

Existing law requires the division of administration to prescribe a comprehensive policy and procedure for debt collection to be used by all state agencies. Further requires the Cash Management Review Board (Board) to prepare a collection policy and procedure manual establishing the state's accounts receivable collection policies and procedures.

New law specifies that the term "collection" includes the sale or securitization of long-term delinquent accounts receivable. Further provides that the collection policy and procedure required by existing law shall include a policy and procedure for the sale or securitization of long-term delinquent accounts receivable and other obligations due to the state.

New law provides that pools of accounts and obligations shall be approved for sale or securitization by the Board upon recommendation of the commissioner of administration, the attorney general or its own, and carried out by the commissioner.

New law, for calendar year 2013 and for calendar year 2014, requires the commissioner of administration to recommend pools of long-term accounts and obligations for sale or securitization, subject to approval, to the Board. Requires the recommendation of not more than 25% of the aggregate face dollar amount existing on the first day of each calendar year. Requires the commissioner to report to the Joint Legislative Committee on the Budget prior to the end of each such calendar year the results of such sale or securitization.

New law sunsets Dec. 31, 2014, unless reenacted by the legislature.

New law authorizes the commissioner of administration to exclude any debt which he deems uncollectible and further authorizes the attorney general to exclude any debt which he deems uncollectible pursuant to debt collection activities undertaken by him.

New law specifies that the provisions of new law shall not apply to any debt owed to the state due to treatment rendered at a state-owned hospital.

Directs the La. State Law Institute to redesignate and 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.

Effective August 1, 2012.

(Adds R.S. 39:88.3)