of the individual  
29 who placed the winning wager and shall electronically submit this information to the  
30 registry operator.

31 B. Upon receipt of information pursuant to paragraph A, the registry operator shall  
32 electronically inform the licensee whether the individual who placed the winning  
33 wager is listed in the registry. If the individual is listed in the registry, the registry  
34 operator shall inform the licensee of the amount of the individual's outstanding child  
35 support debt and the account number or identifier assigned to the outstanding child  
36 support debt and shall provide the licensee with a notice of withholding that informs  
37 the individual of the right to an administrative hearing.

1           C. If the registry operator informs the licensee that the individual who placed a  
2           winning wager is not listed in the registry or if the licensee is unable to obtain  
3           information from the registry operator after attempting in good faith to do so, the  
4           licensee may make payment to the individual.

5           D. If the registry operator informs the licensee that the individual who placed a  
6           winning wager is listed in the registry, the licensee may not make payment to the  
7           individual unless the amount of the payout exceeds the amount of outstanding child  
8           support debt, in which case the licensee may make payment to the individual of the  
9           amount of winnings that is in excess of the amount of the individual's outstanding  
10          child support debt.

11          **5. Lien against winnings.** If the registry operator informs a licensee pursuant to this  
12          section that an individual who placed a winning wager is listed in the registry, the  
13          department has a valid lien upon and claim of lien against the payout on the winning  
14          wager in the amount of the individual's outstanding child support debt.

15          **6. Withholding of winnings.** The licensee shall withhold from any payout on a  
16          winning wager an amount equal to the amount of the lien created under subsection 5 and  
17          shall provide a notice of withholding to the individual who placed the winning wager.  
18          Within 24 hours after withholding an amount pursuant to this subsection, the licensee  
19          shall transmit the amount withheld to the department together with a report of the name,  
20          address and social security number of the individual from whom payment was withheld,  
21          the account number or identifier assigned to the debt, the amount withheld, the date of  
22          withholding and the name and location of the licensee.

23          **7. Licensee costs.** Notwithstanding subsection 6, the licensee may retain \$15 from  
24          an amount withheld pursuant to this section to cover the cost of the licensee's compliance  
25          with this section.

26          **8. Administrative hearing.** An individual from whom an amount was withheld  
27          pursuant to this section has the right, within 15 days of receipt of the notice of  
28          withholding, to request from the department an administrative hearing. The hearing is  
29          limited to questions of whether the debt is liquidated and whether any postliquidation  
30          events have affected the individual's liability. The administrative hearing decision  
31          constitutes final agency action.

32          **9. Authorization to provide information.** Notwithstanding any other provision of  
33          law to the contrary, the licensee may provide to the department or registry operator any  
34          information necessary to effectuate the intent of this section. The department or registry  
35          operator may provide to the licensee any information necessary to effectuate the intent of  
36          this section.

37          **10. Confidentiality of information.** Information obtained by the department or  
38          registry operator from a licensee pursuant to this section and information obtained by the  
39          licensee from the department or registry operator pursuant to this section remain  
40          confidential and may be used only for the purposes set forth in this section. An employee  
41          or prior employee of the department or registry operator or an employee or prior  
42          employee of a licensee who unlawfully discloses any such information is subject to the  
43          penalties specified by law for unauthorized disclosure of confidential information.

1           **11. Effect of compliance.** A licensee, the department and the registry operator are  
2 not liable for any action taken in good faith to comply with this section.

3           **12. Exemption for agricultural fairs.** This section does not apply to payouts on  
4 winning wagers placed on races conducted at agricultural fairs.

5           **13. Biennial review.** The department shall report to the Legislature and the  
6 Governor on or before January 31, 2015 and biennially thereafter on:

7           A. The number of names of individuals submitted by licensees to the registry  
8 operator pursuant to this section in each of the preceding 2 calendar years;

9           B. The number of individuals who were found to be listed in the registry in each of  
10 the preceding 2 calendar years;

11           C. The amount of winnings withheld by licensees pursuant to this section in each of  
12 the preceding 2 calendar years; and

13           D. The amount of withheld winnings refunded to individuals as the result of  
14 administrative hearings requested pursuant to this section in each of the preceding 2  
15 calendar years.

16           **Sec. 2. 8 MRSA §1066** is enacted to read:

17           **§1066. Interception of slot machine or table game winnings to pay child support**  
18 **debt**

19           **1. Definitions.** As used in this section, unless the context otherwise indicates, the  
20 following terms have the following meanings.

21           A. "Child support debt" means child support debt that has been liquidated by judicial  
22 or administrative action.

23           B. "Department" means the Department of Health and Human Services.

24           C. "Registry operator" means the department or an entity with whom the department  
25 enters into a contract to maintain the registry pursuant to subsection 3.

26           D. "Winner" means a slot machine customer or a table game customer to whom cash  
27 is returned as winnings.

28           **2. Interception.** A licensee shall intercept slot machine and table game winnings to  
29 pay child support debt in accordance with this section.

