

HOUSE BILL No. 2337

By Committee on Appropriations

2-13

1 AN ACT concerning debt setoff; dealing with debt setoff for child support
2 and for debts owed under the state debt setoff program; amending
3 K.S.A. 2012 Supp. 75-6204 and repealing the existing section.
4

5 *Be it enacted by the Legislature of the State of Kansas:*

6 New Section 1. (a) Prior to any state-owned casino, lottery facility
7 manager, racetrack gaming facility manager or facility owner licensee
8 paying any prize requiring the completion of an internal revenue service
9 form W-2G, the manager or licensee shall cause the person winning the
10 prize to be matched against the state debtor files maintained by the director
11 of accounts and reports as prescribed under K.S.A. 75-6201 et seq., and
12 amendments thereto. If it is determined that such person is a state debtor,
13 the prize shall be withheld by the state-owned casino, lottery gaming
14 facility manager, racetrack gaming facility manager or the facility owner
15 licensee to the extent of such person's debt as set forth in the state debtor
16 files.

17 (b) The state-owned casino, lottery gaming facility managers,
18 racetrack gaming facility managers and facility owner licensees shall not
19 be subject to any civil, criminal or administrative liability for any amount
20 of any prize withheld pursuant to this section that was mistakenly withheld
21 by such state-owned casino, lottery gaming facility manager, racetrack
22 gaming facility manager or facility owner licensee, provided, such
23 mistaken withholding was not due to any intentionally malicious, wanton
24 or negligent act by such state-owned casino, lottery gaming facility
25 manager, racetrack gaming facility manager, facility owner licensee or
26 employees or agents thereof. The sole remedy at law for persons who
27 claim prizes were wrongfully withheld pursuant to this section shall be to
28 submit an appeal to the department of administration pursuant to K.S.A.
29 75-6201 et seq., and amendments thereto.

30 (c) Moneys withheld, based on the state debtor's files, shall be
31 remitted to the state treasurer in accordance with K.S.A. 75-4215, and
32 amendments thereto. The state treasurer shall deposit the entire amount in
33 the state treasury and credit it to the department of administration's setoff
34 clearing fund 9107.

35 (d) As used in this section:

36 (1) "Facility owner licensee" shall have the same meaning as that

1 term is defined in K.S.A. 74-8802, and amendments thereto.

2 (2) "Racetrack gaming facility manager" shall have the same meaning
3 as that term is defined in K.S.A. 74-8702, and amendments thereto.

4 (3) "Lottery gaming facility manager" shall have the same meaning as
5 that term is defined in K.S.A. 74-8702, and amendments thereto.

6 (4) "Prize" shall have the same meaning as that term is defined in
7 K.S.A. 74-8702, and amendments thereto, and any winnings from
8 parimutuel wagering as provided by the Kansas parimutuel racing act in
9 K.S.A. 74-8801 et seq., and amendments thereto.

10 (e) The department of administration is hereby authorized to work
11 with the state-owned casinos to accomplish the purposes of the state debt
12 setoff program.

13 (f) This section shall be part of and supplemental to the state debt
14 setoff program.

15 New Sec. 2. Any state-owned casino and any facility owner licensee
16 as defined by K.S.A. 74-8802, and amendments thereto, may utilize the
17 provisions of K.S.A. 75-6201 et seq., and amendments thereto, to insure
18 child support debtors and debtors under the state debt setoff program who
19 win any prize or winning from parimutuel wagering valued at \$600 or
20 more shall be subject to setoff of such child support debt or state debt
21 setoff.

22 Sec. 3. K.S.A. 2012 Supp. 75-6204 is hereby amended to read as
23 follows: 75-6204. (a) Subject to the limitations provided in this act, if a
24 debtor fails to pay to the state of Kansas or any state agency, foreign state
25 agency, municipality or the federal department of the treasury an amount
26 owed, the director may setoff such amount against any money held for, or
27 any money owed to, such debtor by the state ~~or~~, any state agency, *any*
28 *state-owned casino, lottery gaming facility or racetrack gaming facility*.

29 (b) The director may enter into an agreement with a municipality for
30 participation in the setoff program for the purpose of assisting in the
31 collection of a debt as defined by K.S.A. 75-6202, and amendments
32 thereto. The director shall include in any such agreement a provision
33 requiring the municipality to certify that the municipality has made at least
34 three attempts to collect a debt prior to submitting such debt to setoff
35 pursuant to this act.

36 Sec. 4. K.S.A. 2012 Supp. 75-6204 is hereby repealed.

37 Sec. 5. This act shall take effect and be in force from and after its
38 publication in the statute book.