

Regular Session, 2012

ACT No. 500

HOUSE BILL NO. 741

BY REPRESENTATIVE BROADWATER AND SENATOR MILLS

1 AN ACT

2 To enact R.S. 39:88.3, relative to the Louisiana Collection Policy and Procedure Act; to
3 provide for the sale or securitization of long-term delinquent accounts receivable and
4 other obligations due to the state; to provide for selling or securitizing certain
5 percentages in 2013 and 2014; to provide for reporting results of such sale or
6 securitization; to direct the Louisiana State Law Institute to redesignate the
7 provisions of R.S. 39:88.3 and 88.4 as R.S. 39:88.4 and 88.5; to provide for
8 exceptions; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 39:88.3 is hereby enacted to read as follows:

11 §88.3. Collection by sale or securitization; direction to the commissioner

12 A. The term "collection" as used in this Subpart shall include the sale or
13 securitization of long-term delinquent accounts receivable and all other obligations
14 subject to the provisions of this Subpart.

15 B. The collection policy and procedure required by R.S. 39:88.2 shall
16 include a policy and procedure for the sale or securitization, in pools, after appraisal
17 or evaluation of the value of each pool, of long-term delinquent accounts receivable
18 and all other obligations subject to this Subpart.

19 C. Pools of these accounts and obligations, including those made up of the
20 accounts and obligations of various state agencies, shall be approved for sale or
21 securitization by the Cash Management Review Board upon recommendation of the
22 commissioner of administration, the attorney general, or its own decision, and, after
23 such approval, carried out and implemented by the commissioner.

1 D.(1) During each of calendar years 2013 and 2014, the commissioner of
 2 administration is directed to recommend and present to the Cash Management
 3 Review Board, for sale or securitization approval, and thereafter implementation,
 4 pools of such long-term accounts and obligations of not more than twenty-five
 5 percent of the aggregate face dollar amount of such accounts and obligations existing
 6 as of the first day of each such year, and shall report the results of such sale or
 7 securitization to the Joint Legislative Committee on the Budget prior to the end of
 8 each year. However, notwithstanding provisions to the contrary, this Subsection
 9 shall no longer be of any effect on December 31, 2014, unless reestablished or
 10 replaced by appropriate legislative enactment.

11 (2) The commissioner of administration is authorized to exclude, at his
 12 discretion, any debt that he deems to be uncollectible.

13 (3) The provisions of this Section shall not apply to any debt owed to the
 14 state due to medical treatment rendered at a state-owned hospital.

15 E. The attorney general is authorized to exclude, at his discretion, any debt
 16 that he deems uncollectible pursuant to debt collection activities undertaken by the
 17 attorney general.

18 Section 2. The Louisiana State Law Institute is hereby directed to redesignate and
 19 renumber the provisions of R.S. 39:88.3 as R.S. 39:88.4 and R.S. 39:88.4 as R.S. 39:88.5.

20 Section 3. The Louisiana State Law Institute is further directed to make technical
 21 changes to statutory laws as necessary to reflect the statutory redesignation required by this
 22 Act.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____