

2023 -- H 5968

LC002202

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT -- STATE LOTTERY

Introduced By: Representatives Lima, Fenton-Fung, Vella-Wilkinson, and Costantino

Date Introduced: March 01, 2023

Referred To: House State Government & Elections

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-61-7.1 of the General Laws in Chapter 42-61 entitled "State  
2 Lottery" is hereby amended to read as follows:

3 **42-61-7.1. Payment of prizes in excess of six hundred dollars (\$600) — Setoff for child**  
4 **support debts and benefit of overpayments.**

5 (a) Notwithstanding the provisions of § 42-61-7 relating to assignment of prizes, the  
6 following setoff provisions shall apply to the payment of any prizes or winning ticket in excess of  
7 six hundred dollars (\$600).

8 (1) With respect to a person entitled to receive the prize or winning ticket who has an  
9 unpaid child support order(s) arrearage(s) in excess of five hundred (\$500), as provided by the  
10 department pursuant to § 42-61-7.1(3), or owes any sum in excess of five hundred dollars (\$500)  
11 for benefit overpayments and interest to the department of labor and training determined to be  
12 recoverable under the provisions of chapters 39 — 44 of title 28, the lottery director:

13 (i) Shall set off against the amount due to that person after state and federal tax withholding  
14 an amount up to the balance of the child support arrearage(s), and benefit overpayments and interest  
15 owed to the department of labor and training, and the director shall make payment of this amount  
16 directly to the Rhode Island family court in the case of child support arrearage(s) which shall  
17 deposit the amount set off into the registry of the family court for a period of forty-five (45) days,  
18 or if an application for review has been filed pursuant to § 27-57-1(d), until final disposition of the  
19 application until further order of the court and in the case of benefit overpayments and interest

1 owed the director shall transfer the amounts owed to the department of labor and training; and

2 (ii) Shall pay to this person the remaining balance of the prize or winning ticket amount, if  
3 any, after reduction of the amount set off above for child support and benefit overpayments and  
4 interest owed. If any instance, the lottery director has received notice from more than one claimant  
5 agency, the claim for child support arrearage(s) by the department of human services shall receive  
6 first priority and the claim for benefit overpayments and interest owed by the department of labor  
7 and training the second priority.

8 (2) The director shall be discharged of all further liability upon payment of a prize or  
9 winning ticket pursuant to this section.

10 (3) The department of human services shall periodically within each year furnish the  
11 director with a list or compilation of names of individuals, together with any other identifying  
12 information and in a form that the director shall require, who as of the date of the list or compilation,  
13 have an unpaid child support order arrearage in excess of five hundred dollars (\$500) as shown on  
14 the Rhode Island family court degrees department of human services child support enforcement  
15 computer system ("CSE system"). For the purposes of this section, the terms used in this section  
16 shall be given the meaning and definitions specified in § 15-16-2.

17 (4) Any party aggrieved by any action taken under this section may within thirty (30) days  
18 of the withholding of the payment by the lottery director seek judicial review in the family court,  
19 in the case of withholding for child support or in the district court in the case of benefit  
20 overpayments and interest owed, which may, in its discretion, issue a temporary order prohibiting  
21 the disbursement of funds under this section, pending final adjudication.

22 (5) The department of labor and training shall periodically within each year furnish the  
23 director with a list or compilation of names of individuals, together with any identifying  
24 information and in any form that the director requires, who as to the date of the list or compilation,  
25 have unpaid benefit overpayments and interest in excess of five hundred dollars (\$500) determined  
26 to be recoverable under the provisions of chapters 39 — 44 of title 28.

27 (b) The state lottery shall not release the personal identification information of the winner  
28 to the public for any payment in excess of six hundred dollars (\$600) without the written consent  
29 of the prize winner. Any record containing the personal identification of the prize winner shall not  
30 be subject to the provisions of chapter 2 of title 38 and shall not be deemed a public record.

31 [See § 12-1-15 of the General Laws.]

32 SECTION 2. Section 42-61-7.2 of the General Laws in Chapter 42-61 entitled "State  
33 Lottery" is hereby amended to read as follows:

34 **42-61-7.2. Payment of prizes in excess of six hundred dollars (\$600) — Setoff for**

1 **unpaid taxes.**

2 (a) Notwithstanding the provisions of § 42-61-7 and § 42-61-7.1 relating to assignment of  
3 prizes and setoff for child support debts and benefit overpayments, the following setoff provisions  
4 shall apply to the payment of any prizes or winning ticket in excess of six hundred dollars (\$600).

5 (1) With respect to a person entitled to receive the prize or winning ticket who has unpaid  
6 taxes owed to the tax administrator in excess of six hundred dollars (\$600), as evidenced by the tax  
7 administrator pursuant to subsection (3) of this section, the lottery director:

8 (i) Shall setoff against the amount due to that person after state and federal tax withholding  
9 an amount up to the balance of the unpaid taxes owed as evidenced by the tax administrator  
10 pursuant to subsection (3) of this section, and the director shall make payment of this amount  
11 directly to the tax administrator; and

12 (ii) Shall pay to that person the remaining balance of the prize or winning ticket amount, if  
13 any, after reduction of the amount setoff above for taxes owed. If in any instance, the lottery director  
14 has received notice from more than one claimant agency, the claim for child support arrearage(s)  
15 owed to the department of human services shall receive first (1st) priority, the claim for benefit  
16 overpayments and interest owed to the department of labor and training the second (2nd) priority,  
17 and the claim for taxes owed to the tax administrator the third (3rd) priority.

18 (2) The director shall be discharged of all further liability upon payment of a prize or  
19 winning ticket pursuant to this section.

20 (3) The tax administrator shall periodically within each year furnish the director with a list  
21 or compilation of names of individuals, together with any other identifying information and in a  
22 form that the director shall require, who as of the date of the list or compilation, have unpaid taxes  
23 in excess of six hundred dollars (\$600).

24 (4) Any party aggrieved by any action taken under this section may, within thirty (30) days  
25 of the withholding of the payment by the lottery director, seek a review with the tax administrator,  
26 who may, in his or her discretion, issue a temporary order prohibiting the disbursement of funds  
27 under this section, pending final decision.

28 (b) The state lottery shall not release the personal identification information of the winner  
29 to the public for any payment in excess of six hundred dollars (\$600) without the written consent  
30 of the prize winner. Any record containing the personal identification of the prize winner shall not  
31 be subject to the provisions of chapter 2 of title 38 and shall not be deemed a public record.

32 SECTION 3. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO STATE AFFAIRS AND GOVERNMENT -- STATE LOTTERY

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1           This act would prohibit the state lottery from releasing to the public the personal  
2 identification information of any prize winner of an amount in excess of six hundred dollars (\$600)  
3 without the written consent of the prizewinner. The act would also provide that any document  
4 containing the personal identification information would not be subject to the access to public  
5 records provisions and would not be a public record.

6           This act would take effect upon passage.

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