

HOUSE BILL 895

C6, D4, E2

7lr2548
CF SB 655

By: **Delegates Valentino-Smith, Barron, C. Howard, Jackson, Kramer, Krimm, Sanchez, Tarlau, and Valderrama**

Introduced and read first time: February 6, 2017

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Horse Racing – Prizes – Intercepts for Restitution and Child Support Payments**

3 FOR the purpose of authorizing the Central Collection Unit and Child Support
4 Enforcement Administration to certify to the State Racing Commission or a licensee
5 of the Commission that an obligor is in arrears on certain restitution or child support
6 payments; requiring the certification to contain certain information; requiring a
7 licensee to provide an obligor who wins a certain prize with a certain notice; requiring
8 the Commission or a licensee to withhold and make certain transfers of a certain
9 amount of the prize of an obligor; authorizing an obligor to appeal a transfer;
10 requiring the Commission or a licensee to honor interception requests in a certain
11 order; authorizing the Secretary of Budget and Management, the Secretary of
12 Human Resources, and the Commission to adopt certain regulations; providing that
13 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 or certain prizes from account wagering entities.

16 BY adding to
17 Article – Business Regulation
18 Section 11–215
19 Annotated Code of Maryland
20 (2015 Replacement Volume and 2016 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 2016 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.



Article – Business Regulation

11–215.

(A) IN THIS SECTION, “ADMINISTRATION” MEANS THE CHILD SUPPORT ENFORCEMENT ADMINISTRATION OF THE DEPARTMENT OF HUMAN RESOURCES.

(B) THE ADMINISTRATION MAY CERTIFY TO THE COMMISSION OR A LICENSEE THE NAME OF ANY OBLIGOR WHO IS IN ARREARS ON CHILD SUPPORT PAYMENTS IN THE AMOUNT OF \$150 OR MORE IF:

(1) THE ADMINISTRATION HAS ACCEPTED AN ASSIGNMENT OF SUPPORT UNDER § 5–312(B)(2) OF THE HUMAN SERVICES ARTICLE; OR

(2) THE RECIPIENT OF SUPPORT PAYMENTS HAS FILED AN APPLICATION FOR SUPPORT ENFORCEMENT SERVICES WITH THE ADMINISTRATION.

(C) THE CERTIFICATION OF ARREARAGE ON RESTITUTION PAYMENTS UNDER § 11–616 OF THE CRIMINAL PROCEDURE ARTICLE OR CHILD SUPPORT PAYMENTS UNDER SUBSECTION (B) OF THIS SECTION SHALL CONTAIN:

(1) THE FULL NAME OF THE OBLIGOR AND ANY OTHER NAME KNOWN TO BE USED BY THE OBLIGOR;

(2) THE SOCIAL SECURITY NUMBER OF THE OBLIGOR; AND

(3) THE AMOUNT OF THE ARREARAGE.

(D) IF AN OBLIGOR WHO IS OVERDUE IN RESTITUTION OR CHILD SUPPORT PAYMENTS WINS A PRIZE AT A TRACK, OR WINS A PRIZE FROM AN ACCOUNT WAGERING ENTITY REGULATED BY THE COMMISSION, REQUIRING THE ISSUANCE OF INTERNAL REVENUE SERVICE FORM W–2G OR A SUBSTANTIALLY EQUIVALENT FORM BY A LICENSEE, THE LICENSEE SHALL SEND A NOTICE TO THE OBLIGOR THAT:

(1) THE OBLIGOR HAS WON A PRIZE TO BE PAID BY CASH OR CHECK DIRECTLY BY THE LICENSEE;

(2) THE COMMISSION HAS RECEIVED NOTICE FROM THE CENTRAL COLLECTION UNIT OR THE ADMINISTRATION OF THE OBLIGOR’S ARREARAGE IN THE AMOUNT SPECIFIED;

(3) STATE LAW REQUIRES THE LICENSEE TO WITHHOLD THE PRIZE AND PAY IT TOWARD THE OBLIGOR’S ARREARAGE;

(4) THE OBLIGOR HAS 15 DAYS TO APPEAL TO THE CENTRAL COLLECTION UNIT OR THE ADMINISTRATION IF THE OBLIGOR DISPUTES THE EXISTENCE OR THE AMOUNT OF THE ARREARAGE; AND

(5) ON INTERCEPTION OF THE PRIZE, THE LICENSEE WILL TRANSFER THE PRIZE OR THE PART OF THE PRIZE THAT EQUALS THE ARREARAGE TO THE CENTRAL COLLECTION UNIT OR THE ADMINISTRATION.

(E) THE COMMISSION OR THE LICENSEE SHALL:

(1) WITHHOLD AND TRANSFER ALL OR PART OF THE PRIZE UP TO THE AMOUNT OF THE ARREARAGE TO THE CENTRAL COLLECTION UNIT OR THE ADMINISTRATION; AND

(2) PAY THE EXCESS TO THE OBLIGOR.

(F) (1) ON RECEIPT OF A NOTICE FROM THE COMMISSION OR A LICENSEE, AN OBLIGOR WHO DISPUTES THE EXISTENCE OR AMOUNT OF THE ARREARAGE MAY APPEAL THE TRANSFER.

(2) IF THE OBLIGOR APPEALS THE TRANSFER, AFTER A HEARING BEFORE THE CENTRAL COLLECTION UNIT OR THE ADMINISTRATION, THE WITHHELD PRIZE SHALL BE:

(I) PAID TO THE OBLIGOR;

(II) RETAINED BY THE CENTRAL COLLECTION UNIT OR THE ADMINISTRATION; OR

(III) PARTLY PAID TO THE OBLIGOR AND PARTLY RETAINED BY THE CENTRAL COLLECTION UNIT OR THE ADMINISTRATION.

(3) IF NO APPEAL IS FILED WITHIN 15 DAYS, THE CENTRAL COLLECTION UNIT OR THE ADMINISTRATION MAY RETAIN THE WITHHELD PRIZE.

(G) THE COMMISSION OR LICENSEE SHALL HONOR PRIZE INTERCEPTION REQUESTS UNDER THIS SECTION IN THE FOLLOWING ORDER:

(1) AN INTERCEPTION REQUEST FROM THE ADMINISTRATION; AND

(2) AN INTERCEPTION REQUEST FROM THE CENTRAL COLLECTION UNIT.

(H) THE SECRETARY OF BUDGET AND MANAGEMENT, THE SECRETARY OF HUMAN RESOURCES, AND THE COMMISSION MAY JOINTLY ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

(I) A LICENSEE MAY NOT BE HELD LIABLE FOR AN ACT OR OMISSION TAKEN IN GOOD FAITH TO COMPLY SUBSTANTIALLY WITH THE REQUIREMENTS OF THIS SECTION.

Article – Criminal Procedure

11–616.

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

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

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

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

(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

(III) THE STATE RACING COMMISSION OR A LICENSEE OF THE STATE RACING COMMISSION FOR PRIZE PAYOUT INTERCEPTION IN ACCORDANCE 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, 2018.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.