

By Senator Ostalkiewicz

12-502-98

See HB

1                                   A bill to be entitled  
2           An act relating to the state lottery; amending  
3           s. 24.115, F.S.; providing for reducing prize  
4           amounts to certain persons who receive public  
5           assistance under certain circumstances;  
6           providing for deducting overpayments from  
7           public assistance payment under certain  
8           circumstances; providing for agency  
9           responsibility for identifying certain  
10          recipients of public assistance; providing for  
11          disposition of remainders of lottery prizes  
12          under certain circumstances; providing immunity  
13          from liability to state agencies under certain  
14          circumstances; defining "public assistance";  
15          amending s. 414.28, F.S.; conforming provisions  
16          relating to public assistance payments;  
17          providing reporting requirements; providing an  
18          effective date.

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20 Be It Enacted by the Legislature of the State of Florida:

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22           Section 1. Subsection (4) of section 24.115, Florida  
23 Statutes, is amended to read:

24           24.115 Payment of prizes.--

25           (4)(a) It is the responsibility of the appropriate  
26 state agency and of the judicial branch to identify to the  
27 department, in the form and format prescribed by the  
28 department, persons owing an outstanding debt to any state  
29 agency or owing child support collected through a court. Prior  
30 to the payment of a prize of \$600 or more to any claimant  
31 having such an outstanding obligation, the department shall

1 transmit the amount of the debt to the agency claiming the  
2 debt and shall authorize payment of the balance to the prize  
3 winner after deduction of the debt.

4 (b) It is the responsibility of the appropriate state  
5 agency to identify to the department, in a form and format  
6 prescribed by the department, persons who have received any  
7 public assistance on or after January 1, 1999. Prior to the  
8 payment of a prize of \$1,500 or more to any claimant  
9 identified as receiving any public assistance on or after  
10 January 1, 1999, the department shall reduce the amount of the  
11 prize by the lesser of one-half of the total amount of the  
12 prize prior to any deductions or the total amount of such  
13 public assistance received, shall transmit such amount to the  
14 agency reporting the payment of the public assistance, and  
15 shall authorize payment of the balance to the prize winner  
16 after deduction of the amount of the public assistance.

17 (c) If a prize winner owes multiple debts or has  
18 received public assistance subject to offset under this  
19 subsection and the prize is insufficient to cover all such  
20 debts or public assistance, the amount of the prize shall be  
21 transmitted first to the agency claiming that past due child  
22 support is owed. If a balance of lottery prize remains after  
23 payment of past due child support, the remaining lottery prize  
24 amount shall be transmitted to other agencies claiming debts  
25 owed to the state, pro rata, based upon the ratio of the  
26 individual debt to the remaining debt owed to the state. If a  
27 balance of lottery prize remains after payment of all such  
28 debts, the remaining lottery prize amount shall be transmitted  
29 to other agencies reporting payment of public assistance, pro  
30 rata.

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1           (d) If any error in payment is made pursuant to  
2 paragraph (b) constituting an overpayment to a person who  
3 receives public assistance, the amount of the overpayment  
4 shall be deducted from future public assistance payments to  
5 such person.

6           (e) A state agency shall not be subject to any  
7 liability in the event of any mistake that may occur in any  
8 determination made under paragraph (b) or for any damages if a  
9 person brings an action against an agency for identifying the  
10 person as a recipient of public assistance.

11           (f) For purposes of this section, "public assistance"  
12 includes all payments of money made to or on behalf of a  
13 recipient, including, but not limited to, assistance received  
14 under chapter 414, the Medicaid program, and mandatory and  
15 optional supplement payments under the Social Security Act.

16           Section 2. Subsections (1), (2), (6), and (8) of  
17 section 414.28, Florida Statutes, are amended, and subsection  
18 (11) is added to that section, to read:

19           414.28 Public assistance payments to constitute debt  
20 of recipient.--

21           (1) CLAIMS.--The acceptance of public assistance  
22 creates a debt of the person accepting assistance, which debt  
23 is enforceable only after the death of the recipient or upon  
24 receipt of a lottery prize of \$1,500 or more. The debt  
25 thereby created is enforceable only by claim filed against the  
26 estate of the recipient after his or her death or by suit to  
27 set aside a fraudulent conveyance, as defined in subsection  
28 (3), or as specified in s. 24.115(4). After the death of the  
29 recipient and within the time prescribed by law, the  
30 department may file a claim against the estate of the  
31 recipient for the total amount of public assistance paid to or

1 for the benefit of such recipient, reimbursement for which has  
2 not been made. Claims so filed shall take priority as class 7  
3 claims as provided by s. 733.707(1)(g).

4 (2) DISCHARGE OF DEBT.--The debt created by this  
5 section shall be discharged as specified in s. 24.115(4) or  
6 pursuant to s. 733.710 unless the department institutes  
7 probate proceedings as a creditor, files a timely claim  
8 against the estate of the debtor, or institutes a suit to set  
9 aside a fraudulent conveyance as defined in subsection (3).

10 (6) NOTICE.--The department shall notify all persons  
11 receiving or applying for public assistance that all public  
12 assistance grants paid constitute a claim against the estate  
13 or lottery winnings of \$1,500 or more of each recipient. The  
14 notice may be given by letter mailed to the last known address  
15 of each recipient, but the failure to give such notice does  
16 not affect the validity of the claim.

17 (8) DISPOSITION OF FUNDS RECOVERED.--Except for funds  
18 collected pursuant to s. 24.115(4),all funds collected under  
19 this section shall be deposited with the Department of Banking  
20 and Finance and a report of such deposit made to the  
21 department. After payment of costs the sums so collected  
22 shall be credited to the department and used by it.

23 (11) The department shall provide a record of amounts  
24 withheld under this section to the Child Support Enforcement  
25 Program of the Department of Revenue. Such record shall  
26 contain the claimant's name, social security number, any  
27 public assistance family number, and any amount retained  
28 toward public assistance.

29 Section 3. This act shall take effect October 1, 1998.  
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SENATE SUMMARY

Provides for deductions from prize proceeds accruing to a person who has won a lottery prize of more than \$1,500 when that person has been a recipient of public assistance.