SLS 19RS-221 ORIGINAL

2019 Regular Session

SENATE BILL NO. 37

BY SENATOR PEACOCK

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TAX/TAXATION. Authorizes the office of debt recovery to collect delinquent debts on behalf of local government subdivisions. (8/1/19)

1 AN ACT 2 To amend and reenact R.S. 47:299.2(1)(d), 299.11(9), and 1676(B)(1) as amended by Section 2 of Act No. 260 of the 2017 Regular Session of the Legislature as amended 3 by Section 1 of Act No.137 and Section 4 of Act No. 668 both of the 2018 Regular 4 5 Session of the Legislature, relative to delinquent debt collection; to authorize all 6 units of local government to participate in the income tax refund offset program; to authorize all units of local government to refer delinquent debt to the Office of Debt 8 Recovery; and to provide for related matters. 9 Be it enacted by the Legislature of Louisiana: Section 1. R.S. 47:299.2(1)(d), 299.11(9), and 1676(B)(1) as amended by Section 10 11 2 of Act No. 260 of the 2017 Regular Session of the Legislature as amended by Section 1 of Act No.137 and Section 4 of Act No. 668 both of the 2018 Regular Session of the 12 13 Legislature are hereby amended and reenacted to read as follows: §299.2. Definitions 14 For purposes of this Part, the following words, terms, and phrases have the 15 meaning ascribed to them by this Section unless the context clearly indicates a 16 17 different meaning:

1	(1) * * *
2	(d) "Agency" shall also mean a municipality, parish, or any other unit of
3	local government, authorized by law to perform governmental functions.
4	including a school board, and a special district, or any entity which submits
5	claims on behalf of the municipality, or parish, or other unit of local government
6	* * *
7	§299.11. Ranking and priority of claims
8	If two or more agencies file offset claims with the secretary against an
9	individual's refund, the secretary shall remit the refund to the claimants if sufficient
10	funds exist in the following order with the first offset claim to be paid being
11	completely satisfied before a second or subsequent offset claim is paid:
12	* * *
13	(9) Claims made by <u>a</u> municipality or a parish , parish, or any other unit of
14	local government, authorized by law to perform governmental functions,
15	including a school board and a special district.
16	* * *
17	§1676. Debt recovery
18	* * *
19	B. For purposes of this Section, the following words shall have the following
20	meanings unless the context clearly indicates otherwise:
21	(1)(a) "Agency" means any state office, department, board, commission
22	institution, division officer or other person, or functional group, existing or created
23	that is authorized to exercise, or that does exercise, any function of state government
24	in the executive branch.
25	(b) For purposes of this Section, "agency" "Agency" shall also mean the
26	court only for the collection of unpaid monetary obligations as set forth in Code of
27	Criminal Procedure Article 894.4.
28	(c) "Agency" shall also mean any municipality, parish, or any other unit

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of local government, authorized by law to perform governmental functions,

including school boards and special districts. Notwithstanding any provision of
this Section to the contrary, local government subdivisions shall be permitted
but not required to refer their delinquent debt to the Office of Debt Recovery
for collection.

. . .

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Leonore Heavey.

DIGEST 2019 Regular Session

SB 37 Original

Peacock

<u>Present law</u> authorizes municipalities and parishes to refer unpaid debt to the Department of Revenue for offset against individual income tax refunds.

<u>Proposed law</u> authorizes all units of local government, including school boards and special districts, to refer unpaid debt to the Department of Revenue for offset against individual income tax refunds.

Present law provides for a priority ranking of refund offset claims.

<u>Proposed law</u> retains <u>present law</u> priority for municipalities and parishes and adds all other local government units to this priority level.

<u>Present law</u> requires state agencies to refer certain delinquent debts to the Office of Debt Recovery for collection.

<u>Proposed law</u> retains <u>present law</u> for state agencies and permits, but does not require, all units of local government to refer final delinquent debts to the Office of Debt Recovery for collection.

Effective August 1, 2019.

(Amends R.S. 47:299.2(1)(d), 299.11(9), and 1676(B)(1) as amended by Acts 2017, No. 260 §2 as amended by Acts 2018 Nos. 137 §1 and 668 §4)