

2016 Regular Session

HOUSE BILL NO. 695

BY REPRESENTATIVE BROADWATER

REVENUE DEPARTMENT: Provides relative to the types of debt the office of debt recovery is charged with collecting

1 AN ACT

2 To amend and reenact R.S. 47:1676(B)(4) and (7) and (C)(2)(a), relative to the collection  
3 of state debt by the office of debt recovery; to provide for the types of debt the office  
4 of debt recovery is authorized to collect; to provide for definitions; and to provide  
5 for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:1676(B)(4) and (7) and (C)(2)(a) are hereby amended and  
8 reenacted to read as follows:

9 §1676. Debt recovery

10 \* \* \*

11 B. For purposes of this Section, the following words shall have the following  
12 meanings unless the context clearly indicates otherwise:

13 \* \* \*

14 (4) "Delinquent debt" means a ~~final~~ debt that is sixty days or more past due.

15 \* \* \*

16 (7) "Non-final ~~delinquent~~ debt" means any debt that an agency has notified  
17 a debtor is owed but the debt remains unpaid, due, or negotiable for a period of sixty  
18 days or more and such debt is not final and the debtor has further administrative or  
19 judicial review rights to challenge the validity of the debt or the amount owed.

20 \* \* \*

1 C.

2 \* \* \*

3 (2)(a) Agencies that do not have collection contracts with the attorney  
4 general's office for the collection of delinquent debts shall refer all delinquent debts  
5 to the office as provided by rule. Such referrals shall include data and information  
6 in the required format necessary to institute collection procedures. All delinquent  
7 debts shall be authenticated by the agency or officer prior to being referred to the  
8 office. Once the debt becomes final delinquent, and prior to referral to the office, the  
9 agency shall notify the debtor that failure to pay the debt in full within sixty days  
10 shall subject the debt to an additional collection fee as provided for in this Section.  
11 ~~All agencies shall refer non-final delinquent debts to the attorney general's office for~~  
12 ~~collection when the debt has been delinquent for sixty days pursuant to the referral~~  
13 ~~guidelines established by the attorney general as incorporated into agreements~~  
14 ~~between the attorney general and other agencies or pursuant to the rules promulgated~~  
15 ~~by the attorney general pursuant to the Administrative Procedure Act. Such non-~~  
16 ~~final delinquent debts shall be authenticated by the agency prior to their referral to~~  
17 ~~the attorney general.~~

18 \* \* \*

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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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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))