

SENATE BILL NO. 53

BY SENATORS N. GAUTREAUX AND WALSWORTH AND REPRESENTATIVES
ARNOLD, BOBBY BADON, BALDONE, BARRAS, HENRY BURNS,
TIM BURNS, CARMODY, CARTER, CHAMPAGNE, CORTEZ,
GISCLAIR, HAZEL, HENDERSON, HINES, HOFFMANN,
HOWARD, HUTTER, JOHNSON, SAM JONES, LABRUZZO,
LANDRY, LIGI, LORUSSO, MILLS, MORENO, NORTON, NOWLIN,
PEARSON, PERRY, POPE, RICHARDSON, RITCHIE, SMILEY,
GARY SMITH, JANE SMITH, TALBOT, TEMPLET, WHITE AND
WILLMOTT

1 AN ACT

2 To amend and reenact R.S. 46:236.15(D)(1)(introductory paragraph) and (a), and to enact
3 R.S. 27:2(C) and (D) and 24(A)(5), relative to support; to provide for public policy
4 regarding gaming and child support; to provide for the intercept and seizure of
5 payments of progressive slot machine annuities and cash gaming winnings for the
6 payment of child support and overpayments to the department; to provide certain
7 procedures and conditions; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 27:2(C) and (D) and 24(A)(5) are hereby enacted to read as follows:

10 §2. Public policy of state concerning gaming; status of licenses, contracts, and
11 permits

12 * * *

13 **C. The legislature further finds and declares it to be the public policy of**
14 **the state that parents should provide financial support to their minor children**
15 **who cannot care for themselves. Thus, intervention by the state, through the**
16 **enforcement of child support orders and the collection of child support, is in the**
17 **best interest of its citizens and is necessary when the parents fail to meet their**
18 **support obligations. Since children are adversely affected when parents who**
19 **have outstanding support obligations divert their financial support to gaming,**
20 **a parent's winnings from money diverted from a child's support should be**
21 **applied to the parent's outstanding support obligations. The legislature further**
22 **finds and declares that this policy is consistent with the public policy of**
23 **protecting the general welfare of the state's people.**

1 D. In accordance with this finding, the Department of Social Services
 2 shall report to the joint committees on Civil Law and Procedure and Judiciary
 3 A, no later than fifteen days following the commencement of the regular
 4 legislative session each year, on the interception and seizure of gaming winnings
 5 for the payment of child support and overpayments owed to the department.
 6 This report shall be a public record and shall include but not be limited to the
 7 number of jackpots intercepted pursuant to this Section and the amount of each
 8 jackpot intercepted.

9 * * *

10 §24. Rulemaking authority; fees and fines, collection

11 A. The board, in accordance with the Administrative Procedure Act and R.S.
 12 27:15(B)(8), shall promulgate all rules and regulations necessary to carry out the
 13 provisions of this Title, including but not limited to the following:

14 * * *

15 (5) A procedure requiring the withholding of payments of progressive
 16 slot machine annuities and cash gaming winnings of persons who have
 17 outstanding child support arrearages or owing child support overpayments,
 18 prior to the payment of a progressive slot machine annuity, beginning with the
 19 second annuity payment, or cash gaming winnings. Progressive slot machine
 20 annuities or cash gaming winnings shall only include payments for which the
 21 entity licensed or permitted under Chapters 1, 4, 5 or 7 of Title 27 of the
 22 Louisiana Revised Statutes of 1950, is required to file form W2-G, or a
 23 substantially equivalent form, with the United States Internal Revenue Service.

24 (a) The board may require that the agency reporting current child
 25 support arrearages or overpayments to provide information relating to such
 26 arreages or overpayments in a manner, format, or record approved by the
 27 board that gives the entity licensed or permitted under Chapters 1, 4, 5 or 7 of
 28 Title 27 of the Louisiana Revised Statutes of 1950, real-time or immediate
 29 electronic database access to the information. If the information relating to such
 30 arreages or overpayments by the agency reporting current child support

1 arrearages or overpayments is not available through real-time or immediate
2 electronic database access, the licensee shall not be responsible for withholding
3 cash gaming winnings in accordance with the provisions of this Subparagraph.

