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Senate Fiscal Agency  
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**SFA****BILL ANALYSIS**

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Senate Bill 947 (Substitute S-1 as reported)  
Sponsor: Senator Dave Jaye  
Committee: Gaming and Casino Oversight

## **CONTENT**

The bill would amend the Social Welfare Act to provide that a person who was receiving, or had received within the previous three years (or whose spouse or minor children were receiving or had received within the previous three years), ongoing family independence assistance, and who won at casino gaming an amount for which Internal Revenue Service (IRS) form W-2G had to be filed, would be liable to the Family Independence Agency (FIA) for the assistance paid to the individual or his or her spouse or minor children during the previous three years, up to 50% of the winnings. (The IRS requires a casino, or any payer of gambling winnings, to furnish to a winner form W-2G Statement of Gambling Income, if the person wins \$1,200 or more from bingo or slot machines; \$1,500 or more from keno; or \$600 or more from other games.) The bill is tie-barred to Senate Bill 948.

The Director of the FIA would have to enter into a written agreement with the Michigan Gaming Control Board to specify procedures for implementing the bill. The agreement would have to include all of the following: the procedure under which the FIA and the Board would exchange information regarding casino gaming winnings and individuals who received cash assistance within the previous three years; a statement that a person liable under the bill would have to provide all the information required for IRS form W-2G; and any other matter that the parties to the agreement considered necessary to carry out the provisions of the bill.

The FIA would have to provide written notice to each casino gaming winner liable to the Agency of the amount of the winnings to be credited against assistance received, and the procedure and time frame by which the winner could contest that crediting. The procedure would have to include the right to a hearing before an administrative law judge.

Proposed MCL 400.43b

Legislative Analyst: G. Towne

## **FISCAL IMPACT**

It appears that the bill would have an indeterminate fiscal impact on State government. The amendment would allow for the comparison of benefit recipients with casino winnings to target possible reimbursement by assistance grant recipients for payments received. It is uncertain how many assistance recipients would have casino winnings. However, the FIA could monitor the process to determine any fiscal impact on State revenues.

It appears that the bill would have no fiscal impact on local governments regarding the Family Independence Agency budget.

Fiscal Analyst: C. Cole

Date Completed: 3-10-98