

HB1137_L.003

HOUSE COMMITTEE OF REFERENCE REPORT

 Chairman of Committee

 Date
Committee on Judiciary.

After consideration on the merits, the Committee recommends the following:

HB09-1137 be amended as follows:

- 1 Amend printed bill, page 3, line 5, strike "RESTITUTION,";
- 2 line 6, strike "FINES, AND FEES" and substitute "RESTITUTION";
- 3 line 8, strike "RESTITUTION, FINES, AND FEES" and substitute
- 4 "RESTITUTION";
- 5 strike lines 10 through 15;
- 6 strike lines 21 through 23.
- 7 Reletter succeeding paragraphs accordingly.
- 8 Page 3, line 25, after "C.R.S.;" add "AND".
- 9 Page 4, line 3, strike "C.R.S.; AND" and substitute "C.R.S.";
- 10 strike lines 4 through 6;
- 11 line 9, strike "THE FOLLOWING NEW SUBSECTIONS" and substitute
- 12 "A NEW SUBSECTION,";
- 13 line 15, strike "(2) (a) OR (2) (b)." and substitute "(2) (a).";
- 14 line 19, strike "(c)." and substitute "(b).";
- 15 strike lines 20 through 23;



- 1 line 25 strike "DEPARTMENT, THE" and substitute "DEPARTMENT AND
2 THE";
- 3 line 26, strike "services, AND THE DEPARTMENT OF REVENUE" and
4 substitute "services";
- 5 line 27, strike "(1.5), (2), AND (2.5)" and substitute "(1.5) AND (2)".
- 6 Page 6, strike lines 19 through 23;
- 7 line 27, strike "AND THE DEPARTMENT OF REVENUE".
- 8 Page 7, line 3, strike "EACH" and substitute "THE".
- 9 Page 8, line 17, strike "(3) (a) (II),";
- 10 line 18, strike "(3) (a) (VI), and (3) (a) (VII)," and substitute "and (3) (a)
11 (VI),";
- 12 strike lines 20 through 27.
- 13 Page 9, strike lines 1 through 5;
- 14 line 6, strike "(III)" and substitute "**39-21-108. Refunds.** (3) (a) (III)";
- 15 strike lines 9 through 17 and substitute the following:
- 16 "human services. For all names and amounts certified by the department
17 of human services pursuant to section 26-13-111, C.R.S., the executive
18 director of the department of revenue shall provide to the department of
19 human services the taxpayers' names and associated amounts deposited
20 with the state treasurer and any other identifying information as required
21 by the department of human services."
- 22 Page 10, strike lines 26 and 27.
- 23 Page 11, strike lines 1 through 12;
- 24 line 20, strike "This";



- 1 strike line 21 and substitute the following:
- 2 "Sections 1, 2, 3, 9, 10, 11, 12, and 13 of this act shall take effect
- 3 September 1, 2009, and the remainder of this act shall take effect July 1,
- 4 2010."
- 5 Page 1, strike line 103;
- 6 line 104, strike "TAXES" and substitute "RESTITUTION".

** ** ** ** **



**First Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO
UNOFFICIAL PREAMENDED VERSION
(Includes L.002 (passed on 1/29/09) and proposed L.003)**

LLS NO. 09-0417.01 Ed DeCecco

HOUSE BILL 09-1137

HOUSE SPONSORSHIP

Judd,

SENATE SPONSORSHIP

(None),

House Committees
Judiciary

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING INTERCEPTS, AND, IN CONNECTION THEREWITH,**
102 **INTERCEPTING GAMBLING WINNINGS TO PAY OUTSTANDING**
103 **RESTITUTION AND REQUIRING THE DEPARTMENT OF REVENUE TO**
104 **PROVIDE SPECIFIED INFORMATION TO STATE AGENCIES IN**
105 **CONJUNCTION WITH INTERCEPTS OF TAX REFUNDS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Expands the "Gambling Payment Intercept Act" (act) so that the following outstanding debts are to be treated in the same manner that

*Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

UNOFFICIAL PREAMENDED VERSION - S:\LLS\TEMP\PREAMEND\1137.01

unpaid child support debt and certain arrearages of child and medical support are currently treated under the act:

- Outstanding criminal court fines, fees, costs, or surcharges owed pursuant to a court order;
- Restitution;
- Taxes, penalties, or interest that are delinquent and in distraint.

