
DIGEST

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HB 422 Original

2023 Regular Session

Marcelle

Abstract: Limits the additional collection fee assessed by the office of debt recovery on delinquent debts that originate from certain criminal fines, fees, and costs to no more than 15% of the total liability of the final debt.

Present law establishes the office of debt recovery (office) within the Dept. of Revenue (DOR) for the purpose of collecting taxes payable to DOR and to collect certain delinquent debts on behalf of other state agencies. Present law requires agencies that do not have a collection contract with the attorney general's office for the collection of delinquent debts to refer all delinquent debts to the office.

Present law provides that once a debt becomes final, prior to referral to the office, the agency imposing the debt shall notify the debtor that failure to pay the debt within 60 days shall subject the debt to additional collection fees as provided in present law.

Present law authorizes the office to charge the debtor a fee not to exceed 25% of the total delinquent debt liability which becomes final.

Proposed law retains present law but limits the additional fee that may be collected by the office for any debt that originates from a criminal fine, fee, or cost to no more than 15% of the total liability of the final debt.

Proposed law is applicable to final delinquent debt referred to the office of debt recovery by an agency on and after Jan. 1, 2023, which has not yet been fully collected by the office of debt recovery.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:1676(C)(2)(a), (E), and (G)(1) and (4))