

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 1047  
PROPOSED COMMITTEE SUBSTITUTE H1047-PCS40657-SH-68

Short Title: Welfare Reform/Food and Nutrition Benefits.

(Public)

Sponsors:

Referred to:

May 9, 2016

A BILL TO BE ENTITLED

1 AN ACT TO REQUIRE THE NORTH CAROLINA LOTTERY COMMISSION TO PROVIDE  
2 CERTAIN CASH LOTTERY WINNINGS INFORMATION TO THE DEPARTMENT OF  
3 HEALTH AND HUMAN SERVICES, DIVISION OF SOCIAL SERVICES; TO  
4 CROSS-CHECK WITH THE INFORMATION OF APPLICANTS FOR OR RECIPIENTS  
5 OF FOOD AND NUTRITION BENEFITS; TO DIRECT THE LEGISLATIVE RESEARCH  
6 COMMISSION TO STUDY THE EXTENT TO WHICH NORTH CAROLINA CAN  
7 DISQUALIFY LOTTERY WINNERS FROM RECEIPT OF FOOD AND NUTRITION  
8 BENEFITS; AND TO IMPLEMENT CERTAIN DISQUALIFICATION PERIODS FOR  
9 NONCOMPLIANCE WITH WORK REQUIREMENTS FOR FOOD AND NUTRITION  
10 BENEFITS.  
11

12 The General Assembly of North Carolina enacts:

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

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

15 ...

16 (6a) To provide certain information to the Department of Health and Human  
17 Services, Division of Social Services, regarding persons claiming cash prizes  
18 that equal or exceed two thousand two hundred fifty dollars (\$2,250), as  
19 required in G.S. 18C-176.

20 ...."

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

23 "**§ 18C-176. Report certain cash lottery winnings information to the Department of Health**  
24 **and Human Services, Division of Social Services.**

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

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



\* H 1 0 4 7 - P C S 4 0 6 5 7 - S H - 6 8 \*

1 **"§ 108A-52.1. Review of lottery winnings information provided by the North Carolina**  
2 **Lottery Commission.**

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

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

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

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

21 **"§ 108A-52.2. Disqualification for noncompliance with work requirements for food and**  
22 **nutrition benefits.**

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

- 25 (1) A three-month, full-household disqualification period for the first instance of  
26 noncompliance.  
27 (2) A six-month, full-household disqualification period for the second instance of  
28 noncompliance.  
29 (3) A permanent disqualification period for the third instance of noncompliance. If  
30 a recipient is subject to disqualification under this subdivision, the recipient's  
31 full household is subject to a six-month disqualification period.

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

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

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

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

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