Removes the conditional repeal of the act.

Expands the personal information that the department of revenue is required to provide to specified state agencies that receive a portion of a taxpayer's refund as payment for a debt owed to the state agency by the taxpayer.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Repeal.** 12-47.1-531 (2), Colorado Revised
3 Statutes, is repealed as follows:

4 **12-47.1-531. Payments of winnings - intercept.** (2) This
5 ~~section shall be repealed if part 6 of article 35 of title 24, C.R.S., is~~
6 ~~repealed pursuant to section 24-35-608, C.R.S.~~

7 **SECTION 2. Repeal.** 12-60-507 (1) (w) (II), Colorado Revised
8 Statutes, is repealed as follows:

9 **12-60-507. Investigation - denial, suspension, and revocation**
10 **actions against licensees - unlawful acts.** (1) (w) (II) This paragraph
11 ~~(w) shall be repealed if part 6 of article 35 of title 24, C.R.S., is repealed~~
12 ~~pursuant to section 24-35-608, C.R.S.~~

13 **SECTION 3. Repeal.** 12-60-513 (2), Colorado Revised Statutes,
14 is repealed as follows:

15 **12-60-513. Payments of winnings - intercept.** (2) This section
16 ~~shall be repealed if part 6 of article 35 of title 24, C.R.S., is repealed~~
17 ~~pursuant to section 24-35-608, C.R.S.~~

18 **SECTION 4.** 24-35-602 (1), Colorado Revised Statutes, is
19 amended BY THE ADDITION OF THE FOLLOWING NEW

1 PARAGRAPHS to read:

2 **24-35-602. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (f) VICTIMS OF CRIME AND ALL THE PEOPLE OF THE STATE ARE
5 ADVERSELY AFFECTED WHEN CRIMINAL OFFENDERS DIVERT RESTITUTION
6 TO LIMITED GAMING AND PARI-MUTUEL WAGERING.

7 (g) A CRIMINAL OFFENDER'S WINNINGS FROM MONEY DIVERTED
8 FROM RESTITUTION SHOULD BE APPLIED TO THE OFFENDER'S OUTSTANDING
9 CRIMINAL COURT OBLIGATIONS.

10

11

12 **SECTION 5.** 24-35-603 (2), Colorado Revised Statutes, is
13 amended to read:

14 **24-35-603. Definitions.** As used in this part 6, unless the context
15 otherwise requires:

16 (2) "Outstanding debt" means:

17

18 (a) RESTITUTION THAT A PERSON HAS BEEN ORDERED TO PAY
19 PURSUANT TO SECTION 18-1.3-603 OR 19-2-918, C.R.S.; AND

20 (b) Unpaid child support debt or child support costs to the state
21 pursuant to section 14-14-104, C.R.S., and arrearages of child support
22 requested as part of an enforcement action pursuant to article 5 of title 14,
23 C.R.S., or arrearages of child support that are the subject of enforcement
24 services provided pursuant to section 26-13-106, C.R.S.

25

26 **SECTION 6.** 24-35-604 (2), (3), (4) (c), and (4) (d), Colorado
27 Revised Statutes, are amended, and the said 24-35-604 is further amended

1 BY THE ADDITION OF A NEW SUBSECTION, to read:

2 **24-35-604. Registry - creation - information.** (1.5) THE
3 JUDICIAL DEPARTMENT SHALL CERTIFY TO THE REGISTRY OPERATOR THE
4 INFORMATION INDICATED IN SUBSECTION (4) OF THIS SECTION REGARDING
5 PERSONS WITH AN OUTSTANDING DEBT AS SPECIFIED IN SECTION 24-35-603
6 ~~(2) (a).~~

7 (2) The department of human services shall certify to the registry
8 operator the information indicated in subsection (4) of this section
9 regarding each child support obligor with an outstanding debt as defined
10 SPECIFIED in ~~section 24-35-603~~ (2) SECTION 24-35-603 (2) ~~(b).~~

11
12 (3) The registry operator shall enter in the registry the information
13 certified to the registry operator by the JUDICIAL DEPARTMENT AND THE
14 department of human services pursuant to ~~subsection (2)~~
15 SUBSECTIONS ~~(1.5)~~ AND (2) of this section.

