



Senate Fiscal Agency
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House Bill 4855 (Substitute H-1 as reported without amendment)

Sponsor: Representative Kenneth Kurtz

House Committee: Families, Children, and Seniors

Senate Committee: Families, Seniors and Human Services

CONTENT

The bill would amend the Lottery Act to require the Lottery Bureau to determine whether a winner of a lottery prize of \$1,000 or more had any current liability to the Department of Human Services (DHS), and to ascertain the amount owed. The Bureau would have to apply the amount of the prize in the following priority before paying the balance to the lottery winner:

- Any liability to the State, other than an assigned delinquent account of money due and owing to a court, an unemployment compensation debt, or a debt to the DHS.
- Any support arrearage.
- Any unemployment compensation debt.
- Any debt to the DHS.
- Any assigned delinquent accounts of money due and owing to a court.

(Except regarding to a debt to the DHS, this reflects the current payment priority.)

The bill also would prescribe confidentiality requirements concerning information provided to the Bureau by the DHS.

MCL 432.32

Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bill would increase the amount of revenue that is available to the State, and would not have an impact on local units of government. The Department of Human Services estimates that as much as \$5.7 million in recoupment payments would be returned to the State on an annual basis.

As required by Public Act 77 of 2012, the DHS conducts weekly reviews of lottery winners who have won \$1,000 or more who are also receiving public assistance. In 2013, 7,216 such lottery winners were identified. To the extent that any of these individuals or future lottery winners were in debt to the Department, the recouped payments would be realized. Additionally, the Federal government would claim some of the revenue, reducing the amount that would be made available to the State.

The bill could have a negligible fiscal impact on the Bureau of State Lottery. Any administrative costs that it incurred should be absorbed under the current appropriations.

Date Completed: 11-17-14

Fiscal Analyst: Frances Carley
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Bill Analysis @ www.senate.michigan.gov/sfa

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