
DIGEST

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HB 695 Original

2016 Regular Session

Broadwater

Abstract: Provides relative to the types of debt the office of debt recovery, within the Dept. of Revenue, is charged with collecting.

Present law charges the office of debt recovery (hereinafter "office") and the attorney general's office with collecting the delinquent debts of state agencies which refer delinquent debts to them for collection. Further provides for the general powers and authority of the office in collecting delinquent debt that has become final and is 60 or more days past due.

Present law requires agencies that do not have collection contracts with the attorney general's office for the collection of delinquent debts to refer all delinquent debts to the office for collection. Once the debt becomes final, and prior to referral to the office, the agency shall notify the debtor that failure to pay the debt in full within 60 days shall subject the debt to an additional collection fee as provided for in this Section.

Proposed law retains present law but changes the debt that is required to be referred to the office from final debt to delinquent debt.

Present law defines a "delinquent debt" as a final debt that is 60 days or more past due. Additionally, defines "non-final delinquent debt" as any debt that an agency has notified a debtor that is owed but the debt remains unpaid, due, or negotiable for a period of 60 days or more and the debt is not final and the debtor has further administrative or judicial review rights to challenge the validity of the debt or the amount owed.

Proposed law changes the definition of "delinquent debt" by removing references to the debt being final. Further changes the definition of "non-final delinquent debt" by removing the references to the debt being delinquent.

Present law requires all agencies to refer non-final delinquent debts to the attorney general's office for collection when the debt has been delinquent for 60 days pursuant to the referral guidelines established by the attorney general.

Proposed law repeals this present law requirement.

(Amends R.S. 47:1676(B)(4) and (7) and (C)(2)(a))