

SUBSTITUTE FOR
HOUSE BILL NO. 5437

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 1996 PA 13.

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 ~~whether the~~ **BOTH OF THE FOLLOWING:**

3 **(A) WHETHER** department of treasury records show that ~~a~~ **THE**
4 lottery winner has a current liability to this state or a support
5 arrearage.

6 **(B) WHETHER UNEMPLOYMENT INSURANCE AGENCY RECORDS SHOW THAT**
7 **THE LOTTERY WINNER HAS ANY CURRENT LIABILITY FOR RESTITUTION OF**
8 **UNEMPLOYMENT BENEFITS, PENALTY, OR INTEREST UNDER SECTION 15 OF THE**
9 **MICHIGAN EMPLOYMENT SECURITY ACT, 1936 (EX SESS) PA 1, MCL 421.15.**

10 (2) The department of treasury shall provide the bureau with a
11 list or computer access to a compilation of persons known to the
12 department to have a current liability to this state, including

1 delinquent accounts of ~~amounts~~ **MONEY** due and owing to a court that
 2 have been assigned to ~~the~~ **THIS** state for collection, or a support
 3 arrearage. The information shall be updated not less than once a
 4 month.

5 (3) If a liability to this state, ~~or~~ **A** support arrearage, **OR**
 6 **AN UNEMPLOYMENT COMPENSATION DEBT** is identified **UNDER SUBSECTION**
 7 **(1)**, the bureau shall ascertain the amount owed from the department
 8 of treasury ~~and first~~ **OR THE UNEMPLOYMENT INSURANCE AGENCY, AS**
 9 **APPLICABLE.**

10 (4) **AFTER ASCERTAINING THE AMOUNT OWED BY THE LOTTERY WINNER**
 11 **UNDER SUBSECTION (3), THE BUREAU SHALL** apply the amount of the
 12 prize **AS FOLLOWS:**

13 (A) **FIRST** to ~~the~~ **ANY** liability to ~~the~~ **THIS** state other than
 14 ~~the amount of any~~ **AN** assigned delinquent account of ~~amounts~~ **MONEY**
 15 due and owing to a court, ~~next~~ **OR AN UNEMPLOYMENT COMPENSATION**
 16 **DEBT.**

17 (B) **NEXT** to ~~the~~ **ANY** support arrearage. ~~and next~~

18 (C) **NEXT TO ANY UNEMPLOYMENT COMPENSATION DEBT.**

19 (D) **NEXT** to ~~the~~ **ANY** assigned delinquent accounts of ~~amounts~~
 20 **MONEY** due and owing to a court. ~~and the excess,~~

21 (E) **THE BALANCE**, if any, shall be paid to the lottery winner.

22 (5) ~~(2)~~ **A EXCEPT FOR A PAYMENT APPLIED TO A LIABILITY UNDER**
 23 **SUBSECTION (4) (C), A** lottery winner shall ~~receive~~ **BE GIVEN** notice
 24 and an opportunity for a hearing before the department of treasury
 25 or its designee with respect to the liability to which the prize is
 26 to be applied ~~where~~ **IF** the liability has not been reduced to
 27 judgment or has not been finalized under statutory review

provisions of the statute under which the liability arose. The notice shall be ~~made~~**GIVEN** by regular mail. The lottery winner may request a hearing **BEFORE THE DEPARTMENT OF TREASURY** within 15 days ~~of~~**AFTER** the date of the notice by making a written request to the ~~revenue commissioner~~**STATE TREASURER**.

(6) ~~(3)~~An amount applied to pay a support arrearage shall be paid by the bureau to the department of treasury, which shall pay the amount to the office of the friend of the court for the appropriate judicial circuit **OR TO THE STATE DISBURSEMENT UNIT** in the same manner as ~~is prescribed for a payment pursuant to an order of income withholding under section 9 of the support and parenting time enforcement act, Act No. 295 of the Public Acts of 1982 PA 295, being section MCL 552.609. of the Michigan Compiled Laws.~~

(7) ~~(4)~~In regard to ~~the~~ information provided by the department of treasury to the bureau under this section, the bureau is subject to the confidentiality restrictions and penalties provided in section 28(1)(f) and (2) of ~~Act No. 122 of the Public Acts of 1941 PA 122, being section MCL 205.28. of the Michigan Compiled Laws.~~ **IN REGARD TO INFORMATION PROVIDED BY THE UNEMPLOYMENT INSURANCE AGENCY TO THE BUREAU UNDER SECTION 15 OF THE MICHIGAN EMPLOYMENT SECURITY ACT, 1936 (EX SESS) PA 1, MCL 421.15, THE BUREAU IS SUBJECT TO THE CONFIDENTIALITY RESTRICTIONS AND PENALTIES PROVIDED IN SECTIONS 11 AND 54 OF THE MICHIGAN EMPLOYMENT SECURITY ACT, 1936 (EX SESS) PA 1, MCL 421.11 AND 421.54.**

(8) ~~(5)~~ ~~Until October 1, 1995 each office of the friend of the court may report to the department of treasury the names of persons who have a current support arrearage. Beginning October 1, 1995~~

1 ~~each~~ **EACH** office of the friend of the court shall report to the
2 office of child support the names of persons who have a current
3 support arrearage and the office of child support shall provide
4 that information to the department of treasury.

5 (9) ~~(6)~~ As used in this section:

6 (a) "Office of the friend of the court" means an agency
7 created in section 3 of the friend of the court act, ~~Act No. 294 of~~
8 ~~the Public Acts of 1982~~ **PA 294**, ~~being section~~ **MCL 552.503.** ~~of the~~
9 ~~Michigan Compiled Laws.~~

10 (b) "Support" means that term as defined in section ~~31~~ **2A** of
11 **THE FRIEND OF THE COURT ACT**, ~~Act No. 294 of the Public Acts of 1982~~
12 **PA 294**, ~~being section 552.531 of the Michigan Compiled Laws~~ **MCL**
13 **552.502A.**