16 (4) The registry shall contain the following information:

17 (c) The account or case identifier assigned to the outstanding debt
18 by the department of human services THAT CERTIFIED THE INFORMATION
19 TO THE REGISTRY OPERATOR;

20 (d) The name, telephone number, and address of the department
21 of human services THAT CERTIFIED THE INFORMATION TO THE REGISTRY
22 OPERATOR REGARDING EACH PERSON WITH AN OUTSTANDING DEBT; and

23 **SECTION 7.** 24-35-605 (2) (b), Colorado Revised Statutes, is
24 amended to read:

25 **24-35-605. Payments - limited gaming and pari-mutuel**
26 **wagering licensees - procedures.** (2) (b) If the registry operator replies
27 that the winner is listed in the registry:

1 (I) The reply from the registry operator to the licensee shall
2 indicate the name, telephone number, and address of the department of
3 ~~human services~~ THAT CERTIFIED THE INFORMATION TO THE REGISTRY and
4 the amount of the winner's outstanding debt.

5 (II) The licensee shall withhold from the amount of the payment
6 an amount equal to the amount certified pursuant to ~~section 24-35-604 (2)~~
7 SECTION 24-35-604. If the amount of the payment is less than or equal to
8 the amount certified, the licensee shall withhold the entire amount of the
9 payment. The licensee shall refer the winner to the department of ~~human~~
10 ~~services~~ THAT REPORTED THE OUTSTANDING DEBT TO THE REGISTRY.

11 (III) Within twenty-four hours after withholding a payment
12 pursuant to subparagraph (II) of this paragraph (b), the licensee shall send
13 the amount withheld to the registry operator and report to the registry
14 operator the full name, address, and social security number of the winner,
15 the account or case identifier assigned by the department of ~~human~~
16 ~~services~~ THAT REPORTED THE OUTSTANDING DEBT TO THE REGISTRY, the
17 date and amount of the payment, and the name and location of the
18 licensee.

19 (IV) The registry operator shall send to the CERTIFYING
20 department of ~~human services~~ the moneys and information received from
21 a licensee pursuant to subparagraph (III) of this paragraph (b). IF MORE
22 THAN ONE DEPARTMENT CERTIFIED A WINNER, THE REGISTRY OPERATOR
23 SHALL SEND THE INFORMATION TO EACH CERTIFYING DEPARTMENT AND
24 DISTRIBUTE THE MONEYS AMONG THE DEPARTMENTS AS FOLLOWS:

25 (A) THE REGISTRY OPERATOR SHALL SEND TO THE DEPARTMENT
26 OF HUMAN SERVICES ANY AMOUNT CERTIFIED BY THE DEPARTMENT OF
27 HUMAN SERVICES.

1 (B) OF ANY MONEYS REMAINING AFTER THE DISTRIBUTION, IF ANY,
2 TO THE DEPARTMENT OF HUMAN SERVICES PURSUANT TO
3 SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (IV), THE REGISTRY
4 OPERATOR SHALL SEND TO THE JUDICIAL DEPARTMENT ANY AMOUNT
5 CERTIFIED BY THE JUDICIAL DEPARTMENT.

6
7 (V) The department of human services shall process moneys
8 received from the registry operator pursuant to subparagraph (IV) of this
9 paragraph (b) in accordance with section 26-13-118.7, C.R.S. THE
10 JUDICIAL DEPARTMENT SHALL PROCESS MONEYS RECEIVED FROM THE
11 REGISTRY OPERATOR PURSUANT TO SUBPARAGRAPH (IV) OF THIS
12 PARAGRAPH (b) IN ACCORDANCE WITH THE RULES OF THE DEPARTMENT.

