

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 126

PRINTER NO. 1365

AMOUNT

Minimal Fiscal Impact

FUND

General Fund

DATE INTRODUCED

January 14, 2015

PRIME SPONSOR

Senator Boscola

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 126 amends Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes by adding a new section (§9778. Lottery winnings intercept). §9778 allows for the interception of lottery winnings to pay outstanding court-ordered obligations, such as restitution, fines, and costs.

Specifically, §9778 requires the Department of Revenue, in consultation with the Administrative Office of Pennsylvania Courts (AOPC), to make a reasonable effort to determine if a person owes any court-ordered obligation prior to making any lottery winnings payment in excess of \$2,500.

A person whose lottery winnings are used to satisfy court-ordered obligations may appeal, in accordance with applicable law, within 30 days after notice of the intercept by the Department.

Allows the Department of Revenue to determine and set a fee to cover actual costs to administer the intercept program and deduct the calculated amount from the lottery winnings subject to intercept.

Permits the Department of Revenue and AOPC to jointly promulgate the rules and regulations necessary to carry out this section.

This act shall take effect in 90 days.

FISCAL IMPACT:

Enactment of this legislation will have a minimal fiscal impact on Commonwealth funds.

According to the Department of Revenue, the Lottery had the following number of claims in winnings exceeding \$2,500 during the past 4 fiscal years:

- FY 2012-13: 4,307
- FY 2013-14: 4,142
- FY 2014-15: 5,047
- FY 2015-16: 1,446 (FYTD)

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Additional revenue generated through this intercept program would be dependent upon the number of individuals that win a Lottery prize in excess of \$2,500 and have outstanding court-ordered obligations. Although this program may generate additional revenues for the courts and payments to individuals or other entities owed restitution, it's expected to be minimal.

Additionally, this legislation allows the Department of Revenue to deduct an administrative fee in order to cover the costs of administering this program. Therefore, enactment of this legislation will have no adverse impact on Commonwealth funds.