30           **3. Registry.** The department shall create and maintain, or shall contract with a  
31 private entity to create and maintain, a secure, electronically accessible registry  
32 containing information regarding individuals with outstanding child support debt. The  
33 department shall regularly enter into the registry information including:

34           A. The name and social security number of each individual with outstanding child  
35 support debt;

36           B. The account number or identifier assigned by the department to the outstanding  
37 child support debt;

- 1           C. The amount of the outstanding child support debt; and
- 2           D. Any other information necessary to effectuate the purposes of this section.

3           **4. Electronic access to information; procedures.** A licensee shall electronically  
4 access the registry in accordance with this subsection.

5           A. Before making a payout of winnings of an amount equal to or greater than the  
6 amount for which the licensee is required to file a Form W-2G or substantially  
7 equivalent form with the United States Internal Revenue Service, the licensee shall  
8 obtain the name, address, date of birth and social security number of the winner and  
9 shall electronically submit this information to the registry operator.

10          B. Upon receipt of information pursuant to paragraph A, the registry operator shall  
11 electronically inform the licensee whether the winner is listed in the registry. If the  
12 winner is listed in the registry, the registry operator shall inform the licensee of the  
13 amount of the winner's outstanding child support debt and the account number or  
14 identifier assigned to the outstanding child support debt and shall provide the licensee  
15 with a notice of withholding that informs the winner of the right to an administrative  
16 hearing.

17          C. If the registry operator informs the licensee that the winner is not listed in the  
18 registry or if the licensee is unable to obtain information from the registry operator  
19 after attempting in good faith to do so, the licensee may make payment to the winner.

20          D. If the registry operator informs the licensee that the winner is listed in the  
21 registry, the licensee may not make payment to the winner unless the amount of the  
22 payout exceeds the amount of outstanding child support debt, in which case the  
23 licensee may make payment to the winner of the amount of winnings that is in excess  
24 of the amount of the winner's outstanding child support debt.

25          **5. Lien against winnings.** If the registry operator informs a licensee pursuant to this  
26 section that a winner is listed in the registry, the department has a valid lien upon and  
27 claim of lien against the winnings in the amount of the winner's outstanding child support  
28 debt.

29          **6. Withholding of winnings.** The licensee shall withhold from any winnings an  
30 amount equal to the amount of the lien created under subsection 5 and shall provide a  
31 notice of withholding to the winner. Within 24 hours after withholding an amount  
32 pursuant to this subsection, the licensee shall transmit the amount withheld to the  
33 department together with a report of the name, address and social security number of the  
34 winner, the account number or identifier assigned to the debt, the amount withheld, the  
35 date of withholding and the name and location of the licensee.

36          **7. Licensee costs.** Notwithstanding subsection 6, the licensee may retain \$15 from  
37 an amount withheld pursuant to this section to cover the cost of the licensee's compliance  
38 with this section.

39          **8. Administrative hearing.** A winner from whom an amount was withheld pursuant  
40 to this section has the right, within 15 days of receipt of the notice of withholding, to  
41 request from the department an administrative hearing. The hearing is limited to

1 questions of whether the debt is liquidated and whether any postliquidation events have  
2 affected the winner's liability. The administrative hearing decision constitutes final  
3 agency action.

4 **9. Authorization to provide information.** Notwithstanding any other provision of  
5 law to the contrary, the licensee may provide to the department or registry operator any  
6 information necessary to effectuate the intent of this section. The department or registry  
7 operator may provide to the licensee any information necessary to effectuate the intent of  
8 this section.

9 **10. Confidentiality of information.** Information obtained by the department or  
10 registry operator from a licensee pursuant to this section and information obtained by the  
11 licensee from the department or registry operator pursuant to this section remain  
12 confidential and may only be used for the purposes set forth in this section. An employee  
13 or prior employee of the department or registry operator or an employee or prior  
14 employee of a licensee who unlawfully discloses any such information is subject to the  
15 penalties specified by law for unauthorized disclosure of confidential information.

16 **11. Effect of compliance.** A licensee, the department and the registry operator are  
17 not liable for any action taken in good faith to comply with this section.

18 **12. Biennial review.** The department shall report to the Legislature and the  
19 Governor on or before January 31, 2015 and biennially thereafter on:

20 A. The number of names of winners submitted by licensees to the registry operator  
21 pursuant to this section in each of the preceding 2 calendar years;

22 B. The number of winners who were found to be listed in the registry in each of the  
23 preceding 2 calendar years;

24 C. The amount of winnings withheld by licensees pursuant to this section in each of  
25 the preceding 2 calendar years; and

26 D. The amount of withheld winnings refunded to winners as the result of  
27 administrative hearings requested pursuant to this section in each of the preceding 2  
28 calendar years.

## 29 SUMMARY

30 This bill requires that licensees that conduct pari-mutuel wagering on horse racing in  
31 this State and licensees that operate slot machines and table games intercept the gambling  
32 winnings of individuals with outstanding child support debt and requires that those  
33 amounts be forwarded to the Department of Health and Human Services.