

IN THE SENATE

SENATE BILL NO. 1126

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO LOTTERY PRIZES; AMENDING SECTION 56-203E, IDAHO CODE, TO REVISE
2 PROCEDURES FOR WITHHOLDING AND SET-OFF OF LOTTERY PRIZE WINNINGS FOR
3 SATISFACTION OF OUTSTANDING CHILD SUPPORT DEBT; AND AMENDING SECTION
4 67-7437, IDAHO CODE, TO REVISE PROCEDURES FOR WITHHOLDING AND SET-OFF
5 OF LOTTERY PRIZE WINNINGS FOR SATISFACTION OF OUTSTANDING STATE TAXES
6 OWED AND TO MAKE A TECHNICAL CORRECTION.
7

8 Be It Enacted by the Legislature of the State of Idaho:

9 SECTION 1. That Section 56-203E, Idaho Code, be, and the same is hereby
10 amended to read as follows:

11 56-203E. LOTTERY PRIZE SET-OFF PROCEDURE FOR SUPPORT DEBT. (1) The
12 Idaho state lottery shall immediately withhold, and set-off a and transfer
13 prize moneys of a lottery prize winner to the department of health and wel-
14 fare upon notification and verification from the department of health and
15 welfare to collect a support delinquency. The set-off or withholding of a
16 prize shall be ~~completed~~ final only after the following conditions have been
17 met:

18 (a) A delinquency exists, which shall be defined as any unpaid child or
19 spousal support including public assistance, pursuant to a court order
20 from this state or a court or administrative order of another state.

21 (b) The department of health and welfare, bureau of child support en-
22 forcement, shall forward to the Idaho state lottery the full name and
23 social security number of the obligor and the amount of the delinquent
24 child support. The Idaho state lottery shall notify the department of
25 health and welfare of the amount of the prize withheld to satisfy the
26 child support delinquency and the prize winner's address.

27 (c) The department of health and welfare shall provide nNotice of the
28 proposed set-off ~~shall be sent~~ by registered or certified mail to the
29 prize winner at the address provided to the Idaho state lottery. Within
30 fourteen (14) days after such notice has been mailed (not counting Sat-
31 urday, Sunday or state holidays as the 14th day) the prize winner may
32 file a protest in writing requesting a hearing before the department of
33 health and welfare. The hearing shall be held within thirty-five (35)
34 days from the date of the mailing of the original notice. No issues at
35 that hearing may be considered that have been litigated previously. The
36 department of health and welfare shall issue its findings and decision
37 either at the hearing or by mail to the prize winner within ten (10) days
38 of the hearing.

39 (d) After the decision of the department of health and welfare is is-
40 sued, or if the prize winner has failed to file a timely protest of the
41 claim, the set-off procedure shall become final.

1 (2) The proceeds from the set-off shall be credited to an account des-
2 ignated by the department of health and welfare, and notice shall be given to
3 the appropriate clerk of the district court.

4 SECTION 2. That Section 67-7437, Idaho Code, be, and the same is hereby
5 amended to read as follows:

6 67-7437. PRIZES. Except as otherwise provided in this section, any
7 prize won under this chapter is not assignable. If the prize winner dies
8 before the prize is paid, the prize shall be paid to the estate of the prize
9 winner. A prize is subject to garnishment and recovery for unpaid taxes,
10 child or spousal support or public assistance benefits paid and recoverable
11 by the state or any county, or by a person pursuant to a judgment and execu-
12 tion under an order of the court. A prize shall also be subject to immediate
13 withholding and set-off to collect any support delinquency or state taxes
14 owed upon notification from the department of health and welfare pursuant to
15 section 56-203E, Idaho Code, or the state tax commission pursuant to section
16 63-3060, Idaho Code. The state lottery shall not pay a prize claim until the
17 lottery ticket or share has passed the validation tests established by the
18 state lottery.

19 No prize shall be paid arising from claimed tickets or shares that are
20 stolen, counterfeit, altered, fraudulent, unissued, produced or issued
21 in error, unreadable, not received or not recorded by the state lottery by
22 applicable deadlines, lacking in captions that confirm and agree with the
23 state lottery play symbols as appropriate to the game involved, or not in
24 compliance with such additional specific rules and regulations and public or
25 confidential validation and security tests of the state lottery appropriate
26 to the particular lottery game involved. Confidential validation or secu-
27 rity tests shall be subject to disclosure according to chapter 3, title 9,
28 Idaho Code.

29 No particular prize in any lottery game may be paid more than once, and
30 in the event of a binding determination that more than one (1) claimant is en-
31 titled to a particular prize, the sole remedy of such claimants is the award
32 to each of them an equal share in the prize.