

SUBSTITUTE FOR
HOUSE BILL NO. 4855

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 2012 PA 428.

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 both of the following:

3 (a) Whether department of treasury records show that 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 (C) **WHETHER RECORDS OF THE DEPARTMENT OF HUMAN SERVICES SHOW**

1 **THAT THE LOTTERY WINNER HAS ANY CURRENT LIABILITY TO THE DEPARTMENT**
 2 **OF HUMAN SERVICES.**

3 (2) The department of treasury shall provide the bureau with a
 4 list or computer access to a compilation of persons known to the
 5 department to have a current liability to this state, including
 6 delinquent accounts of money due and owing to a court that have
 7 been assigned to this state for collection, or a support arrearage.
 8 The information shall be updated not less than once a month.

9 (3) If a liability to this state, a support arrearage, ~~or an~~
 10 unemployment compensation debt, **OR A DEBT TO THE DEPARTMENT OF**
 11 **HUMAN SERVICES** is identified under subsection (1), the bureau shall
 12 ascertain the amount owed from the department of treasury, ~~or the~~
 13 unemployment insurance agency, **OR THE DEPARTMENT OF HUMAN SERVICES,**
 14 as applicable.

15 (4) After ascertaining the amount owed by the lottery winner
 16 under subsection (3), the bureau shall apply the amount of the
 17 prize as follows:

18 (a) First to any liability to this state other than an
 19 assigned delinquent account of money due and owing to a court, ~~or~~
 20 an unemployment compensation debt, **OR A DEBT TO THE DEPARTMENT OF**
 21 **HUMAN SERVICES.**

22 (b) Next to any support arrearage.

23 (c) Next to any unemployment compensation debt.

24 **(D) NEXT TO ANY DEBT TO THE DEPARTMENT OF HUMAN SERVICES.**

25 **(E) ~~(d)~~**Next to any assigned delinquent accounts of money due
 26 and owing to a court.

27 **(F) ~~(e)~~**The balance, if any, shall be paid to the lottery

1 winner.

2 (5) Except for a payment applied to a liability under
3 subsection (4)(c) **OR (D)**, a lottery winner shall be given notice
4 and an opportunity for a hearing before the department of treasury
5 or its designee with respect to the liability to which the prize is
6 to be applied if the liability has not been reduced to judgment or
7 has not been finalized under statutory review provisions of the
8 statute under which the liability arose. The notice shall be given
9 by regular mail. The lottery winner may request a hearing before
10 the department of treasury within 15 days after the date of the
11 notice by making a written request to the state treasurer.

12 (6) An amount applied to pay a support arrearage shall be paid
13 by the bureau to the department of treasury, which shall pay the
14 amount to the office of the friend of the court for the appropriate
15 judicial circuit or to the state disbursement unit in the same
16 manner as a payment pursuant to an order of income withholding
17 under section 9 of the support and parenting time enforcement act,
18 1982 PA 295, MCL 552.609.

19 (7) In regard to information provided by the department of
20 treasury to the bureau under this section, the bureau is subject to
21 the confidentiality restrictions and penalties provided in section
22 28(1)(f) and (2) of 1941 PA 122, MCL 205.28. In regard to
23 information provided by the unemployment insurance agency to the
24 bureau under section 15 of the Michigan employment security act,
25 1936 (Ex Sess) PA 1, MCL 421.15, the bureau is subject to the
26 confidentiality restrictions and penalties provided in sections 11
27 and 54 of the Michigan employment security act, 1936 (Ex Sess) PA

1 1, MCL 421.11 and 421.54. IN REGARD TO INFORMATION PROVIDED BY THE
2 DEPARTMENT OF HUMAN SERVICES TO THE BUREAU, THE BUREAU IS SUBJECT
3 TO THE SAME EXTENT AS IS THE DEPARTMENT OF HUMAN SERVICES TO
4 RESTRICTIONS PRESCRIBED BY FEDERAL REGULATIONS GOVERNING TEMPORARY
5 ASSISTANCE TO NEEDY FAMILIES OR OTHER FEDERAL PROGRAMS, BY RULES OF
6 THE DEPARTMENT OF HUMAN SERVICES, OR OTHERWISE, FOR PREVENTING THE
7 DISCLOSURE OF CONFIDENTIAL INFORMATION TO ANY PERSON NOT AUTHORIZED
8 BY LAW TO RECEIVE THE INFORMATION.

9 (8) Each office of the friend of the court shall report to the
10 office of child support the names of persons who have a current
11 support arrearage and the office of child support shall provide
12 that information to the department of treasury.

13 (9) As used in this section:

14 (a) "Office of the friend of the court" means an agency
15 created in section 3 of the friend of the court act, 1982 PA 294,
16 MCL 552.503.

17 (b) "Support" means that term as defined in section 2a of the
18 friend of the court act, 1982 PA 294, MCL 552.502a.

19 Enacting section 1. This amendatory act takes effect 90 days
20 after the date it is enacted into law.