13 **SECTION 8.** 24-35-607 (2), (3) (b), and (3) (c), Colorado
14 Revised Statutes, are amended, and the said 24-35-607 (3) is further
15 amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

16 **24-35-607. Contracting authority - memoranda of**
17 **understanding - rules.** (2) The department of revenue may enter into
18 ~~a memorandum~~ MEMORANDA of understanding with the JUDICIAL
19 DEPARTMENT AND THE department of human services to implement this
20 part 6. If the registry is operated by a private entity pursuant to this
21 section, the registry operator may enter into ~~a memorandum~~ MEMORANDA
22 of understanding with the JUDICIAL DEPARTMENT AND THE department of
23 human services to implement this part 6.

24 (3) The executive director of the department of revenue shall
25 promulgate rules in accordance with article 4 of this title to implement
26 this part 6. The rules shall include, but need not be limited to, rules
27 regarding:

1 (b) The manner in which a licensee shall communicate with the
2 registry, including the information a licensee shall submit to the registry
3 and the procedures to be followed if the registry is inaccessible due to
4 technical or other problems; and

5 (c) The protection of the confidentiality of information in the
6 registry; AND

7 (d) THE CIRCUMSTANCES AND MEANS BY WHICH AN OUTSTANDING
8 DEBT MAY BE COLLECTED FROM A LICENSEE PURSUANT TO SECTION
9 24-35-605 (2) (b) (IV).

10 **SECTION 9. Repeal.** 24-35-608, Colorado Revised Statutes, is
11 repealed as follows:

12 **24-35-608. Conditional repeal of part.** ~~(1) This part 6 shall be~~
13 ~~repealed if, within twelve months beginning July 1, 2008, there is no~~
14 ~~winner identified as listed in the registry to whom payment would~~
15 ~~otherwise be payable by a licensee. If there is no such winner identified~~
16 ~~as listed in the registry within the twelve-month period, the registry~~
17 ~~operator shall, at the expiration of the twelve-month period, immediately~~
18 ~~notify the revisor of statutes, in writing.~~

19 ~~(2) This part 6 shall be repealed upon receipt by the revisor of~~
20 ~~statutes of the notification described in subsection (1) of this section.~~

21 **SECTION 10.** 26-13-118.7 (3) and (6), Colorado Revised
22 Statutes, are amended to read:

23 **26-13-118.7. Gambling winnings - interception - rules.**

24 ~~(3) The state department shall deposit a payment received from the~~
25 ~~registry operator pursuant to section 24-35-605 (2) (b), C.R.S., with the~~
26 ~~state treasurer. UPON RECEIPT OF A PAYMENT FROM THE REGISTRY~~
27 ~~OPERATOR PURSUANT TO SECTION 24-35-605 (2) (b), C.R.S., THE STATE~~

1 DEPARTMENT SHALL DEPOSIT THE PAYMENT WITH THE FAMILY SUPPORT
2 REGISTRY CREATED IN SECTION 26-13-114. After the final disposition of
3 any administrative review requested pursuant to subsection (2) of this
4 section, the state department shall disburse the payment to the family
5 support registry created in section 26-13-114 for processing or for
6 distribution to the individual receiving support enforcement services
7 pursuant to section 26-13-106, as appropriate.

8 (6) This section shall be repealed if part 6 of article 35 of title 24,
9 C.R.S., is repealed pursuant to section 24-35-608, C.R.S.

10 SECTION 11. 39-21-108 (3) (a) (III), (3) (a) (IV), (3) (a)
11 (V), and (3) (a) (VI), Colorado Revised Statutes, are amended to read:

12
13 **39-21-108. Refunds.** (3) (a) (III) Any moneys withheld for
14 payment of a child support debt or child support arrearages pursuant to
15 this subsection (3) shall be deposited monthly with the state treasurer IN
16 THE FAMILY SUPPORT REGISTRY CREATED IN SECTION 26-13-114, C.R.S.,
17 for disbursement by the department of human services. For all names and
18 amounts certified by the department of human services pursuant to
19 section 26-13-111, C.R.S., the executive director of the department of
20 revenue shall provide to the department of human services the taxpayers'
21 names and associated amounts deposited with the state treasurer and any
22 other identifying information as required by the department of human
23 services.

