



Sub. H.B. 122

126th General Assembly
(As Passed by the House)

Reps. Wagoner, McGregor, Martin, Wagner, T. Patton, Hoops, Uecker, Seitz, Combs, Gibbs, Flowers, Collier, D. Evans, Calvert, Reidelbach, Setzer, Strahorn, Garrison, Latta, C. Evans, Kearns, Blasdel, Law, Gilb, Webster, Ujvagi, Harwood, Daniels, Carmichael, Walcher, Hartnett, D. Stewart, Book, Allen, Barrett, Brinkman, Brown, Cassell, Chandler, Coley, DeBose, Distel, Dolan, Domenick, Faber, Hughes, Key, Miller, Sayre, Schaffer, Schneider, J. Stewart, Yuko

BILL SUMMARY

- Prohibits any person from claiming or receiving payment of a lottery prize award with a value in excess of \$599 until each beneficial owner's name, address, and Social Security number are disclosed to the State Lottery Commission.
- Changes the procedure for the deduction from lottery prize awards of child or spousal support in default by requiring child support enforcement agencies to issue intercept directives if they determine a prize winner is subject to a "final and enforceable determination of default" under the Support Order Default Law.

CONTENT AND OPERATION

Required provision of information about the beneficial owner of a lottery prize award to the State Lottery Commission

Current law requires that lottery prize awards be claimed by the holder of the winning lottery ticket, or by the executor or administrator, or the trustee of a trust, of the estate of a deceased holder of a winning lottery ticket, in a manner determined by the State Lottery Commission within specified time periods (R.C. 3770.07(A)(1)). The bill prohibits any lottery prize award with a value that exceeds \$599 from being claimed by or paid to any *person* until the name, address, and Social Security number of *each beneficial owner* of the prize award are disclosed to the Commission (R.C. 3770.07(A)(1)). For this prohibition, "person"

means a "person" as generally defined for purposes of the entire Revised Code as well as a "person" as defined by Commission rule or order, and "each beneficial owner" means the ultimate recipient or, if there is more than one, each ultimate recipient of a lottery prize award (R.C. 3770.07(A)(1) and (4)(c)).¹

Except with the beneficial owner's permission, the name, address, and Social Security number of a beneficial owner in the Commission's records *as a result of disclosure under the bill's implicit requirement* cannot be subject to inspection or copying under the Public Records Law as a public record. However, subject to that exception or another exception provided by law, the name and address of an *individual claiming* a lottery prize award are subject to inspection and copying under the Public Records Law as a public record. (R.C. 3770.07(A)(1).)

Deduction of support in default from lottery prize awards

Current law

If the amount or value of a lottery prize award is \$600 or more, current law requires the Director of the State Lottery Commission or the Director's designee to require *the prize winner* to affirm in writing, under oath, whether or not he or she is in default under a child or spousal support order. The Director or the Director's designee may take additional steps to determine if the prize winner is in default under such a support order. If the prize winner affirms that he or she is in default, or if the Director or the Director's designee otherwise determines the prize winner is in default, the Director or the Director's designee must (1) temporarily withhold payment of the prize award and (2) notify the *court that issued the support order* (a) that the person is a prize winner, (b) of the amount of the prize award, and (c) if the prize will be paid in installments, of the number of installments. Upon receipt of this notice, the court must inform the prize winner of the Director's notice, schedule a hearing to determine if the prize winner is in default and the amount of the default, and give the prize winner notice of the date, time, and location of the hearing. (R.C. 3770.071(A).)

Changes made by the bill

The bill generally retains the provisions of current law summarized above, but requires that the Director's notice instead be sent to *the child support enforcement agency* (CSEA) that administers the support order involved and

¹ R.C. 1.59(C) defines "person" generally for the entire Revised Code to include an individual, corporation, business trust, estate, trust, partnership, and association (not in the bill).

requires the CSEA to conduct an investigation to determine whether the prize winner is subject *to a final and enforceable determination of default* under the Support Order Default Law. Thus, the bill removes the court that issued the support order from being the recipient of the Director's notice and from having to conduct a hearing to determine whether the prize winner is in default and the amount of the default. (R.C. 3770.071(A)(1) and (2).)

If the CSEA determines that the prize winner is subject to a final and enforceable determination of default, it must issue *an intercept directive* (see below for its content) to the Director requiring the Director or the Director's designee to deduct from any unpaid prize award, or any annual installment of any unpaid prize award, a specified amount for support in satisfaction of the support order under which the prize winner is in default (R.C. 3123.89(A) and 3770.071(A)(2)). A copy of this intercept directive must be sent to the "obligor" prize winner (R.C. 3123.89(A)).

The intercept directive must require the Director or the Director's designee to transmit the specified amount or amounts from the proceeds of the specified lottery prize award to the Office of Child Support in the Department of Job and Family Services. It also must contain all of the following information: (1) the name, address, and Social Security number or taxpayer identification number of the "obligor" prize winner, (2) a statement that the "obligor" prize winner has been determined to be in default under a support order, and (3) the amount of arrearage owed by the "obligor" prize winner as determined by the CSEA. (R.C. 3123.89(B).)

A CSEA must issue an intercept directive within 30 days from the date of the Director or Director's designee notice to the CSEA of the prize winner's acknowledgement of the default or the Director's or Director's designee's determination otherwise of the prize winner's default under the support order in question. Correspondingly, the Director or the Director's designee must pay the amount specified in the intercept directive to the Office of Child Support within 30 days after the directive's issuance, or, in the case of an annual installments prize award, on the date the next installment payment is due, after deducting that amount from the proceeds of the prize award. (R.C. 3123.89(C) and 3770.071(A)(2).)

HISTORY

ACTION	DATE	JOURNAL ENTRY
Introduced	03-10-05	p. 303
Reported, H. State Gov't	05-17-05	p. 806
Passed House (96-1)	05-18-05	pp. 860-861

H0122-PH-126.doc/nlr

