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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT - STATE LOTTERY

Introduced By: Representatives Hearn, Fellela, and Serpa

Date Introduced: February 27, 2014

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 42-61 of the General Laws entitled "State Lottery" is hereby
2 amended by adding thereto the following section:

3 **42-61-7.3. Payment of prizes in excess of six hundred dollars (\$600) - Setoff for**
4 **Medical Assistance overpayment. -- Notwithstanding the provisions of §§ 42-61-7, 42-61-7.1**
5 **and 42-61-7.2 relating to assignment of prizes and setoff for child support debts, and benefit**
6 **overpayments, and unpaid taxes, the following setoff provisions shall apply to the payment of any**
7 **prizes or winning ticket in excess of six hundred dollars (\$600).**

8 (1) With respect to a person entitled to receive the prize or winning ticket who has been
9 overpaid medical assistance by the executive office of health and human services in excess of six
10 hundred dollars (\$600), as evidenced by the executive office of health and human services
11 pursuant to § 42-61-7.3(3), the lottery director:

12 (i) Shall setoff against the amount due to that person after state and federal tax
13 withholding an amount up to the balance of the medical assistance overpayment owed as
14 evidenced by the executive office of health and human services pursuant to § 42-61-7.3(3), and
15 the director shall make payment of this amount directly to the executive office of health and
16 human services; and

17 (ii) Shall pay to that person the remaining balance of the prize or winning ticket amount,
18 if any, after reduction of the amount setoff above for the medical assistance overpaid and any
19 other amounts setoff pursuant to applicable laws. If in any instance, the lottery director has

1 received notice from more than one claimant agency, the claim for child support arrearage(s)
2 owed to the department of human services shall receive first priority, the claim for benefit
3 overpayments and interest owed to the department of labor and training the second priority, the
4 claim for taxes owed to the tax administrator the third priority, and the claim for medical
5 assistance owed to the executive office of health and human services the fourth priority. At the
6 time that the remaining balance of the prize or winning ticket amount, if any, is paid to the
7 person, the lottery will advise the person of the amounts of the setoffs that were made against the
8 prize or winning ticket amount.

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

11 (3) The executive office of health and human services shall periodically within each year
12 furnish the lottery director with a list or compilation of names of individuals, together with any
13 other identifying information in a form that the lottery director shall require, who as of the date of
14 the list or compilation, have been overpaid for medical assistance in excess of six hundred dollars
15 (\$600). Any information identifying a medical assistance recipient shall be subject to
16 confidentiality provisions to the full extent required under federal and state law; provided,
17 however, the lottery shall be entitled to receive and use such information provided to it by the
18 executive office of health and human services to perform its obligations under this section.

19 (4) Any party aggrieved by any action taken under this section may, within thirty (30)
20 days of the withholding of the payment by the lottery director, seek a review with the executive
21 office of health and human services.

22 SECTION 2. This act shall take effect on January 1, 2015.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO STATE AFFAIRS AND GOVERNMENT - STATE LOTTERY

1 This act would require the lottery director to offset from lottery winnings in excess of six
2 hundred dollars (\$600), money owed to the executive office of health and human services for
3 medical assistance overpayments.

4 This act would take effect on January 1, 2015.

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