

SENATE BILL 711

D4

3lr0036

By: **Chair, Judicial Proceedings Committee (By Request – Departmental – Human Services)**

Introduced and read first time: February 6, 2023

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Child Support – Sports Wagering and Fantasy Competition Intercept**

3 FOR the purpose of making certain provisions of law relating to the authority of the Child
4 Support Administration to intercept lottery prizes won by certain child support
5 obligors under certain circumstances applicable to the winning of certain prizes from
6 sports wagering or fantasy competitions by certain child support obligors under
7 certain circumstances; and generally relating to child support.

8 BY repealing and reenacting, with amendments,

9 Article – Family Law

10 Section 10–113.1

11 Annotated Code of Maryland

12 (2019 Replacement Volume and 2022 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

14 That the Laws of Maryland read as follows:

15 **Article – Family Law**

16 10–113.1.

17 (a) (1) In this section the following words have the meanings indicated.

18 (2) “Agency” means the State Lottery and Gaming Control Agency.

19 (3) **“FANTASY COMPETITION” HAS THE MEANING STATED IN §**
20 **9–1D–01 OF THE STATE GOVERNMENT ARTICLE.**

21 (4) **“FANTASY COMPETITION OPERATOR” HAS THE MEANING STATED**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 IN § 9-1D-01 OF THE STATE GOVERNMENT ARTICLE.

2 (5) "ONLINE SPORTS WAGERING OPERATOR" HAS THE MEANING
3 STATED IN § 9-1E-01 OF THE STATE GOVERNMENT ARTICLE.

4 (6) "SPORTS WAGERING" HAS THE MEANING STATED IN § 9-1E-01 OF
5 THE STATE GOVERNMENT ARTICLE.

6 (7) "SPORTS WAGERING LICENSEE" HAS THE MEANING STATED IN §
7 9-1E-01 OF THE STATE GOVERNMENT ARTICLE.

8 [(3)] (8) "Video lottery facility" has the meaning stated in § 9-1A-01 of
9 the State Government Article.

10 [(4)] (9) "Video lottery operation licensee" has the meaning stated in §
11 9-1A-01 of the State Government Article.

12 (b) The Administration may certify to the Agency the name of any obligor who is
13 in arrears in the amount of \$150 or more if:

14 (1) the Administration has accepted an assignment of support under §
15 5-312(b)(2) of the Human Services Article; or

16 (2) the recipient of support payments has filed an application for support
17 enforcement services with the Administration.

18 (c) The certification shall contain:

19 (1) the full name of the obligor, and any other names known to be used by
20 the obligor;

21 (2) the Social Security number of the obligor; and

22 (3) the amount of the arrearage.

23 (d) If an obligor who has been certified as an obligor wins a lottery prize to be paid
24 by check directly by the Agency, the Agency shall send a notice to the obligor that:

25 (1) the obligor has won a prize to be paid by check directly by the State
26 Lottery and Gaming Control Agency;

27 (2) the State Lottery and Gaming Control Agency has received certification
28 from the Child Support Administration of the obligor's child support arrearage in the
29 amount specified;

1 (3) State law requires the State Lottery and Gaming Control Agency to
2 withhold the prize and to pay it towards the obligor's support arrearage;

3 (4) the obligor has 15 days to appeal to the Administration if the obligor
4 disputes the existence or the amount of the arrearage; and

5 (5) on interception of the prize, the State Lottery and Gaming Control
6 Agency will transfer the prize or the part of the prize that equals the obligor's child support
7 arrearage to the Administration.

8 (e) If an obligor who owes child support and has been certified as an obligor wins
9 a prize at a video lottery facility [requiring], **FROM SPORTS WAGERING, OR IN A**
10 **FANTASY COMPETITION AND THAT PRIZE REQUIRES** the issuance of Internal Revenue
11 Service Form W-2G or a substantially equivalent form [by a video lottery operation
12 licensee], the video lottery operation licensee, **SPORTS WAGERING LICENSEE, ONLINE**
13 **SPORTS WAGERING OPERATOR, OR FANTASY COMPETITION OPERATOR** shall provide
14 a notice to the obligor that:

15 (1) the obligor has won a prize to be paid by cash or check directly by the
16 video lottery operation licensee, **SPORTS WAGERING LICENSEE, ONLINE SPORTS**
17 **WAGERING OPERATOR, OR FANTASY COMPETITION OPERATOR**;

18 (2) the State Lottery and Gaming Control Agency has received certification
19 from the Child Support Administration of the obligor's child support arrearage in the
20 amount specified;

21 (3) State law requires the video lottery operation licensee, **SPORTS**
22 **WAGERING LICENSEE, ONLINE WAGERING OPERATOR, OR FANTASY COMPETITION**
23 **OPERATOR** to withhold the prize and to pay it towards the obligor's child support
24 arrearage;

25 (4) the obligor has 15 days to appeal to the Administration if the obligor
26 disputes the existence or the amount of the child support arrearage; and

27 (5) on interception of the prize, the video lottery operation licensee,
28 **SPORTS WAGERING LICENSEE, ONLINE WAGERING OPERATOR, OR FANTASY**
29 **COMPETITION OPERATOR** will transfer the prize or the part of the prize that equals the
30 obligor's child support arrearage to the Administration.

31 (f) (1) The Agency or the video lottery operation licensee, **SPORTS WAGERING**
32 **LICENSEE, ONLINE WAGERING OPERATOR, OR FANTASY COMPETITION OPERATOR**
33 shall:

34 (i) withhold and transfer all or part of the prize up to the amount of
35 the arrearage to the Administration; and

1 (ii) pay the excess to the obligor.

2 (2) The Agency and a video lottery operation licensee, **SPORTS WAGERING**
3 **LICENSEE, ONLINE WAGERING OPERATOR, OR FANTASY COMPETITION OPERATOR**
4 shall honor interception requests in the following order:

5 (i) an interception request under this section;

6 (ii) an interception request under § 11–618 of the Criminal
7 Procedure Article; and

8 (iii) an interception request under § 3–307 of the State Finance and
9 Procurement Article.

10 (g) (1) On receipt of a notice from the Agency or video lottery operation
11 licensee, **SPORTS WAGERING LICENSEE, ONLINE WAGERING OPERATOR, OR FANTASY**
12 **COMPETITION OPERATOR**, an obligor who disputes the existence or amount of the
13 arrearage may appeal the transfer.

14 (2) If no appeal is filed within 15 days, the Administration may retain the
15 withheld prize.

16 (3) If the obligor appeals the transfer, after a hearing by the
17 Administration, the withheld prize shall be:

18 (i) paid to the obligor;

19 (ii) retained by the Administration; or

20 (iii) partly paid to the obligor and partly retained by the
21 Administration, in the amounts specified.

22 (h) The Secretary of Human Services and the Director of the Agency may jointly
23 adopt regulations to implement this section.

24 (i) A video lottery operation licensee, **SPORTS WAGERING LICENSEE, ONLINE**
25 **WAGERING OPERATOR, OR FANTASY COMPETITION OPERATOR** may not be held liable
26 for an act or omission taken in good faith to comply substantially with the requirements of
27 this section.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 October 1, 2023.