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**SFA****BILL ANALYSIS**

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Senate Bill 188 (Substitute S-1 as reported)  
Sponsor: Senator Joel D. Gougeon  
Committee: Families, Mental Health and Human Resources

## **CONTENT**

The bill would amend the Social Welfare Act to specify that an individual who won a lottery prize of \$1,000 or more would be liable to the Family Independence Agency (FIA) for the amount of cash assistance paid to that individual or his or her spouse or minor children during the past year, up to 50% of the amount of the lottery prize. This requirement would apply to a lottery winner who was currently receiving, or who, in the past year had received ongoing cash assistance under the Act, or whose spouse or minor children were receiving or, in the past year, had received ongoing cash assistance. The liability would constitute a liability to the State for purposes of the Lottery Act.

The Director of the FIA and the State Lottery Commissioner would have to enter into a written agreement that would establish the procedures for implementing the bill, including the procedure under which the FIA and the Bureau of State Lottery would exchange information regarding lottery winnings and individuals liable for receipt of ongoing cash assistance.

The FIA would have to provide written notice to each prize winner of the amount of the prize winning to be credited against assistance received and the procedure and time frame by which the prize winner could contest that crediting. The notice would have to include the FIA's address and telephone number and the name of the individual the prize winner could contact with respect to the winner's liability for assistance or the payment of that liability. The procedure would have to include the right to a hearing before an administrative law judge. The FIA also would have to notify each applicant for or recipient of ongoing cash assistance of the bill's requirements, within 30 days after the bill's effective date or on the date of application.

Regardless of the bill's effective date, the FIA would not have to comply with the requirements to enter into a written agreement with the Lottery Bureau, or to provide notice to prize winners of the amount of a prize winning to be credited against assistance received, until April 1, 1998. The FIA would have to implement the bill to the extent that it was cost-effective.

The bill is tie-barred to Senate Bill 193.

Proposed MCL 400.43b

Legislative Analyst: P. Affholter

## **FISCAL IMPACT**

Please see **FISCAL IMPACT** of Senate Bill 193.

Date Completed: 3-3-97

Fiscal Analyst: C. Cole  
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[floor/sb188](#)

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.