Andy OLSON
STATE REPRESENTATIVE
DISTRICT 15

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House Bill 2394

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May 18, 2015

Senator Sara Gelser, Chair
Senate Committee on Human Services & Early Childhood
900 Court Street NE
Salem, OR 97301

Madam Chair and Members of the Committee,

The following information is in response to the questions asked by the committee concerning HB 2394, which requires the Oregon State Lottery (OSL) to provide information about lottery prize recipient to the Department of Human Services (DHS) within seven days after paying lottery prize of $1,250 or more.

1. In compliance with section 4009 of the Agricultural Act of 2014, HB 2394 is being proposed to address a policy loophole and develop a data-match program between gaming agencies (OSL) and DHS that identifies lottery winners with winnings of more than $1,250. Section 4009 deals specifically with the Supplemental Nutritional Assistance Program (SNAP). Performing automated data matches is a standard process for program integrity with other state and federal agencies.
   a. For example, the SNAP program currently performs data matches with the Oregon Employment Department and the Social Security Administration.
2. Winnings are applied to a calculation over a 12-month annual benefit.
3. DHS will comply with state and federal data privacy and security requirements. It is anticipated that DHS will likely run a monthly data match of lottery prize winners. This is an automated process, meaning the computer system will identify a match and alert staff of the match. After the data match is complete, DHS will destroy all data received using a secure disposal process after approximately 30 days.
4. HB 2394 does not require either the OSL or the DHS to notify the Internal Revenue Service or the Oregon Department of Revenue. An individual is required by law to report the winnings themselves. Additionally, the OSL automatically withholds taxes from winnings over a certain amount.

Please let me know if you have any questions. Thank you for digging into this issue.

Sincerely,

Andy