4 (b) The board or any entity licensed or permitted under Chapters 1, 4,
5 5 or 7 of Title 27 of the Louisiana Revised Statutes of 1950, including any of its
6 officers, employees, attorneys, accountants, or other agents, shall not be civilly
7 or criminally liable to any person, including any customer, for any disclosure
8 of information made in accordance with this Section, for encumbering or
9 surrendering assets in response to information provided by the Department of
10 Social Services, or for any claims for damages arising from withholding or
11 failing to withhold any progressive slot machine annuities or cash gaming
12 winnings, based upon information provided to it.

13 (c) If any entity licensed or permitted under Chapters 1, 4, 5 or 7 of Title
14 27 of the Louisiana Revised Statutes of 1950, determines that the winner of a
15 progressive slot machine annuity or cash gaming winnings is a person who has
16 outstanding child support arrearages or owes child support overpayments, the
17 entity licensed or permitted under Chapters 1, 4, 5 or 7 of Title 27 of the
18 Louisiana Revised Statutes of 1950, shall deduct the child support arrearage or
19 child support overpayment from the payment of the progressive slot machine
20 annuity or cash gaming winnings. The deducted amount shall be forwarded to
21 the Department of Social Services within seven days and the entity licensed or
22 permitted under Chapters 1, 4, 5 or 7 of Title 27 of the Louisiana Revised
23 Statutes of 1950, shall pay the remainder to the person who has outstanding
24 child support arrearages or owes child support overpayments. If the remainder
25 is equal to or less than zero, the person who has an outstanding child support
26 arrears or child support overpayment shall not receive a payment.

27 (d) Any entity licensed or permitted under Chapters 1, 4, 5 or 7 of Title
28 27 of the Louisiana Revised Statutes of 1950, may deduct an administrative fee
29 from each payment of a progressive slot machine annuity, beginning with the
30 second annuity payment, or cash gaming winnings, of persons who have

1 outstanding child support arrearages or owe child support overpayments per
2 singular or periodic payment, not to exceed thirty-five dollars.

3 (e) The board shall also require that the entity licensed or permitted
4 under Chapters 1, 4, 5, or 7 of Title 27 of the Louisiana Revised Statutes of
5 1950, adopt procedures designed to prevent employees from willfully failing to
6 withhold payments of progressive slot machine annuities or cash gaming
7 winnings from persons who have outstanding child support arrearages or child
8 support overpayments, based upon the information provided by the
9 Department of Social Services that allows the licensee to identify such persons.

10 (f) Not later than January 1, 2011, the board shall institute rulemaking
11 procedures as necessary to implement the provisions of this Paragraph.

12 * * *

13 Section 2. R.S. 46:236.15(D)(1)(introductory paragraph) and (a) is hereby amended
14 and reenacted to read as follows:

15 §236.15. Limited administrative authority for certain paternity and child support
16 actions

17 * * *

18 D. Authority to seize and intercept.

19 (1) In cases in which there is a child support arrearage or child support
20 overpayment made to a custodial parent, and after notice of such arrearage or
21 overpayment has been made by certified **or regular** mail, personal service, or
22 domiciliary service, the agency shall have the administrative authority to:

23 (a) Intercept, encumber, freeze, or seize periodic or lump sum payments from
24 a state or local agency or any entity licensed or permitted by any state agency or
25 board under Chapters 1, 4, 5, or 7 of Title 27 of the Louisiana Revised Statutes of
26 1950, including but not limited to unemployment compensation benefits, workers'
27 compensation, and other benefits, judgments, settlements, lottery winnings,
28 progressive slot machine annuities beginning with the second annuity payment, **cash**
29 **gaming winnings**, assets held in financial institutions, and public and private
30 retirement funds. The provisions of R.S. 13:3881 providing general exemptions from

1 seizure are applicable to the provisions of this Subparagraph. After the agency
 2 encumbers, intercepts, or freezes any assets set out in this Subsection, it shall notify
 3 the payor that he has thirty days to advise the agency that he wishes to appeal the
 4 seizing of said assets. Upon receipt of such notice, the agency shall either release the
 5 property or schedule a hearing with the appropriate court. If the payor fails to file an
 6 appeal within thirty days, the agency may institute proceedings through
 7 administrative process to seize or sell the property in accordance with state law.

* * *

9 Section 3. This Act shall become effective upon signature by the governor or, if not
 10 signed by the governor, upon expiration of the time for bills to become law without signature
 11 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 12 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 13 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____