

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2015

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HOUSE BILL 1047
Committee Substitute Favorable 6/9/16
Third Edition Engrossed 6/16/16

Short Title: Welfare Reform/Food and Nutrition Benefits.

(Public)

Sponsors:

Referred to:

May 9, 2016

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THE NORTH CAROLINA LOTTERY COMMISSION TO PROVIDE CERTAIN CASH LOTTERY WINNINGS INFORMATION TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF SOCIAL SERVICES; TO CROSS-CHECK WITH THE INFORMATION OF APPLICANTS FOR OR RECIPIENTS OF FOOD AND NUTRITION BENEFITS; TO DIRECT THE LEGISLATIVE RESEARCH COMMISSION TO STUDY THE EXTENT TO WHICH NORTH CAROLINA CAN DISQUALIFY LOTTERY WINNERS FROM RECEIPT OF FOOD AND NUTRITION BENEFITS; AND TO IMPLEMENT CERTAIN DISQUALIFICATION PERIODS FOR NONCOMPLIANCE WITH WORK REQUIREMENTS FOR FOOD AND NUTRITION BENEFITS.

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 18C-114(a) is amended by adding a new subdivision to read:

"(a) The Commission shall have the following powers and duties:

...

(6a) To provide certain information to the Department of Health and Human Services, Division of Social Services, regarding persons claiming cash prizes that equal or exceed two thousand two hundred fifty dollars (\$2,250), as required in G.S. 18C-176.

...."

SECTION 1.(b) Article 8 of Chapter 18C of the General Statutes is amended by adding a new section to read:

"§ 18C-176. Report certain cash lottery winnings information to the Department of Health and Human Services, Division of Social Services.

In accordance with G.S. 108A-52.1, the Commission shall provide the name, prize amount, and any other available identifying information of a person claiming a cash prize that equals or exceeds two thousand two hundred fifty dollars (\$2,250) to the Department of Health and Human Services, Division of Social Services (Division), to cross-check the information with applicants for or recipients of food and nutrition benefits pursuant to Part 5 of Article 2 of Chapter 108A of the General Statutes. The Commission shall provide the information required by this section to the Division on at least a monthly basis. However, nothing in this section shall be construed as affecting a cash prize winner whose identifying information is otherwise protected under G.S. 18C-132(k)."

SECTION 1.(c) Part 5 of Article 2 of Chapter 108A of the General Statutes is amended by adding a new section to read:



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"§ 108A-52.1. Review of lottery winnings information provided by the North Carolina Lottery Commission.

The Department shall, on at least a monthly basis, review the information of cash lottery prize winners as provided by the North Carolina Lottery Commission pursuant to G.S. 18C-176. In reviewing the information, the Department shall cross-check that information with applicants for or recipients of food and nutrition benefits under this Part. If, after any monthly review, the Department determines that an applicant or recipient has not reported to the Department cash lottery winnings that equal or exceed two thousand two hundred fifty dollars (\$2,250), the Department shall conduct further review to determine possible fraudulent misrepresentation by the applicant or recipient as prohibited under G.S. 108A-53. Any information the North Carolina Lottery Commission submits to the Department pursuant to this section is confidential and shall not be disclosed except as otherwise required for the implementation of this section."

SECTION 2.(a) The Legislative Research Commission shall study the determination of eligibility and the limitation on categorical eligibility as provided in G.S. 108A-52 and House Bill 1047, Section 2, as introduced during the 2015 Session.

SECTION 2.(b) The Legislative Research Commission shall report its findings, together with any proposed legislation, to the 2017 Regular Session of the 2017 General Assembly upon its convening.

SECTION 3. Part 5 of Article 2 of Chapter 108A of the General Statutes is amended by adding a new section to read:

"§ 108A-52.2. Disqualification for noncompliance with work requirements for food and nutrition benefits.

(a) The Department shall implement the following disqualification periods for any instance of noncompliance under 7 C.F.R. § 273.7, unless expressly prohibited by federal law:

- (1) A three-month, recipient disqualification period for the first instance of noncompliance.
- (2) A six-month, recipient disqualification period for the second instance of noncompliance.
- (3) A permanent disqualification for the recipient for the third instance of noncompliance.

(b) A recipient of food and nutrition benefits shall also be subject to disqualification from receiving food and nutrition benefits under this Part for failure to comply with the requirements of any other federal, State, or local means-tested public assistance programs, unless expressly prohibited by federal law.

(c) The Social Services Commission is authorized to adopt any rules necessary to implement this section."

SECTION 4. The North Carolina Lottery Commission shall begin providing the information required under Section 1(b) of this act one month after this act becomes effective.

SECTION 5. Any future savings resulting from implementation of this act may be reallocated to the Department of Health and Human Services for services to individuals identified as autistic, mentally ill, intellectually or developmentally delayed, or substance-addicted.

SECTION 5A. On or before January 1, 2018, the Department of Health and Human Services shall report to the Joint Legislative Oversight Committee on Health and Human Services the following:

- (1) The number of times lottery winners reported by the North Carolina Lottery Commission resulted in a match when cross-checked with applicants for or recipients of food and nutrition benefits pursuant to Section 1 of this act.
- (2) The number of times the end result of this reporting resulted in the termination of food and nutrition benefits.

1 (3) The number of terminations due to lottery winnings one year prior to the
2 effective date of this act and one year following the date the act became
3 effective.

4 (4) The amount of federal savings resulting from the termination of benefits
5 because of this act.

6 **SECTION 6.** Sections 2 and 6 of this act become effective when it becomes law. The
7 remainder of this act becomes effective six months after it becomes law.