24 (IV) Any moneys withheld for payment of an institution of higher
25 education debt pursuant to this subsection (3) shall be deposited with the
26 state treasurer for disbursement by the state treasurer to the appropriate
27 institution. For all names and amounts EACH PERSON WHOSE NAME AND

1 AMOUNT IS certified by the appropriate institution pursuant to section
2 23-5-115, C.R.S., the executive director of the department of revenue
3 shall provide to the appropriate institution the ~~taxpayers' names and~~
4 ~~associated amounts deposited with the state treasurer~~ NAME, ADDRESS,
5 AND SOCIAL SECURITY NUMBER OR FEDERAL EMPLOYER IDENTIFICATION
6 NUMBER, WHICHEVER IS APPLICABLE, OF THE TAXPAYER WHOSE REFUND
7 IS BEING OFFSET, THE AMOUNT OF THE OFFSET, AND ANY OTHER
8 IDENTIFYING INFORMATION AS REQUIRED BY THE INSTITUTION.

9 (V) Any moneys withheld for payment of an unpaid debt owing
10 to the state pursuant to this subsection (3) shall be deposited with the state
11 treasurer for disbursement by the controller. For ~~all names and amounts~~
12 EACH PERSON WHOSE NAME AND AMOUNT IS certified by the controller
13 pursuant to section 24-30-202.4, C.R.S., the executive director of the
14 department of revenue shall provide to the controller the ~~taxpayers' names~~
15 ~~and associated amounts deposited with the state treasurer~~ NAME,
16 ADDRESS, AND SOCIAL SECURITY NUMBER OR FEDERAL EMPLOYER
17 IDENTIFICATION NUMBER, WHICHEVER IS APPLICABLE, OF THE TAXPAYER
18 WHOSE REFUND IS BEING OFFSET, THE AMOUNT OF THE OFFSET, AND ANY
19 OTHER IDENTIFYING INFORMATION AS REQUIRED BY THE CONTROLLER.

20 (VI) Any moneys withheld for payment of a student loan division
21 debt pursuant to this subsection (3) shall be deposited with the state
22 treasurer for disbursement by the state treasurer to the division. For ~~all~~
23 ~~names and amounts~~ EACH PERSON WHOSE NAME AND AMOUNT IS certified
24 by the division pursuant to section 23-3.1-104 (1) (p), C.R.S., the
25 executive director of the department of revenue shall provide to the
26 division the ~~taxpayers' names and associated amounts deposited with the~~
27 ~~state treasurer~~ NAME, ADDRESS, AND SOCIAL SECURITY NUMBER OR

1 FEDERAL EMPLOYER IDENTIFICATION NUMBER, WHICHEVER IS APPLICABLE,
2 OF THE TAXPAYER WHOSE REFUND IS BEING OFFSET, THE AMOUNT OF THE
3 OFFSET, AND ANY OTHER IDENTIFYING INFORMATION AS REQUIRED BY THE
4 DIVISION.

5

6 **SECTION 12.** 39-21-113, Colorado Revised Statutes, is amended
7 BY THE ADDITION OF A NEW SUBSECTION to read:

8 **39-21-113. Reports and returns - repeal.**

9 (18) NOTWITHSTANDING THE PROVISIONS OF THIS SECTION, THE
10 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE SHALL PROVIDE
11 INFORMATION TO OTHER STATE AGENCIES AS REQUIRED PURSUANT TO
12 SECTION 39-21-108 (3).

13 **SECTION 13. Act subject to petition - effective date.**

14 (1) Sections 1, 2, 3, 9, 10, 11, 12, and 13 of this act shall take effect
15 September 1, 2009, and the remainder of this act shall take effect July 1,
16 2010.

17 (2) However, if a referendum petition is filed against this act or
18 an item, section, or part of this act during the 90-day period after final
19 adjournment of the general assembly that is allowed for submitting a
20 referendum petition pursuant to article V, section 1 (3) of the state
21 constitution, then the act, item, section, or part, shall not take effect unless
22 approved by the people at a biennial regular general election and shall
23 take effect on the date specified in subsection (1) or on the date of the
24 official declaration of the vote thereon by proclamation of the governor,
25 whichever is later.