HLS 14RS-112 ORIGINAL

Regular Session, 2014

HOUSE BILL NO. 236

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## BY REPRESENTATIVE BROADWATER

REVENUE DEPARTMENT: Authorizes the office of debt recovery to utilize the offset of certain gaming winnings as a means to collect delinquent debt owed to state agencies

AN ACT

2	To amend and reenact R.S. 47:1676(C)(2)(a) and (D)(1) and to enact R.S. 47:1676(D)(4),
3	relative to the collection of certain debts by the office of debt recovery within the
4	Department of Revenue; to provide relative to the authority of such office to collect
5	certain delinquent debts; to authorize the office to utilize the offset of certain gaming
6	winnings in the collection of delinquent debt; to delete references to certain political
7	subdivisions within the authority of the office of debt recovery; and to provide for
8	related matters.
9	Be it enacted by the Legislature of Louisiana:
10	Section 1. R.S. 47:1676(C)(2)(a) and (D)(1) are hereby amended and reenacted and
11	R.S. 47:1676(D)(4) is hereby enacted to read as follows:
12	§1676. Debt recovery
13	* * *
14	C.
15	* * *
16	(2)(a) No later than January 1, 2014, agencies which do not have collection
17	contracts with the attorney general's office for the collection of delinquent debts shall
18	refer all delinquent debts to the office as provided by rule. Such referrals shall
19	include data and information in the required format necessary to institute collection

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

procedures. All delinquent debts shall be authenticated by the agency or participating political subdivision or officer prior to being referred to the office. 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 sixty days shall subject the debt to an additional collection fee as provided for in this Section. All agencies shall refer non-final delinquent debts to the attorney general's office for collection when the debt has been delinquent for sixty days pursuant to the referral guidelines established by the attorney general as incorporated into agreements between the attorney general and other agencies or pursuant to the rules promulgated by the attorney general pursuant to the Administrative Procedure Act. Such non-final delinquent debts shall be authenticated by the agency prior to their referral to the attorney general.

\* \* \*

D.(1) Notwithstanding any other provision of law to the contrary, the secretary of the Department of Revenue may treat a delinquent debt referral in the same manner as an assessment that has become final without restriction or delay. The secretary, through the office, may use any collection remedy provided by state law to facilitate the collection of taxes to collect the delinquent debt; however, the financial institution data match shall only be used in accordance with the provisions of R.S. 47:1677. The office may use a participating agency's statutory collection authority to collect the participating agency's or participating political subdivision's delinquent debts owed to or being collected by the state or participating political subdivision. The office may also use authority granted in R.S. 47:299.3 regarding offset from income tax refunds or other accounts payable by the state for any delinquent debt transferred by agencies and political subdivisions. The secretary has the discretion to determine which method or combination thereof is most suitable to collect the delinquent debt.

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1 (4) The office shall be authorized to withhold, offset, levy, garnish, or seize
2 payments of progressive slot machine annuities and cash gaming winnings in the
3 same manner set forth in R.S. 27:24 and may assume the obligation for payment of
4 such services in order to collect delinquent debt.
5 \* \* \* \*

## **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)]

Broadwater HB No. 236

**Abstract:** Authorizes the office of debt recovery to offset gaming winnings as a means to collect delinquent debt owed to the state and deletes references to "participating political subdivisions" within the authority of the office of debt recovery.

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

<u>Proposed law</u> retains <u>present law</u> but deletes references to "participating political subdivisions" from <u>present law</u> since the collection authority of the office of debt recovery does not extend to the collection of delinquent debts owed to political subdivisions.

<u>Present law</u> authorizes the office of debt recovery to use any collection remedy authorized by <u>present law</u> to collect delinquent taxes or any state agency's statutory collection authority to collect the referring agency's delinquent debt, including the offset of tax refunds or other accounts payable, suspension or denial of renewal of driver's licenses, and the suspension, revocation, or denial of hunting and fishing licenses, or any type of professional license, permit, or certification.

<u>Proposed law</u> retains <u>present law</u> but adds to the collection remedies the office of debt recovery the authority to withhold, offset, levy, garnish, or seize payments of progressive slot machine annuities and cash gaming winnings in the same manner set forth in <u>present law</u>.

(Amends R.S. 47:1676(C)(2)(a) and (D)(1); Adds R.S. 47:1676(D)(4))