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Deadbeat parents' luck pays off for kids

The scofflaws who won at state casinos and tracks have anted up more than \$1 million.

By Karen Augé *The Denver Post*

Deadbeat parents who hit it lucky gambling in Colorado have handed over more than \$1 million in winnings to their kids, thanks to a 2-year-old state law that requires casinos to check whether big winners are behind in child-support payments.

The 2008 law requires casinos to check the child-support status of anyone who wins \$1,200 or more. Racetracks must check on anyone who wins \$600 or more. Those are the same amounts that trigger tax payments to the IRS.

If a casino finds a winner's name on the state registry of parents who haven't paid court-ordered child support, the prize money is diverted to the state. The gambler gets anything that is left over after the kids get what is owed them.

State officials couldn't say exactly how many kids benefited from a parent's gambling luck. Since the law took effect, 438 winning slot-pullers and pony players have had their payouts garnished for overdue child support, said Liz McDonough, spokeswoman for the Department of Human Services.

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SUPPORT: Collected winnings a fraction

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The biggest single amount collected from a gambler was \$35,468, she said.

Of the 438 payouts diverted to the state — termed “intercepts” — 244 were duplicates, meaning the same person won big a second time.

In one case, McDonough said, “one person was intercepted 11 times.”

Still, the million dollars collected is a fraction of the \$1.4 billion delinquent Colorado parents owe, according to the Human Services Department.

The law applies only to casinos and racetracks. Like most states, Colorado already had a system for collecting backpayments from lottery winnings.

The Colorado Lottery collected \$48,531 in overdue child support from lottery winners between November 2009 and last month, spokeswoman Brooke Christopher said.

The casino law applies only to child-support cases that are enforced by counties.

McDonough said counties get involved in child enforcement in one of three ways: a judge set it up that way in the initial settlement; a family is getting public assistance such as food stamps; or a family has asked the county for help in enforcing a child-support order.

In 2008, Colorado was the first state to require casinos to screen for child-support scofflaws. Since then, Louisiana and Indiana have passed similar laws.

Initially, casinos opposed the law, fearing it “might create a negative situation with casino employees and perhaps put them at risk if there were some type of altercation,” said Lois Rice, executive director of the Colorado Gaming Association.

After two years, Rice said, “to my knowledge, it hasn't really had a lot of negative consequences.”

Over the past decade, Colorado has had one of the nation's fastest-growing rates of children living in poverty.

Of course, not every child growing up in a single-parent household lives in poverty. But most studies find those kids have a greater chance of being poor. In 2008, 57 percent of Colorado families living in poverty were headed by single parents, according to the Kids Count survey by the Annie E. Casey Foundation.

So it's not surprising that child advocates applaud the law.

“Any system that can boost single-parent household income or ensure that children are getting resources they are entitled to ... is a really good thing,” said Kathy Underhill of Hunger Free Colorado.

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